



GRAND LAKE BOARD OF TRUSTEES WORKSHOP AND MEETING AGENDA

Monday, January 08, 2024 at 4:30 PM

Town Hall Board Room – 1026 Park Avenue

*The Town of Grand Lake upholds the Six Pillars of Character:
Citizenship, Trustworthiness, Respect, Responsibility, Fairness and Caring*

Please join my meeting from your computer, tablet or smartphone.

<https://us06web.zoom.us/j/84432454390>

You can also dial in using your phone.

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WORK SESSION 4:30 PM

1. Call to Order
2. Roll Call
3. Conflicts of Interest
4. Items of Discussion
 - A. Discussion on Mini-Loader Bids
 - B. Year 1 Strategic Plan Discussion
 - C. Municipal Lands Master Plan Final Draft

EVENING MEETING 6:00 PM

1. Call to Order
2. Pledge of Allegiance
3. Announcements
4. Roll Call
5. Conflicts of Interest
6. Manager's Report
7. Public Comments (Limited to 3 Minutes)
8. Consideration to Approve Meeting Minutes
 - A. December 11, 2023
9. Consideration to Approve Accounts Payable
 - A. January 8, 2024
10. Items of Discussion
 - A. Consideration of Designation of Posting Notices of Public Meetings
 - B. Consideration of an Intergovernmental Agreement (IGA) Between the Board of County Commissioners of the County of Grand and the Board of Trustees of the Town of Grand Lake Regarding the Grand County Building Department
 - C. Consideration of Resolution 01-2024, Adopting a Fee Structure for 2024
 - D. Consideration to Hold a Retail Marijuana License Lottery- *Board Review*
11. Future Items for Consideration
12. Mayor's Report
13. **Executive Session Pursuant to C.R.S. 26-4-401(4)(a) Concerning the Purchase, Acquisition, or Lease of Real Property**
14. Adjourn Meeting



Town of Grand Lake
Municipal Lands
Master Plan

DECEMBER 2023

Cover Illustration: Credit

Grand Lake
Municipal Lands
Master Plan - Final Draft

December 2023

Acknowledgments

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Commissioner Judy Burke
Commissioner Heather Bishop
Commissioner Christina Bergquist
Commissioner Greg Finch
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Chapter
01

Introduction

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Planning Purpose

This project creates a Municipal Lands Master Plan for the Town of Grand Lake to guide future decisions regarding highest and best use, capital improvements, and maintenance over the next ten years. The Municipal Lands Master Plan addresses Town-owned, active, vacant and occupied buildings and lands.

This Municipal Lands Master Plan is necessary to reflect community goals and objectives and to formulate implementation strategies for highest and best use of Town-owned land and real estate. The plan serves as a decision-making tool to assist future development of facilities, infrastructure, and programming. Recreation in Grand Lake has a strong emphasis on use of Town-owned and operated facilities and infrastructure, Town partnerships with County, USFS, NPS, Trail Groomers, HTA and Recreation District resources, trail systems, and opportunities outside the incorporated boundaries of Grand Lake.

Grand Lake is a community that recognizes the importance of preserving and enhancing its historic, small-town character, the roots from which it grew, and preserving the natural environment in which it resides.

The Municipal Lands Master Plan is guided by previous planning initiatives. These include the recent 2020 Comprehensive Land Use Plan, in which significant public input was obtained from a wide range of local stakeholders. Other planning initiatives that influence the plan include Headwaters Trail Alliance Strategic Trails Plan (2019); Downtown Grand Lake Community Assessment (2013); Gateway Community Livability

Assessment and Recommendations Report (2014); Wayfinding Master Plan (2014); and Parks, Open Space and Trails (POST) Plan (2009).

Methodology

The Municipal Lands Master Plan was prepared using a consistent approach to all Town-owned, active, vacant, and occupied buildings and sites. The existing condition of each property was evaluated, goals and objectives developed, and future uses / planning identified.

The information included in the facility and site assessment was obtained during field investigations conducted on September 17, 2021, completed by Mundus Bishop and Anderson Hallas with support by Town staff. This information was compiled and complimented with available Town-provided documentation. Opportunities will be further reviewed and developed with town staff and during the public outreach process.

Building Assessment Methodology

- Reconnaissance-level investigation for the buildings were conducted to assess the integrity of each structure and is not an exhaustive facility conditions assessment. As such, some identified deficiencies, e.g., non-compliant accessibility items, are described in general terms.
- No destructive testing or investigation was performed.
- Structural systems and building system components such as mechanical, electrical, fire suppression, etc. were not within the scope of this review.

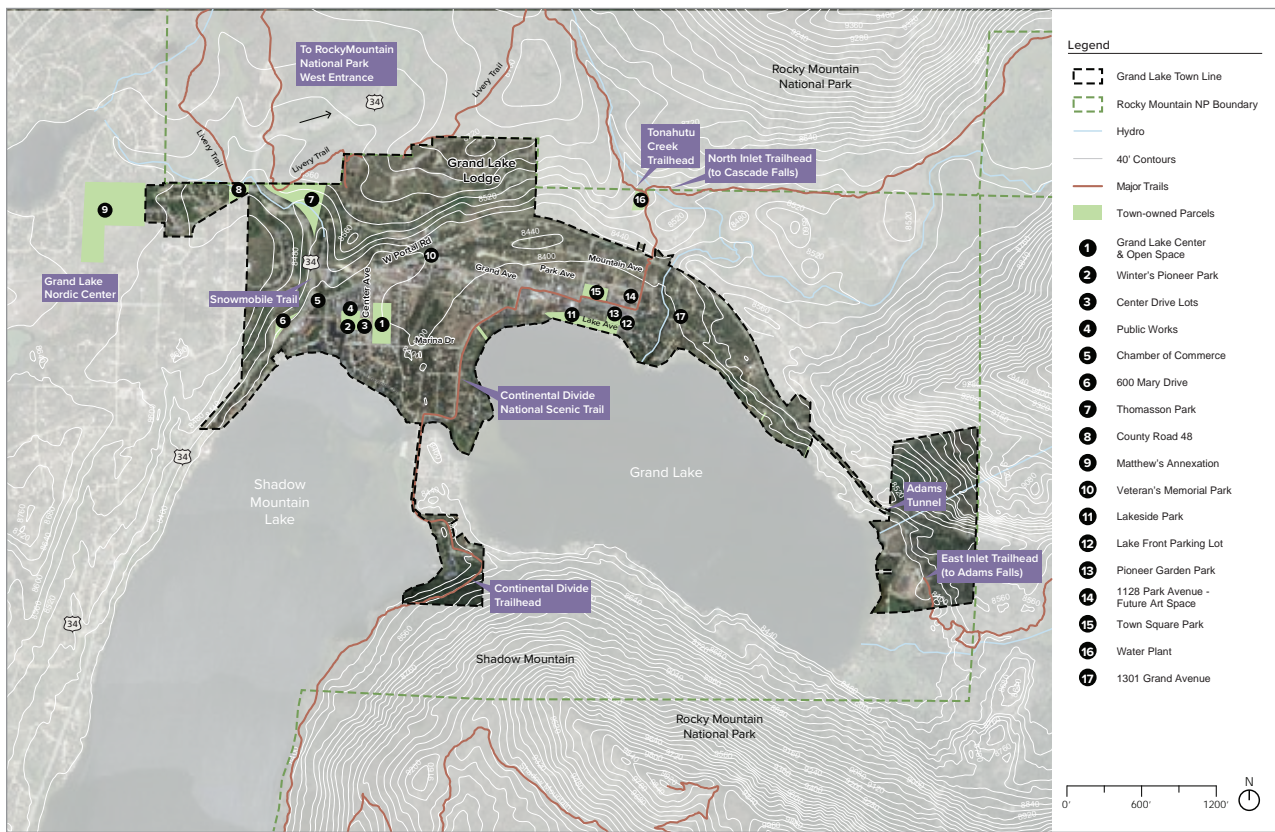


Figure 2. Context Map

Study Area

The properties addressed within the Municipal Lands Master Plan are Town-owned, active, vacant, and occupied buildings and lands. These properties were initially identified by Town staff and described in the Request for Proposals dated February 2021. The extent of review and consideration of each individual property was evaluated during the planning process with those elements and operations expected to continue without modifications were removed from further evaluation.

1. Grand Lake Center and Open Space, Winter's Pioneer Park, Center Drive Lots, and Public Works
2. Chamber of Commerce and 600 Mary Drive
3. Thomasson Park
4. County Road 48
5. Matthew's Annexation
6. Veteran's Memorial Park
7. Lakeside Park, Lakefront Parking Lot, and Pioneer Garden Park
8. 1128 Park Avenue Parking Lot — Future Art Space
9. Town Square Park (Town Hall, Community House, Pitkin Annex)
10. Trailheads



Figure 3. Planning Process

Planning Process

The Municipal Lands Master Plan was developed through a collaborative planning process involving Town staff, a steering committee representing a broad cross section of the community, the Town's Board of Commissioner and the Grand Lake community.

The planning process was guided by a robust community outreach that included community surveys and open houses. The outreach process reached more than 40 organizations and more than 500 participants.

Community and steering committee input guided recommendations for future uses and improvements, ensuring the Town's future efforts align with community needs and priorities in terms of programs and facilities.

Public Participation

Steering Committee

- 1 3 meetings
- 2 13 members

Public Online Surveys

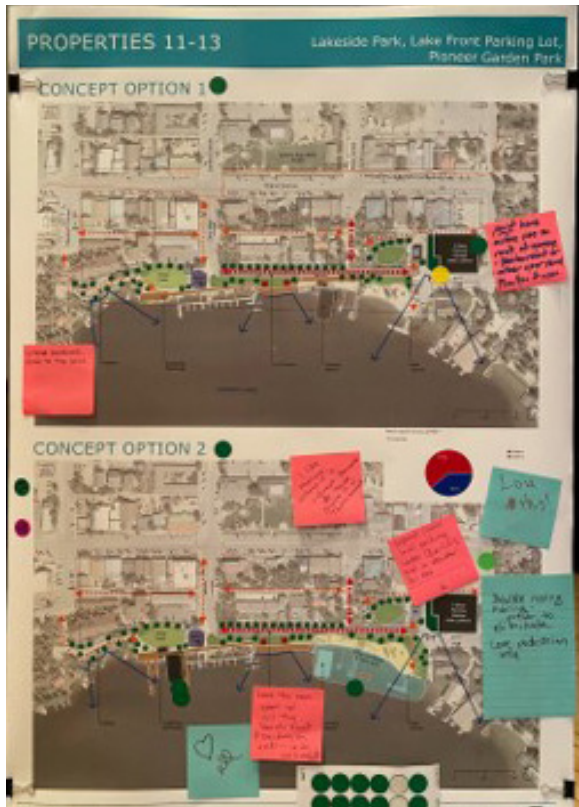
- 1 3 surveys
- 2 100-300 responses each survey

Stakeholder Survey

- 1 1 survey
- 2 40 organizations, 12 responses

Open House

- 1 1 in-person event
- 2 50 +/- attendees



Project Goals and Vision

Improve land/building use and program for recreational and operational needs.

- Guide future uses and capital improvements for the next 10-20 years.
- Preserve the authentic town character and views of Grand Lake.
- Conserve and protect natural resources
- Provide a framework for connected trails and open space and placemaking opportunities.

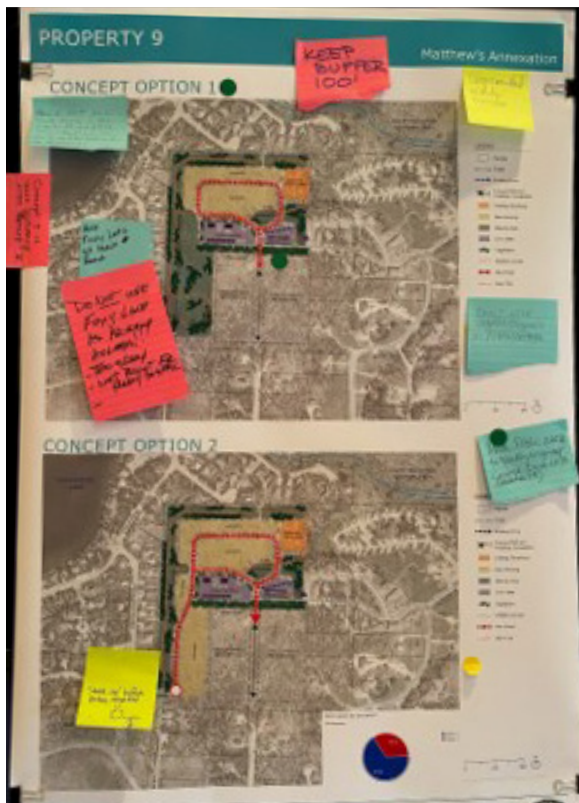


Figure 4. Master Plan Open House

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Chapter
02

Existing Condition, Analysis & Recommendations



Figure 1. Context Plan: Properties 1, 2, 3 and 4 - Grand Lake Center and Open Space, Winter's Pioneer Park, Center Drive Lots and Public Works

Overview of Municipal Lands

The Municipal Lands Master Plan addresses Town-owned, active, vacant and occupied buildings and lands. The properties include active and passive recreation sites with facilities that range from gardens, playgrounds, trails and court sports to an ice rink and boat launch, and activities such as hiking, walking, picnicking and water and ice sports. Properties include underutilized sites with opportunities for affordable housing, arts and park space, and improved maintenance and operations for the Town. Other opportunities include a Town gateway and an improved lakefront. The Municipal Lands Master Plan guides future decisions regarding highest and best use, capital improvements, and maintenance over the next ten years for all the properties.

Properties 1, 2, 3 & 4: Grand Lake Center and Open Space, Winter's Pioneer Park, Center Drive Lots and Public Works

Grand Lake Center and Open Space

Location and Description

Grand Lake Center and Open Space is located on a 4.48 acre parcel at west end of Grand Lake between Shadow Mountain Drive, Center Drive, and Marina Drive. Grand Lake Center and Open Space consists of a community center building (formerly an Elementary School), modular buildings used for lease space, a surface parking lot, and open space to the north. The open space was formally a school yard with paved surfaces for tennis and basketball, bleachers, playground, and open field. Play equipment and paved surfaces are in fair to poor condition and outdated. The site is relatively flat. The open field is in fair condition consisting of a primarily dirt surface. Recent repairs include reseeding the area and turning on the existing irrigation system. An on-site parking lot includes (53) total spaces with (2) ADA spaces located near the Middle Park Health Entrance.

Site

The site has many opportunities to be integrated with the recreational and community programming of the community center.

The open space has the potential to feature multi-generational recreational programs focused on health and wellness, including play and community gathering. Initial ideas include skate park, rail park; hockey rink; dog park; new playground; pickleball courts; multipurpose ball fields; walking circuits; and outdoor hang out and social areas with fire pit and yard games.

Grand Lake Center

Grand Lake Center is a masonry and concrete building built as an elementary school and subsequently sold to the Town of Grand Lake. The structure is generally in fair to good condition with some damage observed on exterior finishes and scuppers. The interior is in fair condition with some areas improved and others remaining as originally constructed.

The structure is occupied on the west side by a medical clinic, Middle Park Health, which is fully using their portion of the building. Additional areas on the south side of the building are leased to other users. The remainder of the building includes the gymnasium (now multi-purpose room), offices, kids/teen room, and fitness rooms.

While the building systems were not evaluated within the scope of this project, staff reported that the structure can be particularly difficult to keep cool due to lack of ventilation, especially in the fitness areas.

The original construction included extant broad corridors and wide doorways. The majority of the doors do not possess ADA-compliant door hardware and there are some push-pull conflicts. In general, the building is more accessible than would be expected given the age of construction.

The parking lot access onto Center Drive is extremely wide and not well-defined. Future improvements and change in use should consider reducing the width of the access and providing defined points of entry to reduce the current safety hazard.

The condition of the structure, broad corridors, and extensive interior make Grand Lake Center a blank canvas that could readily be converted to several community facilities. The meeting rooms on the north side that were converted from classrooms may benefit from a stronger connection to the outdoor area to the north, allowing for indoor-outdoor activities and larger group gatherings. The large amount of open space and landscaping could provide a significant opportunity for small-group gathering and picnic spaces both north and south of the building.

Modular Buildings

The modular buildings on the west side of the property are two separate buildings placed end-to-end. The modulars are generally in poor-fair condition on the exterior. The northern modular is in noticeably more distress. Access to the interior of the buildings was not provided during the site visit so no evaluation was conducted of the interior finishes.

Both the northern and southern modulars are not ADA accessible. They lack an accessible path/route and a compliant ADA ramp.

Opportunities

If retained, the modulars could continue their current use as potential lease properties to partner agencies and others. Both are at the end of their lifespans needing extensive deferred maintenance, meaning removal and replacement is more likely. If removed, current users (Historical Society and the Water Information Network) would need to be relocated.

If removed and not replaced, this portion of the property could be reclaimed for park use, providing better access to the playground on the north.

Winter's Pioneer Park

Location and Description

Winter's Pioneer Park site is located on a 2.1-acre parcel west of the Grand Lake Center, south of the Public Works facility and north of a private marina and Sailboat Lane. The parcel was donated to the town in the 1980s with the intent to preserve the land for public recreational uses. Currently is used for town storage for snow, boulders and other materials. The site is underutilized as a park and only includes a few picnic tables, a few trees, and native grasses. The northwest corner may have abandoned underground fuel or septic tank. Prominent views to the Grand Lake Estates Marina to Shadow Mountain Reservoir and mountains beyond are visible from the site.

Site

Winter's Pioneer's Park is adjacent to two town-owned parcels (Public Works, and Center Drive Lots) and a parcel within the Town's right of way provides an opportunity to connect the three sites for potential as a premier adventure park. Its adjacency to the Grand Lake Center provides connectivity and opportunities for shared program uses. Previous planning documents proposed uses including, day-use area for picnicking; terrain Park/adventure park; natural play features/equipment, parking; toilets; and dog park (alternative).

Center Drive Lots

Location and Description

Center Drive lots consist of three unimproved and vacant parcels along Center Drive. The three parcels combined are ½ acre in size. The parcels are adjacent to Winter's Pioneer Park to the west and Center Drive and Community Center to the east. They are zoned commercial. The site consists of bare ground/dirt with drainage issues around Center Drive.

Site

Due to its adjacencies to Winter's Pioneer Park and Grand Lake Center and open space, the Center Drive lots have the potential to support additional indoor or outdoor space needed for adjacent public uses.



Figure 2. Precedent images

Public Works

Location and Description

Public Works site is located south of Sailboat Drive and north of Winter's Pioneer Park on the west end of Grand Lake. Public Works generally consists of a fenced yard with three pre-engineered metal buildings and an outdoor storage for materials and equipment. The eastern storage building and central workshop structure are utilized by the Town. The western storage building is used for storage by the County.

Workshop

The workshop is a pre-engineered metal building with one large single overhead door on the east side of the building. The structure has been insulated from the interior and continuing efforts to repair and maintain the structure are evident. The structure is generally in poor condition due its age and condition of the building envelope despite best efforts to maintain the structure. Impact damage to the exterior from the outdoor storage yard is apparent on the skin of the building. Based on the age of the structure, it is reaching the functional end of its life without more significant investments to rehabilitate the building.

The yard surface and much of the workshop is not ADA-compliant.

West Storage Building

West Storage Building is a pre-engineered metal building with two large overhead doors on the south side of the building. This structure is un-insulated and includes some movable shelving for interior storage of supplies. The structure is in a poor condition, similar to the workshop with impact damage to the corner of the structure from operations out in the yard. Based on its age this building is reaching the functional end of its life without more significant investments to rehabilitate the building.

The yard surface and much of the Storage Building is not ADA-compliant.

East Storage Building

The East Storage Building interior was not able to be evaluated during the site visit. The structure is of a similar age as the other two structures but appears to be in slightly better but still poor condition despite efforts to maintain the structure. Based on the age of the structure, this storage building is reaching the functional end of its life without more significant investments to rehabilitate the building.

The interior of this structure could not be evaluated for ADA-compliance however the yard surrounding the building is generally not ADA-compliant.



Figure 3. Concept 1: Properties 1, 2, 3 and 4 - Grand Lake Center and Open Space, Winter's Pioneer Park, Center Drive Lots and Public Works

Recommendations

Grand Lake Center and Open Space along with Winter's Pioneer Park and Center Drive Lot are recommended to be combined into one larger open space with a site for affordable housing. This will create a memorable public space with expanded recreational facilities, parking, and improved connections. Grand Lake Center will remain a Health and Wellness community focused center, connected to the outdoors.

It is assumed Public Works will remain as the Town's maintenance and operations center in its current location for the short-term. If it is relocated, additional park uses can be provided including nature play, shelters, parking, and pedestrian corridors.

Improvements will include ADA-compliant accessibility routes and facilities. Facilities will be replaced in-kind when needed.

- 1 Health and Wellness Community Focused Park and Facility at Grand Lake Center
- 2 Nature themed Park at Winter's Pioneer Park and current Public Works site
- 3 Greenway, pedestrian connection across Center Avenue
- 4 Indoor / outdoor physical and program connections with Grand Lake Center building
- 5 Add parking at Winter's Pioneer Park and improve existing parking circulation and layout at Grand Lake Center
- 6 Right-of-way Improvements / Streetscape



Figure 4. Concept 2: Properties 1, 2, 3 and 4 - Grand Lake Center and Open Space, Winter's Pioneer Park, Center Drive Lots and Public Works

7 Landscape and buffer adjacent to residential

8 Affordable / Employee Housing at Center Drive Lots



Figure 5. Existing Condition: Properties 5 & 6 - Chamber of Commerce and 600 Mary Drive.

Properties 5 & 6: Chamber of Commerce and 600 Mary Drive



Figure 6. Precedent images

Chamber of Commerce

Location and Description

Chamber of Commerce site is located on a 0.35-acre parcel at 14700 US Highway 34. Chamber of Commerce site is strategically located at the junction of US Highway 34 and West Portal Road. The site includes a two-story building that houses Visitor Center and Chamber of Commerce. Town staff has determined the building's location, character, and current use as a welcome center and Chamber of Commerce office is the preferred use. No building or site evaluation was desired. There are 10 parking spaces with 1 ADA-compliant space.

600 Mary Drive

Location and Description

600 Mary Drive is a 1.17-acre vacant parcel north of US Highway 34 on the west end of Grand Lake. 600 Mary Drive site is zoned for Planned Development. Directly north of the site is single family residential. The site consists of bare ground and native grasses. It has (14) water taps.

Site

Located along the US 34 highway corridor and proximity to West Portal Road, the site is the gateway into downtown. This parcel has exceptional visibility and access for a mixed-use, multi-family and/or commercial development or for a town facility, e.g., a visitor center or parking/transportation hub (shuttle, rickshaw, bikes, scooter etc.).



Figure 7. Concept 1 Transit Hub



Figure 8. Concept 2 Housing

Recommendations

This site is recommended to be improved to serve as the Town of Grand Lake's gateway. Improvements may include a roundabout to provide better vehicular and pedestrian circulation and development of the 600 Mary Drive property for either a Town use such as a future transportation center or for affordable housing.

- ① Roundabout with clear access and circulation with gateway feature
- ② Safe pedestrian/bicycle connections and crossings
- ③ Transportation Hub / Mixed Use on 600 Mary Drive (parking / bus service / visitor info)
- ④ Wayfinding / signage

A site specific analysis and planning study - S.H.I.P Pre-Development Assistance - Grand Lake was conducted in Fall 2022, see appendix. This study provides more detailed recommendations for the development of this site and it's future potential uses.



Figure 10. Property 7: Thomasson Park Existing Condition



Figure 9. Concept: Property 7 - Thomasson Park



Figure 11. Precedent images

Property 7: Thomasson Park

Thomasson Park

Location and Description

Thomasson Park is an approximately 8-acre site adjacent to the Rocky Mountain National Park and US Highway 34. Thomasson Park is a sloped open space with prominent views, wildlife habitat and native vegetation. The site consists of lodge pole pines and wetland vegetation along the Columbine Creek. A multi-purpose aggregate trail allows snowmobile travel, connecting town to RMNP and National Forest.

Recommendations

Due to its natural resources and wildlife habitat the site will remain a natural area with year-round passive recreation opportunities. Previous planning documents recommended the wetland area to be restored and enhanced with raised boardwalks, interpretative signage and a nature center. Additionally non-motorized trails and connections for pedestrians were recommended. The northeast corner of the park is reserved for a future cemetery.

Improvements to Thomasson Park will provide a balance of trails and passive recreation for all seasons, and measures to protect it as an important natural area.

- 1 Multi-seasonal trail connection
- 2 Improve trail surfacing for pedestrian / bicycle
- 3 Add boardwalks w/ interpretive signage
- 4 Outdoor gathering space / picnicking
- 5 Add observation/viewing areas to landscape and wildlife
- 6 Restore wetland
- 7 Improve access and trail connections / signage



Figure 13. Property 8, County Road 48 Existing Condition



Figure 12. Concept: Property 8 - County Road 48



Figure 14. Precedent images



Property 8: County Road 48

County Road 48

Location and Description

County Road 48 consists of 8 acres of open space and is located between Sloopy's restaurant to the east, Elk Creek Campground to the west and RMNP to the north. It is an undeveloped site with wildlife habitat and lodge pole trees, meadows, and wetlands. The snowmobile trail connection from National Forest to downtown bisects the site in the winter months.

Recommendations

Due to its rich natural resources, past planning documents have recommended the site to remain in its natural state. Improvements include a multi seasonal, non-motorized trail and improved connection from Columbine Lake Subdivision, Thomasson Park and to downtown district.

- 1 Multi-seasonal trail connection
- 2 Improve surfacing for pedestrian / bicycle
- 3 Add picnicking areas
- 4 14' Wide Engineered Boardwalk to accommodate pedestrians, snowmobiles and spring run-off. Interpretive signage integrated with boardwalk
- 5 Restore wetland
- 6 Add observation / viewing areas to landscape and wildlife
- 7 Trail head with signage



Figure 15. Existing Condition: Property 9 - Matthew's Annexation

Property 9: Matthew's Annexation

Matthew's Annexation

Location and Description

The 21-acre parcel was recently purchased by the Town from a private owner. It is located northwest of the downtown core with access from Foxy Lane and Mad Moose Lane. The 21-acre parcel is a mostly undeveloped property on the northwest side of Grand Lake. The site has varied topography with rock outcroppings, meadows, pine forest, and felled logs with habitat and corridors for wildlife, most notably moose. A highpoint offers 360 views of the surrounding mountains.

The site borders Columbine Lake Country Club residential community and Rocky Mountain National Park to the north. A dirt road accesses three structures on the north side of the property. The structures on the site are clustered on the north side and consist of a single-family home, bunk house, and garage. In addition to the structures, outdoor storage of materials were purchased with the property along with additional Town outdoor storage on the east side of the site near the entry off Mad Moose Lane.

Site

The site is currently used for boat storage for the Town.

Single-Family Home

The exterior of the single-family home is in good condition. Town staff advised that the structure included plumbing facilities that were tied into a septic system that was allowed under a variance. Access to the interior of this structure was not possible during the field reconnaissance. The exterior of the structure was evaluated for signs of distress.

The interior of the structure was not evaluated for ADA-compliance however the site, approach, and deck do not comply with ADA.

Based on the character of the building and its location these structures would be most readily used for residential purposes. Given the challenge of finding affordable local housing the Town may want to consider the use of these properties as workforce housing.

Bunkhouse

The exterior of the bunkhouse is in good condition.

The interior of the structure was not evaluated for ADA compliance however the site, approach, and entry do not comply with ADA.

Based on the character of the building and its location these structures would be most readily used for residential purposes. Similar to the main house, the challenge of finding affordable local housing the Town makes this a contender for use as workforce housing.

Garage

The exterior of the garage is in good condition with the exception of damage to the north side of an addition to the Garage which has significant structural damage.

The interior of the structure was not evaluated for ADA compliance however the site, approach, and deck do not comply with ADA.



Figure 16. Preferred Concept: Property 9 - Matthew's Annexation

Recommendations

Town service buildings such as Public Works and/or storage could be relocated to this site and expanded. The site could also support affordable housing development. Alternatively, the Town could subdivide the property and sell the residential portion to provide additional funding for Town projects. Other improvements could include roads and trail connections. It is also recommended to keep a 100-foot buffer for wildlife.

- 1 Affordable Housing / Employee Housing
- 2 Reuse of existing house and structures
- 3 Private/Public partnerships
- 4 Sale of parcels in order to fund other projects
- 5 Continued use as Storage Area for town-owned boats
- 6 Public Works Relocation
- 7 Ecological Restoration
- 8 Observation/viewing areas to landscape and wildlife
- 9 100' easement for wildlife migration, open space, buffering adjacent properties and trails

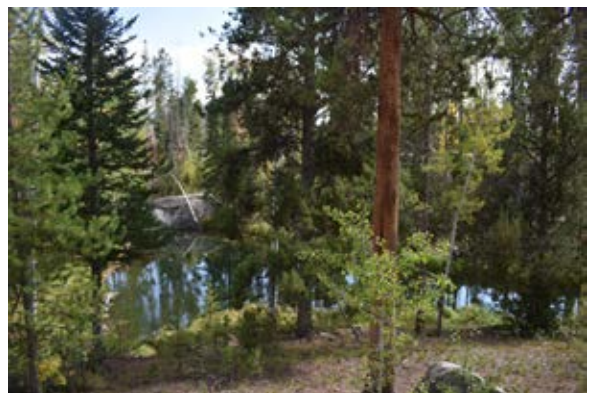


Figure 17. Precedent images



Figure 18. Property 10: Veteran's Memorial Park Existing Condition



Figure 19. Preferred Concept: Property 10 - Veteran's Memorial Park



Figure 20. Precedent images

Property 10: Veteran’s Memorial Park

Location and Description

Veteran’s Memorial Park is an ½ -acre open space parcel bounded by West Portal Road to the north, Grand Avenue to the south and Haskell Street to the east.

Site Summary

Veteran’s Memorial Park is a gateway into the downtown district. The site consists of open lawn with areas of gardens, shrubs and a large tree. A perimeter wood fences surrounds the parcel. A few picnic tables and a trash receptacle are provided. Veteran’s Memorial Park seems like an island due to being bound by three roads.

Recommendations

Improved access and crosswalk connections, and additional park amenities, including signage and port-o-let, could improve the park identity and neighborhood use. A Veteran’s Memorial has been proposed for this park.

- 1 Maintain as a memorial-focused park with open lawn space
- 2 Enhance Gateway to Downtown
- 3 Increase seating / picnicking
- 4 Create a bermed landscaped edge along W. Portal Road
- 5 Add shade trees
- 6 Add safe pedestrian crossings
- 7 Extend Grand Avenue Boardwalk to park.

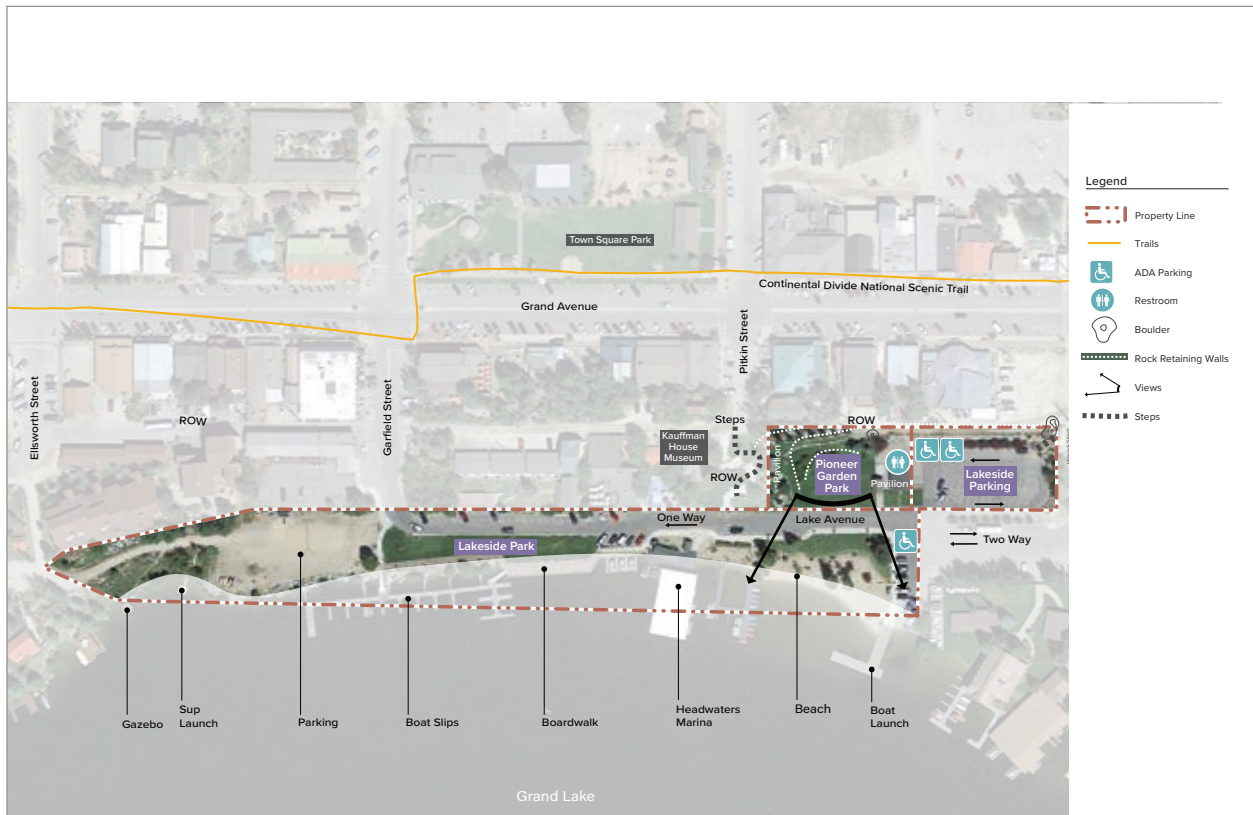


Figure 21. Property 11, 12, and 13 Existing Condition

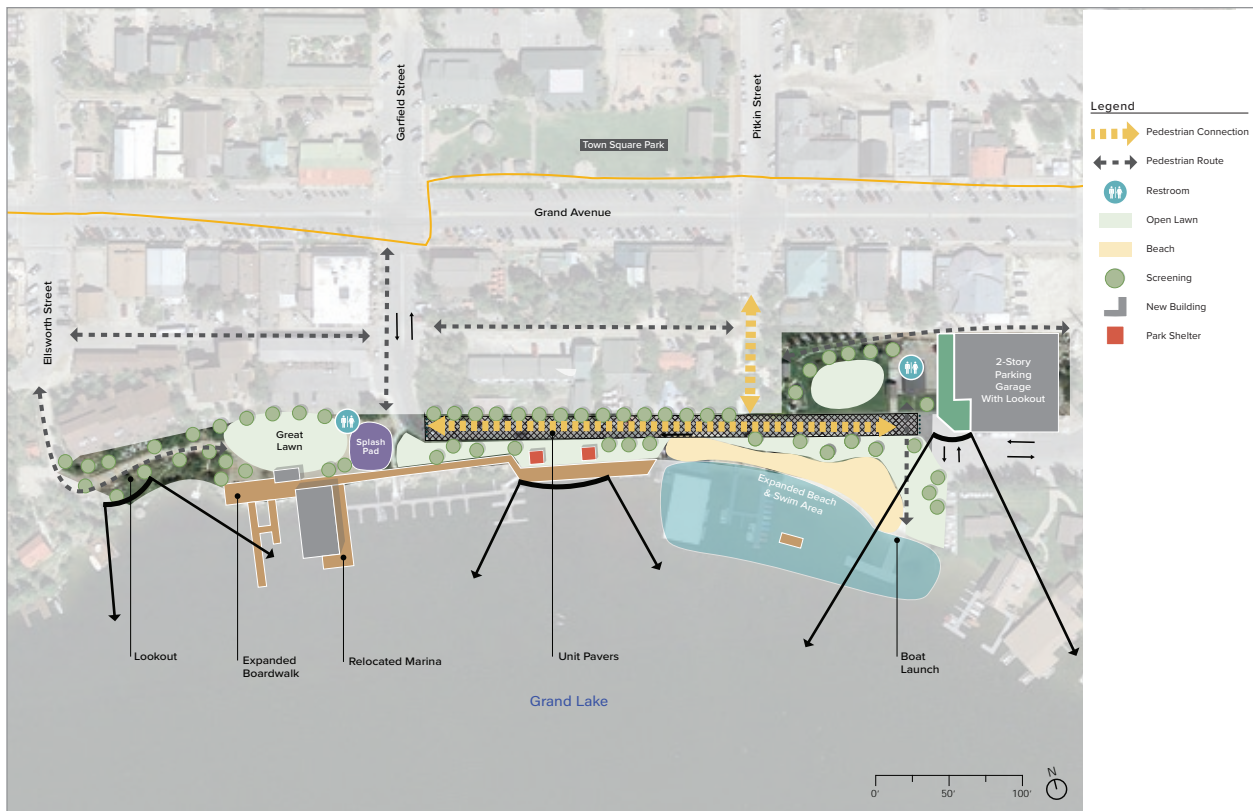


Figure 22. Preferred Concept: Property 11, 12, and 13 - Lakeside Park, Lake Front Parking Lot and Pioneer Garden Park

Property 11, 12 and 13: Lakeside Park, Lake Front Parking Lot and Pioneer Garden Park

Lakeside Park

Location and Description

Lakeside Park is located along 3.5 acres of north shore of Grand Lake, Blocks 12-16, Block 4. The linear park extends from Hancock Street to the east and Ellsworth to the west and borders Lake Avenue to the south. Lakeside Park consists of a series of recreational facilities, waterfront amenities and park spaces. The west side is mostly undeveloped. A wood gazebo is in a secluded location at the park's west end. A gravel path connects the gazebo with a SUP launch area and open gravel parking lot. The center area includes boat slips, a boardwalk with a grassy park and the Headwaters Marina. The east end consists of a boat launch for kayaks and SUPs, a sandy beach and small lawn area. Parking is limited adjacent to the park and consists of two ADA-compliant spaces. The Lakeside parking lot is north of the Lakeside Park.

Lakeside Parking Lot

Location and Description

Lakeside Parking Lot is located on an ½-acre parcel north of Lake Avenue, west of Hancock Street and east of Pioneer Park. The site consists of an asphalt parking lot with (38) spaces, including (2) ADA spaces and (2) EV charging stations. The vehicular circulation is one way with diagonal spaces. Two oversize spaces are in the Lake Avenue right of way. The north side includes a 15-foot height rock retaining wall. A very large granite boulder sits at the northwest corner of the parcel and the adjacent alley.

The topography of the site along with the relationship to an alley on the north side of the property make this site particularly suitable for use as a future parking structure that would allow the top deck to be accessed from the alley and the lower deck to be access off Lake Avenue.

Pioneer Garden Park

Location and Description

Pioneer Garden Park is located on an ½ -acre open space parcel west of the Lakeside parking lot and north of Lakeside Park. Pioneer Garden Park consists of an open lawn with additional terraced lawns and gardens. A series of natural rock retaining walls occupy the perimeter. Pioneer Garden area is planted with a variety of perennials that highlight European and Asia species originally were planted by early settlers in Colorado mountain towns. This area is maintained by the Grand Lake Area Historical Society. Two wood pavilions with picnic tables are available to rent. One is in located in higher elevation terraced area.

Restrooms

The existing restroom is a wood frame structure with bark-skin plank cladding. The exterior of the building is in fair condition. The interior finishes and fixtures are in fair condition. Structure is in fair condition both inside and out.

The ramp on the north side of the structure is not ADA compliant due to the transition at the base of the ramp and the existing drinking fountain against the south side of the building is also not ADA compliant.

Pavilions

The existing pavilions are timber structures and are in good condition. At the lower pavilion a ramp is provided from the restrooms to the pavilion, however circulation through the pavilion is not possible when picnic tables are present.

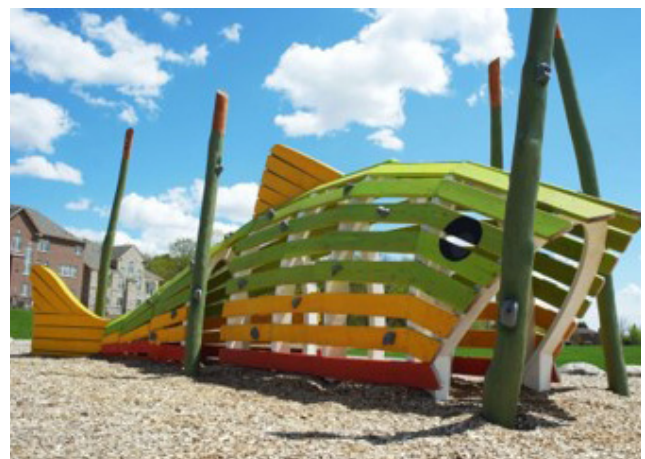


Figure 23. Precedent images



Figure 24. Lake Avenue Shared Street or Pedestrian Only Concepts



Recommendations

Lakeside Park with the adjacent Pioneer Park, Lakeside Parking and Lake Avenue has an opportunity to be a premier waterfront park. Reorganizing vehicular circulation and capitalizing on the Lakeside parking lot area to expand parking needs, the park can be greatly enhanced with improved pedestrian circulation, park spaces and programming. Past planning documents recommend a pedestrian oriented waterfront park – plazas, parks and promenades; limited surface parking along park; ability to close Lake Avenue for special events or peak season, i.e., removable bollards; parking structure at Lakeside Parking Lot; improved connections to Grand Avenue; and event and performance spaces.

The location at the end of Grand Avenue would allow the facility to continue to serve Lakeside Park and provide additional capacity of the businesses and uses along Grand Avenue. From atop the garage, there would be exceptional south-facing views, possibly warranting some second story space be dedicated to a viewing platform.

Pioneer Garden Park can become part of the broader vision of Grand Lake's waterfront park experience. With its adjacency to the historic Kauffman House museum, Pioneer Garden Park can further showcase pioneer culture and the history of Grand Lake.

Lake Avenue Shared Street or Pedestrian Only

Everyday

- 1 Sidewalk on northside
- 2 Parallel parking
- 3 One way travel lane
- 4 Unit pavers
- 5 Removeable bollards
- 6 Pedestrian lights
- 7 Bioswale / water quality
- 8 Clusters of aspen and evergreen trees
- 9 Expanded boardwalk

Special Events

- 1 Closed street
- 2 Farmer's market
- 3 Craft shows
- 4 Concerts

Four Season Pedestrian Oriented Waterfront Park

- 1 Increase open lawn / park space for events and community programs
- 2 Transform Lake Avenue into a Pedestrian/Shared Street
- 3 Pedestrian / bicycle connections to Grand Avenue with wayfinding signage
- 4 Safe Street Crossings
- 5 Less Street Parking – parallel only
- 6 Less Vehicular Traffic – one way lane
- 7 Expanded Boardwalk increase areas for
- 8 Improve/expand beach
- 9 Enhance landscaping and gardens with native plants
- 10 Enhance Memorials / Historic Significance at Pioneer Garden Park
- 11 Water feature / splash pad
- 12 Playground
- 13 Improve accessibility

Parking Structure

- 1 Promotes Pedestrian / bicycle use on Lake Avenue
- 2 Street parking moves to new parking structure
- 3 Two-deck levels only so that view of lake are maintained
- 4 Top deck includes sustainable measures including a potential roof top deck for pedestrians



Figure 25. Parking Structure Precedent Images



Figure 26. Existing Condition: Property 14 - 1128 Park Avenue Parking Lot-Future Art Space

Property 14: 1128 Park Avenue Parking Lot-Future Art Space

Park Avenue Parking Lot-Future Art Space

Location and Description

1128 Park Avenue is a 1/2-acre parcel located south of Park Avenue and west of Hancock Street. The site consists of an asphalt parking lot. The northeast corner is an existing well and requires a 50-foot easement.

Recommendations

The 1128 Park Avenue parcel is the potential site for Artspace, affordable live and work spaces for the creative community of Grand Lake. The current site plan includes a two-story building for 20-30 units, parking and outdoor plaza. The alley to the south could also be enhanced for a pedestrian connection.



Figure 27. Existing Condition: Property 15 - Town Square Park

Property 15: Town Square Park (Town Hall, Community House, Pitkin Annex)

Location and Description

Town Square Park site consists of 1.8 acres and is in the center of downtown between Grand Avenue and Park Avenue and Garfield Street and Pitkin Street.

The site generally consists of three primary structures and several secondary structures, parking and a town green with trees. Juniper Library and public restrooms are owned separately by the Grand County Library District and were not evaluated. The other two structures include Town Hall and Pitkin Annex.

Town Square Park serves as the heart of downtown for community gathering, play and special events. The site consists of a large expanse of lawn with park structures including a gazebo, information/visitor kiosks, and a large rentable pavilion. A playground and basketball court (also serves as an ice rink during the winter season) are located east of the Town Hall and Community House.



Figure 28. Precedent Images

Town Hall and Community House

The Community House is a historic community hall / theater space with a contemporary addition to the north housing the Town Hall offices and Board Room. The building is generally in fair-good condition for both interior and exterior elements.

Town Hall has a number of ADA limitations related to the approach and push-pull clearances throughout the building. Particular attention should be paid to the ramp at the front entry to ensure compliance with ADA standards.

Town Hall addition includes space on a second floor that was constructed but never fully finished. This area appears to have been temporarily used as dressing rooms for the theater. If this area was to be finished for office use, it would be important to consider building code and ADA limitations related to what uses are placed on the second floor and for the egress from the second floor to be upgraded.

ADA elevators are not required in facilities under three stories or with fewer than 3000 square feet per floor. Any uses on the second floor would be required to not be public-facing and have equal assessable duplicates on the first floor (e.g., office types). All common facilities such as conference rooms, print/copy areas, and other

similar uses would need to remain located on the first floor or be duplicated upstairs. An elevator or LULA (Limited-use Limited-access elevator) could be installed on the eastern façade to provide accessible access. Any such alteration to the exterior of the building should be carefully considered as it relates to the historic community hall.

The current exit door from the large conference room on the east side of the building swings into the required exit corridor for the egress stairs. Prior to finishing and occupancy of the second floor, this life-safety conflict would need to be resolved. In addition to this, further code evaluation will be necessary depending on the occupant load of the proposed uses which may require a second means of egress.

Based on the location of the property, proximity to existing civic facilities, and historic use, this structure appears to be most suitable to continue Town Government and related community functions. The second floor could be either finished as an expansion to town government, or this space could be finished and leased out to a partner agency or other lessee.

Pitkin Annex

The Pitkin Annex is located on the east side of the town hall parcel. At the time of this evaluation the majority of the structure housed a museum for the Troublesome Fire. The building was recently converted into a space for the Arts District.

On the south side of the building, two public restrooms are provided with a ramp leading up to them, accessed from the exterior of the building. The interior and exterior of the building are in good condition.

At the time of the field investigations, the boardwalk along Pitkin Street was being replaced. While non-compliant from an accessible standpoint during the time of the fieldwork, it is anticipated that the boardwalk will be completed to restore access. Since the time of this study, the Pitkin Annex has been converted into a space for the art district.

The existing restrooms on the south side of the building are not accessible. While a ramp is provided required clearances are not provided at the restrooms.



Figure 29. Precedent Images



Figure 30. Preferred Concept: Property 15 - Town Square Hall

Recommendations

Town Square Park has the potential to improve overall pedestrian circulation and site organization of passive, active uses and community gathering and event uses. Due to the recent Park Avenue improvements, the location of the playground and basketball court (ice rink) could be reevaluated. The playground is in good condition but reaching the 20-year life cycle. Past planning documents recommended other improvements including defining park edges with plantings and an outdoor fireplace near the Heckert Pavilion.

Based on the location of the property, and open floor plan, this structure appears to be most suitable for rotating community elements such as the museum for the Troublesome Fire or as a potential expansion to office space for the Town or partner agency. The lack of restrooms accessible from the interior of the structure limit it's utility as a stand-alone structure.

The site could be a location for a pick up/drop-off spot for regional buses (from Winter Park or Rocky Mountain National Park).

Civic / Downtown Park

- 1 Update Courts/Ice Rink space
- 2 New Playground w/ Grand Lake Character
- 3 Increase outdoor gathering space / Seating / Picnicking Space
- 4 Encourage vendors and special events
- 5 Provide outdoor lawn games
- 6 Consider permanent stage
- 7 Define park edges and circulation with new walk connections and landscaping
- 8 Improve pedestrian/bicycle connections
- 9 Wayfinding / signage

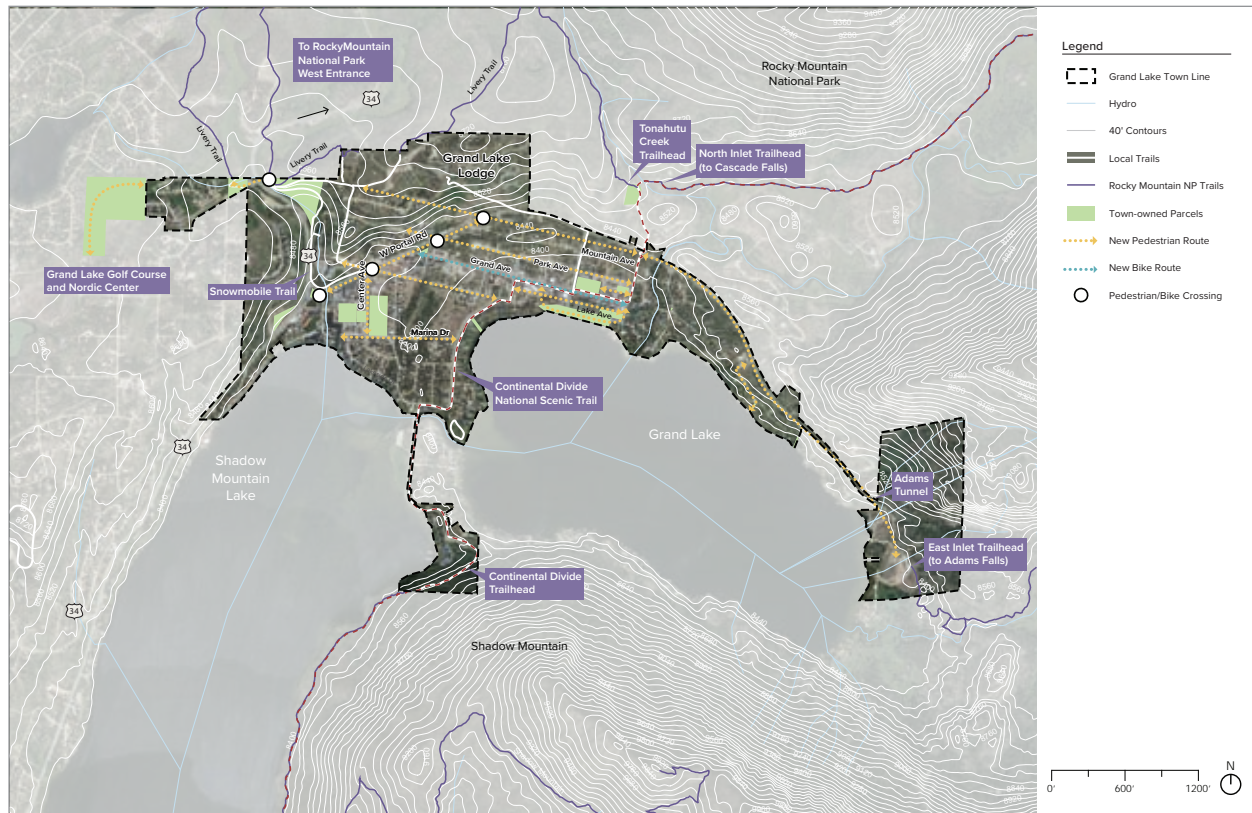


Figure 31. Trails and Connections

Trailheads

Continental Divide National Scenic Trail

Location and Description

The CDT is a 3,100 mile-trail traveling from Mexico and Canada through Montana, Idaho, Wyoming, Colorado, and New Mexico. It travels directly through Grand Lake and is the only incorporated town on the CDT trail, entering the town from the south over the Jericho Bridge, traveling north through town in a zigzag pattern, and then entering Rocky Mountain National Park.

East Inlet Trailhead

Location and Description

East Inlet Trail another Rocky Mountain National Park Trail that runs into Grand Lake. This trail leaves town from the East Inlet Trailhead, which is located at the far eastern end of Portal Road. The East Inlet Trail follows the East Inlet and ends at Spirit Lake and Adam's Falls, inside Rocky Mountain National Park.

Tonahutu Creek Trailhead and East Inlet Trailhead

Location and Description

Trailhead follows the same path as the CDT, north of the Tonahutu Trailhead and into Rocky Mountain National Park.

North Inlet Trailhead

Location and Description

Located directly adjacent to the Tonahutu trailhead is the North Inlet Trailhead. The North Inlet Trail travels northeast from this trailhead into Rocky Mountain National Park where it links with several other trails, including the Tonahutu Creek Trail.

Opportunities

- Wayfinding and signage
- Missing Links

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Implementation

Implementation Strategies and Priorities Matrix

*assume \$600,000 per acre for park development

Actions by Property	Project Type	Size	Capital Improvement Project	Other Revenue Sources	Budget / ROM Cost *	Short-term (1 - 5 yrs)	Mid-term (5 to 10 yrs)	Long-term (10+ years)	Notes
Properties 1, 2, 3 & 4: Grand Lake Center and Open Space, Winter's Pioneer Park, Center Drive Lots and Public Works									
	Open Space / Natural Area								
Grand Lake Center	Parks and Recreation								
	Public Building		X	Partners/Leases	TBD				
	Parks and Recreation	4.48-acre (191,664 SF)			\$ 1,800,000.00	Improve park facilities			Assumes approximately 3-acres of improvements for multi-purpose field, dog park, shelter, courts, play
Modular Buildings / Site	Public Building					Demolition		future housing	Housing
	Parks and Recreation	add SF					re-use as park site		Nature Play, open meadow
Winter's Pioneer Park	Further Investigations		X		TBD	Hazard Materials Investigations			
	Parks and Recreation	2.1-acre (91,476 SF)			\$ 1,260,000.00			Park	Picnicking, trails, day-use, nature themed play, parking, toilets
Center Drive Lots	Further Investigations		X		TBD	Rezoning to Park Use			
	Parks and Recreation	.5-acre (21,780 SF)	X		\$ 300,000.00			Park	Combined with Winter's Pioneer Park and Grand Lake Center
	Public Works		X					Longer than 10 years	
Properties 5 & 6: Chamber of Commerce and 600 Mary Drive									
Chamber of Commerce site	Gateway	.35-acre (15,246 SF)	X						
	Transportation Hub	.35-acre (15,246 SF)	X	Public / Private Partnerships	\$6,893,835	----- Refer to CHFA Study -----			Housing Potential, Refer to CHFA Study
Property 7: Thomasson Park	Natural Area Restoration	8-acre (348,480 SF)							
	Open Space / Natural Area		X		\$ 1,500,000.00	X	X	X	boardwalk, trail surfacing upgrades, signage
Property 8: County Road 48	Natural Area Restoration	8-acre (348,480 SF)							Wetland Restoration
	Improvements		X		\$ 1,500,000.00	X	X	X	trail surfacing upgrades, signage, picnicking, observation areas, trailhead
Property 9: Matthew's Annexation	Existing Buildings	21-acre (914,760 SF)			TBD	Building and system evaluations			
	Further Investigations		X						
Single Family Home	Building		X	Public / Private Partnerships	TBD			X	Residential / workforce housing
Bunkhouse	Building		X	Public / Private Partnerships	TBD			X	Residential / workforce housing
Bunkhouse	Structure		X	Public / Private Partnerships	TBD	X		X	Storage
	Site		X	Public / Private Partnerships	TBD	X	X	X	Trail surfacing upgrades, signage, picnicking, observation areas, trailhead
Housing	Further Investigations		X	Public / Private Partnerships	TBD	Rezoning and Proforma	Construction	X	
	Structure	4,500 SF / 3,000 SF 1.3 Acres (56,000 SF)	X	Public	\$3,300,000	Linked to development of properties 1, 2, 3, and 4.			4,500 SF Conditioned Pre-Engineered Structure, 3,000 SF Covered Storage. Does not include landscape perimeter buffer. Cost will vary significantly based on program and site requirements.
	Structure	Boat Storage 5,000 SF	X	Public / Private Partnerships	\$1,900,000	Programming Assessment	Construction	X	5,000 Conditioned Pre-Engineered Structure. Building to be verified by programming assessment, Cost will vary significantly based on program and site requirements.
Property 10: Veteran's Memorial Park									
Park	Parks and Recreation	.5-acre (21,780 SF)	X	Public / Private Partnerships	\$ 1,500,000.00	X	X	X	Seating, trees, gateway, ped crossing, boardwalk extension
Property 11, 12 and 13: Lakeside Park, Lake Front Parking Lot and Pioneer Garden Park									
Lakeside Park	Parks and Recreation	3.5-acre (152,460 SF)	X	Public / Private Partnerships	\$ 2,100,000.00			X	
Lakeside Park Parking Lot	Parks and Recreation	.5-acre (21,780 SF)	X	Partners/Paid Parking	\$ 4,900,000.00	X	X	X	+/- 20,000 per level, Two-level structure.
Pioneer Garden Park Restroom	Parks and Recreation	.5-acre (21,780 SF)	X	Public / Private Partnerships	\$ 1,000,000.00		X		
	Structure		X						
	Pavilions								Existing timber structures in good condition
Lake Avenue Shared Street	Urban Park / Waterfront Park / Further Study	Define Extents	X	Public / Private Partnerships	TBD	Further Study / Define Extents		X	
Property 14: 1128 Park Ave									
Art Space	Building			Public / Private Partnerships		In progress			
Property 15: Town Square Park									
Community House	Building / Further Investigations					Building and system evaluations			
Civic/Downtown Park	Parks and Recreation	1.8-acre (78,408 SF)	X	Public / Private Partnerships	TBD	Programming Assessment	X	X	Costs could range from \$600,000/acre for upgrades to more for special facilities such as ice rink, permanent stage and signage
Trailheads									
Wayfinding and Signage	Parks and Recreation		X		TBD	Wayfinding Plan and Signage Design			
Trail Improvements	Parks and Recreation		X		TBD	Define extent of needed improvements			

*

ROM costing is based general square foot quantities and general unit costs for budgeting. These are not bid numbers. Some costs are likely to be lower if completed by partners, staff or volunteers.

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Appendices

S.H.I.P. PRE-DEVELOPMENT ASSISTANCE

Grand Lake



FEBRUARY 2023

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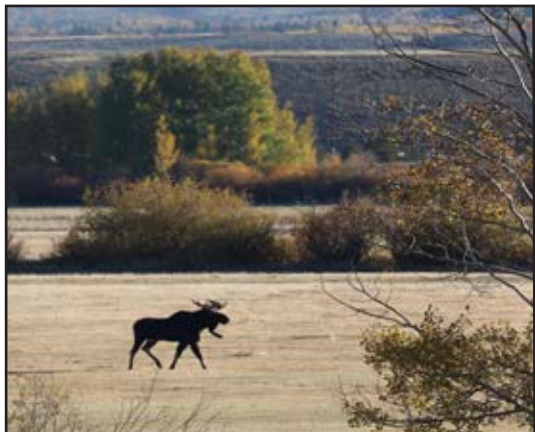
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INTRODUCTION

PROJECT BACKGROUND

The Town of Grand Lake owns a parcel of land at the junction of State Highway 34 and Mary Drive, just outside of Rocky Mountain National Park. As a site identified in the Grand Lake Municipal Lands Master Plan, the Town is exploring the feasibility of developing housing on this parcel that would be affordable to a range of workforce price points.



This development would conform with Town plans and is also supported by the feedback received through recent community outreach efforts. Grand Lake conducted a survey to get community and stakeholder input on what to do with the site, and a majority of the respondents indicated a preference for housing on this site over a potential transportation center, citing the need for affordable housing as the major reason.

The site is a triangular parcel, approximately 1 acre, and is located at 600 Mary Drive, adjacent to Shadow Mountain Lake.

The Town of Grand Lake applied for technical assistance through the Colorado Housing and Finance Authority’s (CHFA’s) Small Housing Innovation Program (SHIP) to help develop a concept for the site, to better understand the costs associated with a future development, and identify the next steps to create more affordable housing for the community.

CURRENT HOUSING MARKET - GRAND COUNTY

Household	Annual Income	Affordable Purchase ¹	Affordable Rent
Two people 120% AMI	\$84,600	\$292,300	\$2,115
Two people 100% AMI	\$70,500	\$243,600	\$1,763
Two people 80% AMI	\$56,400	\$194,900	\$1,410
Two people 60% AMI	\$42,300	\$146,200	\$1,058

Based on the affordability standard of households paying no more than 30% of their household income on housing costs, a two person household earning the median income could afford a monthly rent of \$1,763/month. However the 2018 Grand County Housing Needs Assessment identified that about 66% of renter households had incomes below 100% of the area median income.

PROJECT GOALS

During the site visit described below the project sponsor team identified the following goals and priorities for the project:

- 15-20 units of rental housing
- Most units should serve 80% AMI and below, with some housing available for up to 120% AMI
- Incorporate units that can serve some seasonal workers
- Style compatible with mountain setting and heavy snow load
- Incorporate view into site design, with a common area or other community amenity space
- Could accommodate future transit passthrough or roundabout
- Mixed use development

¹ Assumes a 6.15% interest rate

PROCESS

SCOPE



- Kickoff meeting/ Site visit
- Concept designs
- Design Feasibility
- Financial Feasibility
- Client Next Steps for Success

SITE VISIT

The CHFA SHIP team and project stakeholders conducted a site visit and design workshop on October 6th, 2022. The discussion covered site constraints, planning and zoning, desired outcomes, and discussion of a series of preliminary design ideas. Participants included:

- Kim White, Community Development Director
- John Murray, Planning Commission
- Steve Kudron, Mayor
- Tim Reinen, Consultant
- Jonathan Cappelli, Consultant
- Augustina Remedios, Consultant



SITE ANALYSIS

Description	Existing
Zoning	Planned Development District (PD)
Allowed Uses	TBD in PD Plan
Minimum Lot Area	No minimum lot size
Setbacks	No minimum; dependent on adequate access and fire protection
District Perimeter	Permanent open space at least 20' in width along the the Route 34 right of way
Parking	1 space/ 1 bd unit; 1.5 spaces/ 2 bd unit; 1 space/350 sf commercial

SURVEY & INFRASTRUCTURE

The Town has an As-Built Plat for the site showing the utility information, site coordinates, and elevations. The site is already equipped with 16 sewer taps, 14 water taps, as well as hydrants.

SITE CONSTRAINTS

The site has easements on two sides, one being for the Rocky Mountain National Park sewer, and the other is owned by the Colorado Department of Transportation (CDOT). Additionally, the site proximity to Route 34 may require working with CDOT to determine the need for a dedicated turn lane or other strategies to mitigate traffic turning on and off of the highway. The Town is undertaking a traffic study to better inform what may be needed to address the traffic impacts of the development.

PROPOSED PROJECT SUMMARY

Unit Type	Units	Size	Proposed Rent	Income Level
1 bed; 1 bath	4	475sf	\$908/mo	55% AMI
1 bed; 1 bath	12	475sf	\$1,322/mo	80% AMI
2 bed; 1 bath	6	950sf	\$1,586/mo	80% AMI
Commercial	N/A	1,900sf	TBD	
Total	22	15,200sf	Ann. \$348,144	

CONCEPT DESIGN

*Note: These images are for conceptual design purposes and should not be used for construction purposes





**Note: These images are for conceptual design only, and should not be used for construction purposes*



**Note: These images are for conceptual design only, and should not be used for construction purposes*



**Note: These images are for conceptual design only, and should not be used for construction purposes*

PROJECT FINANCING

PROFORMA

A proforma is an analysis used to determine the financial feasibility of a development project.

The first component of this analysis is an estimation of development costs. This is done by researching the current costs for development including ‘hard costs’ that include the physical materials that go into the building and the construction labor, and ‘soft costs’ which include permitting costs and the fees of professionals such as architects and engineers who are needed to ensure a structurally sound project.

The second component of the proforma is a forecast of the revenue that can be generated by the development and the operating expenses that will be incurred annually once the project is up and running. There are several ways to approach this, but knowing the goal of this development is to create housing that is affordable to local residents, the anticipated rent amounts for the residential units are set based on the Colorado Housing and Finance Authority’s 2022 Maximum Rent Tables based on the area median income for Grand County. Operating expenses are forecasted based on other projects with similar characteristics.

Together, these inputs illustrate how much of the project can be financed through a conventional loan and how much of a gap remains between the development costs and the identified sources of funding. Once it is clear how much additional money is needed, the project developer can begin looking for other funding sources in the form of grants, loans, or tax credits.

600 MARY DRIVE ASSUMPTIONS

USES AND SOURCES OF FUNDS		
Uses of funds		
Acquisition Costs	-	Purchase price for the land and existing units
Site Improvements	\$330,00	Grading, parking, & drainage
Construction	\$4,180,000	\$275/sf
Professional Fees	\$313,500	Estimated @7.5% of hard costs
Construction Finance	\$195,920	6% @ 60% accrual over 1 year; 65% LTC
Permanent Finance Loan Orig.	\$29,400	Estimated @ 1% of loan amount
Soft Costs	\$1,522,400	\$100/sf
Developer Fee/Profit	\$171,072	3% of hard and soft costs
Reserves	\$157,720	6 mo. of expenses and debt; 350/unit in replacement reserves
Total Development Expenses	\$6,893,835	
Sources of Funds		
First Mortgage	\$2,940,000	4%; 40 year Amortization; DSCR 1.16
Second Mortgage	-	
DOH Grant	\$2,200,000	\$100,000/unit
Town Affordable Housing Fund	\$143,000	Covering water taps
Total Sources	\$5,283,000	Gap - \$1,610,835 Per Unit Gap - \$73,220

Operations		
Annual Rental Income	\$348,144	75% AMI; not inclusive of commercial rent
Vacancy Rate	7%	Per CHFA guidelines for multifamily; if fewer than 10 units this increases to 10%
Other income	\$100	Anticipated application fees
PUPA OpEx	\$6,936	Annual operating expenses/unit

FINANCING

Because the planned development is modeled with rents affordable to the local workforce, the project can finance approximately 40% of the overall development costs, the balance of project costs will need to be funded through grants and philanthropy.

POTENTIAL SOURCES

There are several options to fill the gap between the development costs and the available financing. Items with asterisks are currently modeled in the proforma:

- Colorado Division of Housing grants - \$100,000/unit; for a total of \$2,200,000*
- Grant Funds from HB22-1304 Transformational Affordable Housing, Homeownership, and Workforce Housing Grant Program
- Funding through Proposition 123
- Philanthropic funds through local, regional or state fundraising
- The development site is in an area eligible for USDA Multi-Family Housing Direct Loans which can be used as an alternative to conventional financing
- Colorado Housing and Finance Authority also provides competitive loans for housing in small rural communities

A more detailed description of each funding source and application steps are listed in the Grand Lake Funding Map.

ACTION ITEMS/ NEXT STEPS

OVER THE NEXT YEAR, THE FOLLOWING ACTION STEPS ARE RECOMMENDED:

- Host a community meeting to gather feedback on the preliminary design concept.
- Determine project roles:
 - a. Who will be the applicant and guarantor for funding?
 - b. Who will lead development work and oversight of a general contractor?
 - c. Who will lead tenant/buyer eligibility, selection, and contacting?
 - d. Who will manage the rentals for the long term?
 - e. Assign a project manager/owner’s representative to coordinate the project and keep momentum.
- Further explore and confirm funding sources, including CHFA, Colorado Division of Housing, Colorado Health Foundation, ARPA, Colorado Trust, and Rural Philanthropy.
- Create a tenant selection plan in coordination with local government entities and the Colorado Division of Housing. Examples from peer communities such as Gunnison and Basalt can help to inform this process.
- Research prefabrication, in-kind donations of labor and materials, and other cost-saving measures to address high construction costs.
- Continue to refine the financial projections.
- Apply to the Colorado Division of Housing for grant funding.
- Apply to lenders for construction and permanent loans.
- Select a contractor through a competitive process

YEAR 2

- Construct the project.
- Coordinate lease-up to eligible households.

ACKNOWLEDGMENTS

- Kim White, Community Development Director
- John Murray, Planning Commission
- Steve Kudron, Mayor
- Margie Joy, Community Relationship Manager, Colorado Housing and Finance Authority
- Mary Coddington, Principal, Cappelli Consulting
- Augustina Remedios, Associate, Cappelli Consulting
- Jonathan Cappelli, Principal, Cappelli Consulting
- Tim Reinen, Principal, Reinen Consulting
- Willa Williford, Principal, Williford LLC
- James Roy II, Principal, Urbanity Advisors
- Briana Roy, Office Manager, Urbanity Advisors
- Cheney McConnell, Associate, Urbanity Advisors

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Town of Grand Lake
Municipal Lands

Master Plan

December 2023



GRAND LAKE BOARD OF TRUSTEES WORKSHOP AND MEETING MINUTES

Monday, December 11, 2023, at 6:00 PM

Town Hall Board Room – 1026 Park Avenue

*The Town of Grand Lake upholds the Six Pillars of Character:
Citizenship, Trustworthiness, Respect, Responsibility, Fairness and Caring*

A. Call to Order

The regular meeting of the Board of Trustees was called to order by Mayor Kudron at 6:00 P.M. in the Town Hall Board Room

B. Pledge of Allegiance

Mayor Kudron led everyone in reciting the Pledge of Allegiance.

C. Announcements

Mayor Kudron announced: Please turn off all cell phones during the meeting.

D. Roll Call

Mayor Kudron, Mayor Pro-Tem Bergquist, Trustees Arntson (via zoom), Bishop, Sobon, Strachan, Town Clerk Carrell, and Town Manager Crone were present.

Trustee Strachan made a motion to excuse Trustee Causseaux from the workshop and evening meeting. Trustee Sobon seconded the motion. Town Clerk Carrell called the vote:

Mayor Kudron	Aye
Mayor Pro-Tem Bergquist	Aye
Trustee Arntson	Aye
Trustee Bishop	Aye
Trustee Causseaux	Absent
Trustee Sobon	Aye
Trustee Strachan	Aye

E. Conflicts of Interest

None.

F. Manager's Report

Wildlife Issues

As winter moves in, so will the wildlife. Keep pets and yourselves away from deer and moose. Keep your trash secured.

Upcoming Events

The Town will again launch fireworks at midnight, December 31 to celebrate the New Year. On December 30, the Grand Arts Council is hosting its annual comedy night at the Community House. They will also host a free Christmas Movie Night at the Community House on December 22. The Rocky Mountain Folk School has a full schedule of classes and events lined up throughout December, and the Rocky Mountain Repertory Theater has shows on December 16, 17, and 31. Please visit their websites for more info and to sign up for a class.

Snow Plowing

A quick reminder that Public Works cannot clear private driveways. Unfortunately, plowing does require that a berm is built on the side of the road. Our plow guys will try to minimize this berm when it crosses driveways; however, it is up to individual homeowners to clear the berm themselves.

Ice Rinks

We are still working on the Town Park ice rink. The last couple of snowstorms have pushed back the opening. Getting on the ice too early will damage it and delay the actual opening. The lakefront rink will open as soon as the ice is thick enough.

Fundraiser

On Friday, December 22, Charlie’s is holding a fundraiser for Patrick Anderson’s family. We all experienced a terrible loss when PJ lost her battle with cancer. This fundraiser will help Patrick and his two young children as they try to pick up the pieces and keep moving forward.

Snowmobile Trail

We are still waiting for the RMNP to open the Town Trail. We’ve been stockpiling snow and working on the bypass to the gas station. As soon as RMNP gives the word, we will be ready to go.

Next Meeting

The next scheduled meeting will be held in two weeks. We will have the Budget Workshop at this meeting. It is scheduled for January 8, 2024.

G. Public Comments (Limited to 3 Minutes)

Aubrey Hamilton, 435 Lake Avenue, Unit #5- expressed her concern regarding snow plowing within town. Ms. Hamilton doesn’t feel it’s fair or acceptable that she and other residents must shovel their driveways after the town has done their plowing. Stated it’s been done differently prior to our new Public Works Director and feels the Town should serve the citizens better.

Don Wall, 12437 Hwy 34- expressed his concern with snow removal, as it’s been done differently in years past and doesn’t feel the way the new Public Works Director is handling it as he should be.

H. Consideration to Approve Meeting Minutes

4. November 27, 2023

Trustee Strachan made a motion to approve the meeting minutes for November 27, 2023. Trustee Sobon seconded the motion. Town Clerk Carrell called the vote:

Mayor Kudron	Aye
Mayor Pro-Tem Bergquist	Aye
Trustee Arntson	Aye
Trustee Bishop	Aye
Trustee Causseaux	Absent
Trustee Sobon	Aye
Trustee Strachan	Aye

I. Consideration to Approve Accounts Payable

5. December 11, 2023

Presented by Town Treasurer Wilson.

Trustee Sobon made a motion to approve accounts payable for December 11, 2023. Trustee Strachan seconded the motion. Town Clerk Carrell called the vote:

Mayor Kudron	Aye
Mayor Pro-Tem Bergquist	Aye
Trustee Arntson	Aye
Trustee Bishop	Aye
Trustee Causseaux	Absent
Trustee Sobon	Aye
Trustee Strachan	Aye

J. Consideration to Approve Accounts Payable

6. November Financials & October Sales Tax

Presented by Town Treasurer Wilson.

K. Items of Discussion

1. Consideration of Approval for the 2023 Supplemental Budget & Appropriation Resolution 49-2023

Trustee Sobon made a motion to approve Resolution 49-2023, appropriating additional sums of money for monies for the Town of Grand Lake, Colorado, for the 2023 budget year. Trustee Strachan seconded the motion. Town Clerk Carrell called the vote:

Mayor Kudron	Aye
Mayor Pro-Tem Bergquist	Aye
Trustee Arntson	Aye
Trustee Bishop	Aye
Trustee Causseaux	Absent
Trustee Sobon	Aye
Trustee Strachan	Aye

2. Consideration of Resolution 50-2023, Setting Certain Fees for the Grand Arts Council's Use of the Community House for Movie Night

Trustee Strachan made a motion to approve Resolution 50-2023, waiving the fees for the Grand Arts Council's use of the Community House for movie night. Trustee Sobon seconded the motion. Town Clerk Carrell called the vote:

Mayor Kudron	Aye
Mayor Pro-Tem Bergquist	Aye
Trustee Arntson	Aye
Trustee Bishop	Aye
Trustee Causseaux	Absent
Trustee Sobon	Aye
Trustee Strachan	Aye

3. Consideration of Resolution 51-2023, Waiving Rental Fees for Secret Santa

Trustee Strachan made a motion to approve Resolution 51-2023, waiving rental fees for the Secret Santa Shop. Trustee Bishop seconded the motion. Town Clerk Carrell called the vote:

Mayor Kudron	Aye
Mayor Pro-Tem Bergquist	Aye
Trustee Arntson	Aye
Trustee Bishop	Aye
Trustee Causseaux	Absent
Trustee Sobon	Aye
Trustee Strachan	Aye

4. Consideration of a Resolution 52-2023; A Resolution to Approve a Lot Consolidation of Lots 12 & 13, Block 37, Town of Grand Lake, More Commonly Referred to as 213 & 217 Grand Ave

Trustee Bishop made a motion to approve Resolution 52-2023, approving a Lot Consolidation of Lots 12& 13, Block 37, Town of Grand Lake, more commonly referred to as 213 & 217 Grand Avenue. Trustee Sobon seconded the motion. Town Clerk Carrell called the vote:

Mayor Kudron	Aye
Mayor Pro-Tem Bergquist	Aye
Trustee Arntson	Aye
Trustee Bishop	Aye
Trustee Causseaux	Absent
Trustee Sobon	Aye
Trustee Strachan	Aye

5. Consideration of Marketing & Visitor Center Contracts with the Grand Lake Chamber of Commerce

Trustee Strachan made a motion to approve the marketing and visitor center contracts with the Grand Lake Chamber of Commerce. Mayor Pro-Tem Bergquist seconded the motion. Town Clerk Carrell called the vote:

Mayor Kudron	Aye
Mayor Pro-Tem Bergquist	Aye
Trustee Arntson	Aye
Trustee Bishop	Aye
Trustee Causseaux	Absent
Trustee Sobon	Aye
Trustee Strachan	Aye

6. Consideration of a Modular Lease with Grand County Water Information Network

Trustee Strachan made a motion to approve the modular lease with the Grand County Water Information Network. Trustee Bishop seconded the motion. Town Clerk Carrell called the vote:

Mayor Kudron	Aye
Mayor Pro-Tem Bergquist	Aye
Trustee Arntson	Aye
Trustee Bishop	Aye
Trustee Causseaux	Absent
Trustee Sobon	Aye
Trustee Strachan	Aye

7. Consideration of a Modular Lease with Grand Lake Area Historical Society

Mayor Pro-Tem Bergquist made a motion to approve the modular lease with Grand Lake Area Historical Society. Trustee Bishop seconded the motion. Town Clerk Carrell called the vote:

Mayor Kudron	Aye
Mayor Pro-Tem Bergquist	Aye
Trustee Arntson	Aye
Trustee Bishop	Aye
Trustee Causseaux	Absent
Trustee Sobon	Aye
Trustee Strachan	Aye

8. Consideration of an Extension to the Town Manager's Contract

Mayor Pro-Tem Bergquist made a motion to extend the Town Managers contract. Trustee Strachan seconded the motion. Town Clerk Carrell called the vote:

Mayor Kudron	Aye
Mayor Pro-Tem Bergquist	Aye
Trustee Arntson	Aye
Trustee Bishop	Aye
Trustee Causseaux	Absent
Trustee Sobon	Aye
Trustee Strachan	Aye

L. Future Items for Consideration

- Town Water Rights
- Town Manager Contract
- Fee Schedule
- Marijuana Lottery Date

M. Mayor's Report

One of the things to start planning for in 2024, over the past three and a half years, we as a Board have been deeply focused on the efforts of our economy, water, affordable housing, and our citizens. We have been putting together the assets and building the way we create these things, it's time for us to take the next step in actualizing these ideas.

After attending the Mayors Summit last week, Mayor Kudron believes it's time for us to take on a strategic plan where we start to not only look at what are the important things for us to talk about, but now we start with what are the three things that we are going to do this next year, what are the three things we do the year after, and the other stuff becomes outside the peripheral, it really needs to be prioritized as it allows us to move forward. Mayor Kudron believes the town is at a stage where we don't have to look at the deferred maintenance as an emergency. Housing continues to be an emergency, but what does that mean? People are starting to ask us, what does that mean? How can I be involved in the next phase? But we need to understand what we want and how we are going to make that work. Mayor Kudron encouraged the Board to start this process in January, so by the time we get to March we can take active steps to doing those things after the election.

Mayor Kudron stated it was very heartwarming seeing everyone come together this last Friday for the Town Christmas party. We missed everyone that couldn't attend and hope we will see you next year. Thanked Town Clerk Carrell for her hard work putting it together.

Happy Holidays to all and we will see you in 2024.

N. Adjourn Meeting

Trustee Strachan made a motion to adjourn the meeting. Mayor Pro-Tem Bergquist seconded the motion. Town Clerk Carrell called the vote:

Mayor Kudron	Aye
Mayor Pro-Tem Bergquist	Aye
Trustee Arntson	Aye
Trustee Bishop	Aye
Trustee Causseaux	Absent
Trustee Sobon	Aye
Trustee Strachan	Aye

This meeting of the Board of Trustees was adjourned at 7:32 PM.

(Attest)

Alayna Carrell, Town Clerk

Stephan Kudron, Mayor



Town of Grand Lake will post Accounts Payable online after Board of Trustees Approves it.

Feel free to reach out to Heike Wilson, Treasurer at hwilson@toglco.com or call 970-776-0779 if would like to view Accounts Payable before the Board of Trustees Approves it. List will be available the Thursday before the 2nd and 4th Monday of each month by request



January 8, 2024

To: Mayor Kudron & Town Trustees

From: Alayna Carrell, Town Clerk

RE: Consideration of Designation of Posting Notices of Public Meetings

The public place or places for posting notice of public meetings of the Town shall be designated each year at the first regular meeting of the year per C.R.S. 24-6-402(2)(c).

Public meetings are those at which the adoption of any proposed policy, position, resolution, rule, regulation, or formal action occurs or at which a majority or quorum of the body is in attendance or is expected to be in attendance. Public meetings include all meetings of a quorum or three or more members of any local public body, whichever is fewer, at which any public business is discussed or at which any formal action may be taken. Meetings shall be held only after full and timely notice to the public.

Staff recommends that the Board make a motion to designate that notice of public meetings shall be posted in the Grand Lake Post Office and at the Grand Lake Town Hall at least twenty-four (24) hours prior to all public meetings of the Town. This is the same procedure that has been followed for the previous twenty-eight years.



Date: January 8th, 2024

To: Mayor Kudron and Trustees
From: Kim White, Community Development Director

RE: Consideration of an Intergovernmental Agreement (IGA) Between the Board of County Commissioners of the County of Grand and the Board of Trustees of the Town of Grand Lake Regarding the Grand County Building Department

Purpose:

The Town entered into an IGA with Grand County December 18th, 2012. The agreement requires the Town to review the terms of the agreement every five (5) years. The County and Town began to review the document in 2017, and again in 2022.

Background:

Historically, the Grand County Building Department has provided building permit services to the Town. Grand County and Town of Grand Lake legal staff have reviewed the IGA and have removed the portion of the document dealing with the collection of Use Tax and Affordable Housing fees. These fees are now taken by the Town prior to submitting permit applications to the County for review, therefore the language for these fees are no longer required in the agreement.

Board Action:

If the Board desires to continue the IGA with the County for Building Services, they should do so by passing the following motion,

1. *I move to instruct the Manager and Mayor to sign the IGA as presented.*

INTERGOVERNMENTAL AGREEMENT

THIS AGREEMENT, made and entered into this _____ day of January, 2024, by and between The Board of County Commissioners of the County of Grand, State of Colorado, hereinafter referred to as the “County,” whose address is P.O. Box 264, Hot Sulphur Springs, CO 80451 and The Board of Trustees of the Town of Grand Lake, State of Colorado, hereinafter referred to as the “Town,” whose address is P.O. Box 99, Grand Lake, Colorado 80447.

WITNESSETH:

WHEREAS, The Town of Grand Lake, Colorado, is a statutory municipality and political subdivision of the State of Colorado operating pursuant to Title 31, C.R.S.; and

WHEREAS, Grand County is a Colorado county and political subdivision of the State of Colorado; and

WHEREAS, Article XI, Section 7, of the Colorado Constitution allows the State and its political subdivisions to give direct or indirect assistance to any other political subdivision as may be authorized by general statutes; and

WHEREAS, Article XIV, Section 18(2)(a) of the Colorado Constitution supports the cooperation or contracting by or among any of its political subdivisions to provide any function or facility lawfully authorized to each of the cooperating units, including, without limitation, the sharing of costs, the imposition of taxes, or the incurring of debts; and

WHEREAS, Sections 29-1-201 and 203, C.R.S., permit and encourage governmental entities to make the most efficient and effective use of their powers and responsibilities by cooperating and contracting with other governmental entities to provide any function, service or facility lawfully authorized to each, including the sharing of costs; and

WHEREAS, the Town and County have previously entered into a Memorandum of Understanding regarding the Town’s use of the County Building Department to administer and enforce the Town’s Building Code within the Town; and

WHEREAS, the Memorandum of Understanding has been amended and replaced with an Intergovernmental Agreement (the “IGA”); and

WHEREAS, the Parties desire to further the relationship and agreement between the parties and continue with the County’s provision of building administration services for the Town; and

WHEREAS, it is mutually beneficial to the Town and County to cooperate in the enforcement and administration of Building Codes; and

WHEREAS, the IGA has since expired, and the Parties desire to renew the IGA.

NOW THEREFORE, in consideration of the foregoing premises and the mutual covenants contained herein, it is agreed as follows:

1. Code Adoption.
 - a. The Town agrees to adopt Building Code Editions concurrently with the County pursuant to statutory provisions.
 - i. The County Building Department will assist the Town as appropriate with the review, analysis, and adoption of Code updates in a timely manner.
 1. Adoption of Code updates and amendments by the Town shall be done prior to, and in conjunction with, Grand County adoption.
 2. Adoption of Code updates and amendments shall be tailored to be applicable to the Town of Grand Lake.
 - b. The County recognizes that the Town Building Code is a local code and is subject to the discretion of the Town Board, and that the Town may adopt specific local amendments to the Building Codes as deemed appropriate by the Town. The Town expressly acknowledges the Town bears the responsibility of any local amendments made contrary to the recommendations of the County Building Department.
 - i. The Town shall inform the County Building Department of any proposed amendments and the County Building Department shall provide assistance with review and analysis of such proposed amendments. The County Building Department will provide a recommendation regarding any such proposed amendments.
 - ii. The Town shall not repeal or amend the Building Codes unless prior notice is given to the County, and the Town shall furnish to the County certified copies of any and all adopted amendments.
2. Code Administration.
 - a. The Town and the County Building Department agree to cooperate in establishing administrative procedures to enforce the Building Codes and any amendments thereto.
 - i. The Town and County agree to cooperate towards establishment or amendment of administrative procedures to better address the needs of the Parties, or to improve the overall Code administration and enforcement process.
 - b. The County shall be responsible for issuing Building Permits as required by the Building Codes for construction within the corporate limits of the Town pursuant to the procedures agreed upon by the Town and County. The County shall not issue a Building Permit until

it has received confirmation from the Town that the proposed construction complies with the Town's Zoning Ordinance.

3. The Town shall be solely responsible for assuring compliance with its zoning ordinance for all building permit applicants.
 - a. The County shall not issue a Building Permit until it has received confirmation from the Town that the proposed construction or demolition complies with the Town's Zoning Ordinance.
 - i. The County shall not issue a Plan Change Request until it has received confirmation from the Town that the proposed construction or demolition complies with the Town's Zoning Ordinance.
 - ii. The County shall not authorize site-specific design alterations until it has received confirmation from the Town that the proposed construction or demolition complies with the Town's Zoning Ordinance.
 - b. Under no circumstances shall the County be responsible for any error or failure to detect a zoning violation in conjunction with new construction.
 - c. Under no circumstances shall the County be responsible for preparing any legal action necessary to enforce the Town's Zoning Ordinances.

4. The County shall provide building inspection services to the Town for purposes of administrating the Building Codes adopted by the Town. Said services shall be provided by persons competent, through experience and training, to enforce the provisions of the Building Codes as adopted.
 - a. Representatives from the Building Department and the Town shall have a meeting if, in the Building Department or Town representative's judgment, a permit issue warrants immediate notification to or action by the Building Department or the Town.
 - b. The County agrees to cooperate in providing notice to the Town of suspected building, zoning, or other Code violations that may be observed.
 - c. Building Department employees shall assist the Town in any legal action to enforce the Building Codes, including making themselves available for and furnishing such testimony.
 - d. The Town agrees to cooperate in providing notice to the County of suspected building violations that may be observed.
 - i. The County shall report to the Town suspected violations of all adopted Building Codes, and work to help rectify violations.
 - e. The Town may suspend a building permit upon written notification to the County for an infraction of the Zoning Code, and the County agrees to halt inspections at the Town's request.

5. The County shall not issue any Letter of Occupancy, Certificate of Occupancy or otherwise close a permit until it has received confirmation from the Town

- that all applicable site and zoning requirements have been satisfied.
- a. Upon issuance of any Letter of Occupancy or Certificate of Occupancy, or closing of any permit for any reason, including due to permit expiration, the County shall send notification of the permit closure to the Town.
 - b. The County shall notify permit holders of permit expiration.

- 6. Additional Services.
 - a. The County agrees to provide access to Cloudpermit and other electronic software systems so the Town has access to all building permits within their jurisdiction at all times.
- 7. Fees for Services.
 - a. The County agrees to waive all charges to the Town on all Town-owned building projects upon written notification by the Town Manager to the Board of County Commissioners.
 - b. For its services, the County shall retain one hundred percent (100%) of the Building Permit fee for all other Building Permits issued.
- 8. Agreement.
 - a. This agreement supersedes all prior agreements, including any prior Agreement entered into between the parties for the County providing a Building Inspector to the Town, and all prior agreements are hereby determined to be void and no longer in effect.
 - b. This Agreement may be terminated by the Town upon ninety (90) days written notice to the County. This Agreement may be terminated by the County upon one hundred eighty (180) days written notice to the Town. Upon termination, by either party, the Town shall receive the services for those Building Permits that have been issued by the County for the Town. Written notice to either shall be by certified mail, return receipt requested as follows:

If to the Town:

Town Manager
P.O. Box 99
Grand Lake, CO 80447

If to the County:

Grand County Manager
P.O. Box 264
Hot Sulphur Springs, CO 80451

- 9. Nothing contained in this Intergovernmental Agreement shall constitute a waiver of governmental immunity by either party.

- 10. There are no third party beneficiaries of this agreement.
- 11. This agreement shall be reviewed every five years by the parties and shall not be amended unless the parties agree in writing.

IN WITNESS WHEREOF, the parties hereto have set their hands and seals this _____ day of January, 2024.

Board of County Commissioners
County of Grand, State of Colorado

Town of Grand Lake
State of Colorado

Board of County Commissioners, Chair

Stephan Kudron, Mayor

ATTEST:

ATTEST:

Jolene Linke, Clerk & Recorder

Alayna Carrell, Town Clerk

SEAL

SEAL

Approved:

Approved:

Kristen Manguso, Building Official

John Crone, Town Manager



1026 Park Ave · PO Box 99
Grand Lake, CO 80447
970-627-3435
www.townofgrandlake.com

To: Mayor Kudron and the Grand Lake Board of Trustees
From: John Crone, Town Manager
Re: Resolution 3-2024 Setting a Fee Schedule
Date: January 8, 2024

Background

Pursuant to Grand Lake Municipal Code 2-3-2. The Board of Trustees has the authority to set fees, charges, and deposits for various services (including rentals) provided by the Town. The last time that the Town adopted a fee schedule was in 2023.

Since adoption of the last fee schedule, there have been numerous changes in the types of services provided and there is a better understanding of the costs incurred by the Town in providing certain services. The attached proposed fee schedule has eliminated services no longer provided by the Town and added certain services that we now provide. Several fees and deposits have been updated to reflect the actual cost incurred by the Town for providing those services.

Under State law, all fees must defray the reasonable direct and indirect costs of administering the service or to offset the impacts of the service.

Planning Deposit Increases

Staff is proposing several increases to the required deposits for planning and building issues. These increases reflect the increased costs of sending required notices and hiring outside professionals to review applications.

Some of the fee increases reflect the actual cost in staff time of processing the applications.

Rental of Town Facilities

Staff is recommending that we include a damage deposit for the use of all properties whether they are rented or used subject to a special events permit.

Motion

Staff recommends the adoption of the updated fee schedule by approving the following motion: I move to adopt Resolution 01-2024, an Ordinance Adopting a Fee and Deposit Schedule for the Town of Grand Lake (*with the following changes*).

**TOWN OF GRAND LAKE
BOARD OF TRUSTEES
RESOLUTION NO. 01-2024**

A RESOLUTION SETTING CERTAIN FEES AND DEPOSITS

WHEREAS, the Board of Trustees of the Town of Grand Lake ("the Board"), Colorado, pursuant to Colorado statute and the Grand Lake Town Code, including but not limited to Section 2-3-2, is vested with the authority of administering the affairs of the City of the Town of Grand Lake, Colorado (the "Town"); and,

WHEREAS, the authority of the Board includes, but is not limited to adopting ordinances and resolutions, including those that establish, set, or amend the fees, charges, and deposits assessed in connection with land use applications, water service, water service availability, plant investment and improvement, use of facilities, staff time, and other related services and matters provided by or at the direction of the Town; and,

WHEREAS, the Board has previously and periodically adopted and revised schedules, setting forth such fees and other charges; and,

WHEREAS, the Board reviewed the current fee and deposit schedule adopted by Ordinance 3-2023; and,

WHEREAS, the Board deems revisions are necessary to the current fee and deposit schedule in order to reasonably provide the particular service, permit or license.

NOW THEREFORE BE IT RESOLVED BY THE BOARD OF TRUSTEES OF THE TOWN OF GRAND LAKE AS FOLLOWS:

THAT, the Board considers the Fee and Deposit Schedule attached hereto fair and equitable, and are reasonably related to the cost of providing the particular service, permit, or license; and,

THAT, the Town Fee and Deposit Schedule (the "Fee and Deposit Schedule") attached hereto is hereby approved with the following conditions:

1. The Fee and Deposit Schedule shall take effect on January 9, 2024 (the "Effective Date").
2. The Fee and Deposit Schedule shall apply to any application filed after the Effective Date.
3. No additional fees will be charged in connection with applications that are pending prior to the Effective Date; and,

THAT, the Fee and Deposit Schedule attached hereto repeals and replaces any previously adopted fee and deposit schedule(s) approved by the Board; and,

THAT, the fees and charges set forth in the Fee and Deposit Schedule may be revised from time to time by ordinance or by resolution, duly enacted by the Board.

1. Validity. If any part of this resolution is held to be unconstitutional or invalid for any reason such decision shall not affect the validity or constitutionality of the remain portions of this resolution. The Board of Trustees hereby declares that it would have approved this resolution and each part or parts thereof irrespective of the fact that any one part or parts be declared unconstitutional or invalid.

INTRODUCED, PASSED AND ADOPTED A REGULAR MEETING OF THE BOARD OF TRUSTEES OF THE TOWN OF GRAND LAKE AND SIGNED THIS 8th DAY OF JANUARY 2024.

Votes Approving: _____
 Votes Opposed: _____
 Absent: _____
 Abstained: _____

ATTEST:

BOARD OF TRUSTEES OF THE TOWN OF GRAND LAKE, COLORADO

 Alayna Carrell
 Town Clerk

By: _____
 Stephan Kudron
 Mayor

TOWN OF GRAND LAKE FEE AND DEPOSIT SCHEDULE

Section 10, Item C.

TYPE OF FEE/DEPOSIT	AMOUNT	TYPE
Administrative and Public Works		
Staff Time (unless otherwise indicated)	\$60.00 per hour	Fee
Records Request	\$40.00 per hr after the 1 st hr & material	Fee
Copying/Printing – Letter Size	25¢ per page	Fee
Copying/Printing – Ledger Size	\$1.00 per page	Fee
Copying/Printing – 24” x 36”	\$25.00 per page B&W \$45.00 per page Color	
Copy of Zoning Code	\$ 20.00 per copy	Fee
Copy of Subdivision Code	\$10.00 per copy	Fee
Send Fax – 1-2 Pages (No International)	\$2.00 per request	Fee
Send Fax – 3-5 Pages (No International)	\$4.00 per request	Fee
Send Fax – 6-10 Pages (No International)	\$6.00 per request	Fee
Send Fax – 11-20 Pages (No International)	\$10.00 per request	Fee
Motorized Equipment	\$150.00 per hour	Fee
Road Material (Road base/asphalt, etc.)	Cost per ton plus Equip & Staff per request	Fee
Other Materials (Acetylene, etc.)	Cost plus Equip & Staff per request	Fee
Fuel Surcharge	10% of sale	Fee
Pay – As – You – Throw (PAYT) Program		
Small Bag- 25 gal. (Blue)	\$5.00 per bag	Fee
Big Bag- 40 gal. (Green)	\$8.00 per bag	Fee
Business Licenses		
Fixed Business License (Half if purchased between 1/1 - 6/30)	\$165.00 per license	Fee
Fixed Business with Liquor License	\$187.00 per license	Fee
Non-Fixed Business License (Half if purchased between 1/1 – 6/30)	\$82.50 per license	Fee
Transient Merchant License	\$15.00 per license	Fee
Animal Drawn Vehicle License	\$50.00 per license	Fee
Sign Permit Application	\$ 25.00 per permit	Fee
Appeal to a denied Sign Permit Application	\$50.00 per appeal	Fee
Building Permit & Grading Permit Applications		
Building Permit		
Demolition	\$25.00 per permit	Fee
All other permits	See Grand County Building Dept	Fee
Appeal to a Denied Building Permit Application	\$ 300.00 per appeal	Fee
Grading Permit – General	\$ 50.00 per permit	Fee
Grading Permit – Engineered	\$ 100.00 per permit	Fee
Appeal to a Denied Grading Permit Application	\$75.00 per appeal	Fee

*All fees are non-refundable unless otherwise noted

TOWN OF GRAND LAKE FEE AND DEPOSIT SCHEDULE

Section 10, Item C.

TYPE OF FEE/DEPOSIT	AMOUNT	TYPE
Land Use Applications		
Land Use Applications		
Major Subdivision Request	\$ 1,750.00 <u>1800.00</u> per request	Deposit
Minor Subdivision Request	\$ 800.00 per request	Deposit
Plat or Plan Amendment Request	\$ 600.00 <u>625.00</u> per request	Deposit
Redevelopment Request	\$ 300.00 <u>325.00</u> per request	Deposit
Land Use Development Variances	\$ 600.00 <u>700.00</u> per request	Deposit
Annexation Request	\$ 1,750.00 <u>1800.00</u> per request	Deposit
Rezoning Request	\$ 600.00 <u>700.00</u> per request	Fee
Building Permit Change	\$ 100.00 per request	Fee
Special Use Permit Application	\$ 250.00 <u>275.00</u> per request	Deposit
Conditional Use Permit Application (Except: Nightly Rental)	\$ 300.00 per request	Deposit
Nightly Rental License	\$ 600.00 per license (1-4 occupancy) \$ 750.00 per license (5-8 occupancy) \$ 900.00 per license (8+ occupancy)	Fee
Nightly Rental Application Fee	\$ Per application \$165	Fee
Variance Request Application – Zoning	\$ 350.00 <u>75375.00</u> per request	Deposit
Variance Request Application – Zoning (Limited to: Setbacks, Min. Area, Max. Bldg Ht, & Min. Lot Frontage)	\$ 350.00 <u>375.00</u> per request	Fee
Variance Request Application – Design Standards	\$ 100.00 <u>150.00</u> per request	Deposit
Variance Request Application – Stream and Lake Setbacks	\$ 325.00 <u>375.00</u> per request	Deposit
Appeal to a Denied Application	\$ 100.00 per request	Fee
Off-Street Parking Fee in Lieu	\$ 20,000.00 per space	Fee
Lot Line Consolidation	\$ 250.00 <u>275.00</u> each	Deposit
Change to Non-Conforming Uses/Structure Requests	\$ 100.00 per request	Fee
Municipal Property Applications		
Right-of-Way Permit Application	\$ 100.00 per permit	Fee
Public Property Encroachment License Application	\$ 350.00 <u>375.00</u> per application	Deposit
Major Encroachment License	\$100.00 per license	Fee
Minor Encroachment Agreement	\$ 50.00 per agreement	Fee
Special Event Permit Application – new events only	\$250.00	Deposit
Special Event Permit (Damage Deposit)	\$ 250.00 per permit (+ credit card on file)	Deposit
Special Event Liquor License	\$ Case by Case	Fee
Variance Request Application - Street Standards	\$ 300.00 <u>350.00</u> per application	Deposit
Right-of-Way Vacation Application	\$ 300.00 <u>350.00</u> per application	Deposit
Boardwalk Fee in Lieu	\$150.00 per linear foot	Fee
Boardwalk Merchandise Permit (Annual)	\$ 25.00 per permit	Fee

*All fees are non-refundable unless otherwise noted

TOWN OF GRAND LAKE FEE AND DEPOSIT SCHEDULE

Section 10, Item C.

(Excludes News Racks – N/C)		
Greenway Application New app required for any additions	\$ 20.00 per application	Fee
Appeal to a Denied Greenway Application	\$ 50.00 per request	Fee

TYPE OF FEE/DEPOSIT	AMOUNT	TYPE
Water Service Availability and Usage		
In-Town Plant Investment (TAP) – 3/4” Service Line	\$6,500.00 per line	Fee
Out-of-Town Plant Investment (TAP) – 3/4” Service Line	\$13,000.00 per line	Fee
In-Town Plant Investment (TAP) – 1” Service Line	\$13,000.00 per line	Fee
Out-of-Town Plant Investment (TAP) – 1” Service Line	\$26,000.00 per line	Fee
In-Town Plant Investment (TAP) – 1 1/2” Service Line	\$26,000.00 per line	Fee
Out-of-Town Plant Investment (TAP) – 1 1/2” Service Line	\$52,000.00 per line	Fee
In-Town Plant Investment (TAP) – 2” Service Line	\$52,000.00 per line	Fee
Out-of-Town Plant Investment (TAP) – 2” Service Line	\$104,000.00 per line	Fee
In-Town Plant Investment (TAP) – 3” Service Line	\$104,000.00 per line	Fee
Out-of-Town Plant Investment (Tap) – 3” Service Line	\$208,000.00 per line	Fee
In-Town Plant Investment (TAP) – 4” Service Line	\$208,000.00 per line	Fee
Out-of-Town Plant Investment (Tap) – 4” Service Line	\$416,000.00 per line	Fee
In-Town Water Service Availability Rate “Based on Board of Trustees review and approval, increases 6% annually”.	\$147 per quarter for up to 27,000 gallons of water used and \$2.00 per 1,000 gallons of water used over 27,000 gallons.	Fee
Out-of-Town Water Service Availability Rate “Based on Board of Trustees review and approval, increases 6% annually”.	\$294 per quarter for up to 27,000 gallons of water used and \$4.00 per 1,000 gallons of water used over 27,000 gallons.	Fee
Water (Stop/Restart) Service Charge	\$25.00 per charge	Fee
Late Payment Charges (Over 30 Days Late)	\$25.00 per billing cycle	Fee
Disconnect for Non-Payment (Due before reconnect)	\$100.00 per disconnect	Deposit
Reconnect by Town Personnel	\$100.00 per hour (with a 2-hour minimum)	Fee
Reconnect by Private Contractor Hired by Town	Actual cost plus \$200.00 per reconnect	Fee
Water Supply Protection Permit	\$300.00 per permit	Fee
Bulk Water		
One time Permit (Up to 300 gallons)	\$25.00 per permit	Fee
Monthly Permit (Up to 9000 gallons)	\$50.00 per permit	Fee
Monthly Permit (Per 1000 gallons over 9000)	\$4.00 per permit	Fee
Monthly Permit – Additional Truck	\$10.00 each per permit	Fee
Water Well Permit Fee	\$250.00 per permit	Fee
Water Certification Fee	\$10.00 or 10%	Fee

*All fees are non-refundable unless otherwise noted

TOWN OF GRAND LAKE FEE AND DEPOSIT SCHEDULE

Section 10, Item C.

TYPE OF FEE/DEPOSIT	AMOUNT	TYPE
Use of Town Facilities		
<u>Damage and Cleaning Deposit for All Properties except CH</u>	\$250.00 (+ credit card on file)	
Community House		
Key Deposit	\$50.00	Deposit
Damage and Cleaning Deposit	\$500.00 (+ credit card on file)	Deposit
Government/Non-Profits/Special Dist.	\$300.00	Fee
Private Function or Pecuniary Event	\$600.00	Fee
Private Use of AV Equipment	\$200.00	Fee
Additional Use of Kitchen	\$100.00	Fee
Heckert Pavilion		
Government/Non-Profits/Special Dist.	\$20.00 per hour	Fee
Private Function or Pecuniary Event	\$30.00 per hour	Fee
Electricity Use	\$25.00 per use	Fee
Lakefront Park (Upper and Lower) Picnic Shelter		
Electricity Use	\$25.00 per use	Fee
Government/Non-Profits/Special Dist.	\$20.00 per hour	Fee
Private Function or Pecuniary Event	\$30.00 per hour	Fee
Gazebo in Town Park	\$10 Non-Profit \$20 Private	Fee
Electricity Use	\$25.00 per use	Fee
EV Charging Station – Level 2	\$1.00/Hour	Fee
EV Charging Station – DC Fast	\$0.42/ kwh	Fee
EV Charging Station – DC Fast overtime	\$60.00 / hr	Fee
Cemetery Fees		
Traditional Perpetual Care Fee	\$750.00	Fee
Cremation Perpetual Care Fee	\$500.00	Fee
Reservation Fee Refundable.	\$50.00	Fee
Headstone Deposit	\$200.00	Deposit
Judicial Proceedings		
Appeal to Administrative Enforcement Citation	\$150.00 (if citation is upheld)	Fee
Municipal Court	As determined by Municipal Judge	Fee

*All fees are non-refundable unless otherwise noted



January 8, 2024

To: Mayor Kudron & Town Trustees

From: Alayna Carrell, Town Clerk

RE: Town of Grand Lake Marijuana Lottery Applications Board Review

I received two Town of Grand Lake Marijuana Lottery applications as well as the entry fees from Igadi and Verts Grand Lake, LLC. After careful review by Brian Blumenfeld and myself the applications have been fully completed.

Per Ordinance 06-2023, Section 6-5-7(h) *Board Review*. At the end of the completeness review period under this Section, including the appeals process thereunder, if any, the Town Clerk, or their designee, shall submit to the Board all Lottery Phase Applications determined to be complete. At its next regular public meeting, the Board shall review each complete Lottery Phase Application to determine qualification, pursuant to this Subsection, for entry into the Lottery. The Board shall make such determinations and notify each Applicant, in writing, no later than thirty (30) days from such public hearing. Applicants shall qualify for entry into the Lottery by demonstrating, through the Lottery Phase Application materials submitted to the Town, that the Applicant possess sufficient:

1. Knowledge of applicable state and local laws and regulations
2. Knowledge of the legal marijuana industry and/or competence in operating a business in another highly regulated industry, and
3. Professionalism in business plans, operational plans, and other submitted materials.

Next Phase:

Per Ordinance 06-2023, Section 6-5-7(i) *Lottery Selection*. Upon final determination by the Board of all Lottery Phase Applications that qualify for entry into the Lottery ("Lottery Applicant(s)"), the Town shall conduct a random Lottery at its next regular public meeting, subject to Subsection (d) of this Section, to select which Lottery Applicant shall proceed with the License Phase Application process under Section 6-5-8. Following such selection, and at the same public meeting, the Town shall also conduct a random Lottery to select alternate Lottery Applicants ("Alternate Applicant(s)"), for the purpose set for in Section 6-5-8(d)(2), by assigning all Alternate Applicants an alternate preference number corresponding to the order in which they were selected.

1. The Town may adopt administrative rules and regulations specifying the policies and procedures for conducting the Lottery.

Staff recommends that both applicants be officially entered into the Lottery Selection.



1026 Park Avenue
PO Box 99
Grand Lake, CO 80447
970-627-3435
www.townofgrandlake.com

Town of Grand Lake Marijuana Lottery Phase Application

Fees
<input checked="" type="checkbox"/> Lottery Phase Application Fee = \$4,000.00 Payable to Town of Grand Lake - Nonrefundable

Applicant Business Information
Applicant is applying as (attach organizational documents):
<input type="checkbox"/> Corporation <input checked="" type="checkbox"/> Limited Liability Company <input type="checkbox"/> Individual <input type="checkbox"/> Partnership <input type="checkbox"/> Association

Applicant Contact Information		
<i>First Name</i>	<i>Middle Name</i>	<i>Last Name</i>
David	G	Salturelli
<i>Phone Number:</i>		<i>DOB:</i>
<i>Applicant Email:</i>		
<i>Trade Name (DBA)</i>		
lgadi		
<i>CO Sales Tax #:</i>	30735679	<i>FEIN:</i> 47-1820204

Applicant Mailing Address			
<i>Street/PO Box:</i>	<i>City:</i>	<i>State:</i>	<i>Zip Code:</i>

Applicant Ownership and Management Structure

The Applicant must provide the name, date of birth, and address of ALL MANAGERS AND CONTROLLING BENEFICIAL OWNERS as defined by State Law. Check if additional information is provided on a separate sheet.

Name	Mailing Address, City, State, Zip	Date of Birth	Title	% Owned
David Michel			Member	20%
David Salturelli			Member	20%
Joshua Pennington			Member	20%
Phuong Cronin		1	Member	20%
Steven Michel			Member	20%
On-Site Business Manager:	Tyler Dodd	Cell Number:		

Bonus Weight

Pursuant to Town Marijuana Code Section 6-5-7(d)(3), bonus weight is not cumulative—the most bonus weight an applicant can receive is 15%

For 15% bonus weight in the Lottery selection process, does Applicant have proof that no less than fifty-one percent (51%) of all Controlling Beneficial Owners associated with the Applicant have continuously resided full-time in the Town, or in Grand County, Colorado, for no less than one (1) full year immediately preceding the date of submission of Applicant's Lottery Phase Application:

Yes No

For 10% bonus weight in the Lottery selection process, does Applicant have proof that the Applicant is a Social Equity Licensee under the Colorado Marijuana Code:

Yes No

If Yes, please attach proof

For all of the questions below, answer regarding all individuals named above.

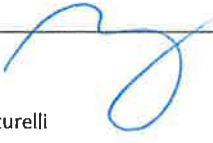
"Yes" answers may require additional or follow-up information:

Do any of the individuals listed above qualify as an "Affiliated Entity" with any other Applicant, as defined in Section 6-5-7(f) of the Town Marijuana Code?	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No
Do any of the individuals listed above qualify as having "substantially the same ownership" with any other Applicant, as defined in Section 6-5-7(f) of the Town Marijuana Code?	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No
Is the Applicant sharing or intending to share, any funding with any other Applicant?	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No
Is the applicant the true applicant not applying on behalf of another person or entity?	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No
Are any of the individuals listed above under 21 years of age?	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No
Have any of the individuals listed above discharged a sentence for a felony conviction within the past five (5) years?	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No
Have any of the individuals listed above, at any time, been convicted of a felony?	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No
Have any of the individuals listed above employed another person at a regulated marijuana business without confirming the employee's eligibility to work in the business or whose criminal record history check revealed the employee was ineligible to work in the business?	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No
Have any of the individuals listed above made a false, misleading, or fraudulent statement on this application?	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No
Have any of the individuals listed above failed to file any tax return with a taxing agency, stay out of default on a government-issued student loan, pay child support, or remedy outstanding delinquent taxes?	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No
Have any of the individuals listed above held a regulated marijuana business license issued in another Town, Town and County or State that was revoked, or that was subject to any disciplinary action by any governing jurisdiction?	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No
Are any of the individuals listed above a licensed physician making patient recommendations?	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No
Have any of the individuals listed above had their authority to be a primary caregiver revoked by the State Health Agency?	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No

Lottery Phase Application Process Acknowledgment

I have reviewed Article 5 of Chapter Six of the Grand Lake Municipal Code (the "Town Marijuana Code"), regarding Regulated Marijuana Businesses, and I understand the requirements and obligations for Applicants contained therein. I understand that submission of a complete Lottery Phase Application and associated fee is required for entry into the Lottery. I further understand that an incomplete or deficient Lottery Phase Application will be returned to the Applicant with an opportunity to correct any such deficiency(ies), and that failure to correct such deficiency(ies) within the allotted time frame will result in the denial of the Applicant for entry into the Lottery. The outcome of the Lottery will determine which Applicant continues to the Licensing Phase Application process. I understand that multiple Lottery Phase Applications by the same person or entity, or by multiple entities with substantially the same ownership, as defined in Section 6-5-7(f) of the Town Marijuana Code, are prohibited and will be rejected. I verify that I am applying only on behalf of the individual(s) or entity(ies) shown above and for no other person or entity, and I verify that I will not transfer this Application or a resulting Lottery spot, if any, to a third party at any time. By signing below, I acknowledge that I have read and understand the above statements, the Town Marijuana Code, and that the information contained in this Application is true and correct.

I have read and understood the above statement:

Signature 
David G. Salturelli

10-30-2023
Date

Printed Name
Member

Relationship to Applicant (if applicant is an entity, specify role within entity)

State of Colorado
County of Jefferson

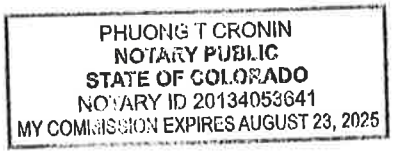
This instrument was acknowledged before me on 10-30-2023

By David G. Salturelli

Name(s) of person(s)

-


Signature of Notary Public





COLORADO
Department of Revenue
Enforcement Division – Marijuana
1707 Cole Blvd., Suite 300
Lakewood, CO 80401

Section 10, Item D.

November 25, 2020

Phuong Thi Cronin

License Type: Owner- Individual
License # M118157

Dear Phuong Thi Cronin,

The purpose of this correspondence is to inform you that on November 25, 2020 you were found suitable to be a Controlling Beneficial Interest owner in any business licensed by the Marijuana Enforcement Division (MED). You are now eligible to apply for an ownership interest in a Colorado marijuana establishment. Per rule 2-235(A)(1) – “Except as provided in subparagraph (A)(1)(a), any Person intending to become a Controlling Beneficial Owner by submitting an initial application for any Regulated Marijuana Business that is not a Publicly Traded Corporation must first submit a request to the State Licensing Authority for a finding of suitability.”

To join the ownership of an existing Colorado Regulated Marijuana Business, the owner(s) of the existing establishment/business are required to submit this letter of suitability, a Regulated Marijuana Business License Change of Controlling Beneficial Owner application, supporting documents and applicable fees to the MED for approval. If you wish to open a new Colorado Regulated Marijuana Business, you must submit a complete Regulated Marijuana Business License application, accompanied with all applicable fees and all supporting documents, along with this letter of suitability.

Sincerely,

James Burack
Division Director

Colorado Marijuana Enforcement Division**Natural Person – Finding of Suitability Application Instructions****APPLICATION CHECKLIST** **1 Application Type**

Owner: Any Natural Person who holds 10% interest or more of the Owner's interest of a RMB; Executive Officer, Manager or any other Person or affiliate that is otherwise in a position to execute Control of the RMB.

 2 Application Fully Completed

Type or clearly print, in English, an answer to every question. If a question does not apply, indicate with an N/A. If the available space is insufficient, continue on a separate sheet and precede each answer with the appropriate title. Sign and date the application. **Attach a copy of your state issued or Government ID (i.e. passport) or driver's license.**

Notice: You are required by state law to provide your social security number. If you do not have a social security number, you must complete a sworn statement stating you do not have a social security number.

 3 Application Contents

- Disclosure Requirements
- Main Application
- Authorization Forms
- Fingerprint Verification Form
- IdentoGo Instructions

The disclosure requirements and the main application must be completed in full by all applicants.

 4 All Forms Signed and Attached

The following accompanying forms must be completed, signed and returned with the application:

- Affidavit- Restrictions on Public Benefits
- Affirmation and Consent
- Tax Check Authorization and Request to Release Information
- Investigation Authorization / Authorization to Release Information
- Applicant's Request to Release Information

 5 Required Disclosures

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

 6 Application and License Fees

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

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

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

- Submit complete hard copy application packet.
- Cash, checks (in the name of the applicant or applicants attorney's trust account), money orders and major credit cards (subject to service charge).
- Mail-in applications can only be paid by check or money order

 7 Application Submittal

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

Marijuana Enforcement Division
1707 Cole Blvd., Suite 300
Lakewood, CO 80401
ATTN: Business Licensing

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

Suitability Required Disclosures

What type of application will this suitability be associated with?

- New Business (All required Findings of Suitability must first be obtained prior to any new business application submission).
- Change of Ownership with license # _____
(Applications for Finding of Suitability associated with Change of Ownership applications must be submitted at the same time).
- Change of Ownership Exemption with license # _____

Provide 180 days of account statements used to acquire ownership or proof of ownership, for 180 days, of other assets being used to secure ownership interest.

Provide a copy of a State issued or Government ID (state issued Driver's License, state issued ID or Government issued passport)

Fingerprint information (see instructions provided in the application)

Glossary of Terms:

RMB - Regulated Marijuana Business

CBO - Controlling Beneficial Owner

PBO - Passive Beneficial Owner

IFIH - Indirect Financial Interest Holder

QII - Qualified Institutional Investor

QPF - Qualified Private Fund

PTC - Publicly Traded Company

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

Affirmation of complete application

Signature	Printed Name	Date 11-2-2020
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Natural Person Finding of Suitability Application Form

Applicant's Last Name (Please Print) Cronin		First Name (Please Print) Phuong		Full Middle Name Thi		
Maiden/Married Names Used (Full Name) (Attach separate sheet if necessary) Phuong Thi Mullick			Nicknames, Aliases, Etc. Used (Full Name) (Attach separate sheet if necessary) None			
Gender <input type="checkbox"/> M <input checked="" type="checkbox"/> F <input type="checkbox"/> X		Race <input checked="" type="checkbox"/> Asian <input type="checkbox"/> Mixed Race <input type="checkbox"/> Black <input type="checkbox"/> Native American <input type="checkbox"/> Caucasian <input type="checkbox"/> Native Hawaiian/Pacific Islander <input type="checkbox"/> Hispanic/Latino <input type="checkbox"/> Undisclosed/Unknown				
Date of Birth		Social Security Number		Government Issued ID & Jurisdiction CO Driver's License		
Place of Birth: City			State/Prov	Country		
Physical Appearance →		Height	Weight	Hair Color	Eye Color	
U.S. Citizen <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No		*If "No", List Country of Citizenship				
Physical Address						
Address (include unit or apartment number)			City	County	State/Prov ZIP	
Length of time at this Address:		Home Phone Number	Cell Phone Number	Email Address		
Year(s) 2	Month(s) 1					
Mailing Address (if different from Physical Address)						
Address (include unit or apartment number)			City	State/Prov	ZIP	
Why are you applying for this application? (Check one of the following):						
<input type="checkbox"/> CBO		<input type="checkbox"/> PBO		<input checked="" type="checkbox"/> Executive Officer	<input type="checkbox"/> Manager	
<input type="checkbox"/> Reasonable Cause						
Position Held Chief Administrative Officer						
Name of Marijuana Business Associated with Igadi, Ltd.			Marijuana Business Phone Number	Marijuana Business Contact Name David Michel		
Marijuana Business Address 4891 Independence Street, Unit 270			City Wheat Ridge	State CO	ZIP 80033	
Applicant's Signature				Date 11-2-2020		

Applicant's Last Name (Please Print) Cronin	First Name (Please Print) Phuong	Full Middle Name Thi
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NOTICE: The Finding of Suitability Application Form is an official document. If you provide false information on your marijuana license application and/or do not disclose all information the application asks, your license is subject to denial, and you may be subject to criminal prosecution. The Marijuana Enforcement Division will conduct a complete background investigation and will check all sources of information.

1. Have you been convicted of a felony in the 3 years immediately preceding this application? (Unless charge was prior to age 18 and was adjudicated as a juvenile)	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No
2. Are you currently subject to a sentence for a felony conviction, including probation or parole? (Unless charge was prior to age 18 and was adjudicated as a juvenile)	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No
3. Are you currently subject to a deferred judgment? (Unless charge was prior to age 18 and was adjudicated as a juvenile)	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No
4. Have you failed to remedy an outstanding delinquency for any judgments, taxes, interest or penalties due to the Department of Revenue, relating to a Regulated Marijuana Business?	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No
5. Are you a licensed Physician making marijuana patient recommendations? (Medical Only)	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No
6. Have you had your authority to act as a primary caregiver revoked by the State Health Agency? (Medical Only)	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No
7. Are you under 21 years of age at the time of this application?	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No
8. Are you a sheriff, deputy sheriff, police officer, or prosecuting officer, or an officer or employee with the marijuana state licensing authority or a local licensing authority?	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No
9. Are you a Person that is a "Bad Actor" under rule 506(d) promulgated pursuant to the Federal "Securities Act of 1933", as amended and subject to 17CFR230.506(d)?	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No
10. Are you a person that is prohibited from engaging in transactions pursuant to this Article 10, due to its designation on the "Specially Designated Nationals and Block Person" list maintained by the Federal Office of Foreign Assets Control?	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No

I have thoroughly read and understand the questions above, and understand that I cannot hold a Colorado Marijuana license if I answered "Yes" to any of the questions above.

Applicant's Signature	Date 11-2-2020
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Applicant's Last Name (Please Print) Cronin	First Name (Please Print) Phuong	Full Middle Name Thi
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Licensing

<p>1. Provide a list of any privileged or professional licenses, with license numbers, you have held within the last three (3) years prior to the submission of the Finding of Suitability Application. List those that were issued by the Colorado Department of Revenue or the Department of Regulatory Agencies, including all marijuana licenses.</p> <p style="text-align: center;">M50250</p>	<input type="checkbox"/> None
<p>2. Have you or any business entity owned by you, ever owned or applied for a Marijuana license in this or any other jurisdiction, foreign or domestic? If so, have you ever been subject to any of the following actions: (1) denial; (2) surrender; (3) order to show cause; (4) suspension; (5) revocation; (6) stipulation or settlement. If YES, provide details on a separate sheet, including jurisdiction, type of action, and date of action.</p>	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No
<p>3. Do you now own, have ever owned, or otherwise derive(d) a benefit from assets held outside the United States (other than Canada)?</p>	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No
<p>4. Has a complaint, judgment, consent decree, settlement or other disposition related to a violation of federal, state or similar foreign security law or regulation ever been filed or entered against you or a business entity? If YES, explain on a separate sheet of paper.</p>	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No
<p>5. Have you or are you involved in a civil lawsuit in regards to a marijuana business? If YES, provide details on a separate piece of paper.</p>	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No
<p>6. List any sanctions, penalties, assessments, or cease and desist orders imposed by any securities regulatory agency, other than the United States Securities and Exchange Commission. (Provide on a separate sheet.)</p>	

Applicant's Last Name (Please Print) Cronin	First Name Phuong	Full Middle Name Thi
Financial History		
If known, please submit all executed agreements or documents that grant you any right to any percent of ownership or percent of income from the Colorado Marijuana business with which you are associated.		
1. Amount to otherwise be invested or loaned in business:	\$ 0	
2. Percentage of ownership this amount represents:	0 %	
3. Investment will be derived from the following sources:		
4. Has your interest in this Marijuana establishment been assigned, pledged or hypothecated to any person, firm, or corporation, or has any agreement been entered into whereby your interest is to be assigned, pledged or sold, either in part or whole?		<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No
If YES, explain:		

Income	
Annual Income	
Salary (Source): IgadI, Ltd.	\$ _____
Salary (Source):	\$ _____
Interest (Source):	\$ _____
Interest (Source):	\$ _____
Dividends (Source):	\$ _____
Dividends (Source):	\$ _____
Other (Source): Elevated Holdings, I.L.C	\$ _____
Other (Source):	\$ _____
Total	\$ _____

Applicant's Initials PC



Affidavit - Restrictions On Public Benefits

I, Phuong T. Cronin, swear or affirm under penalty of perjury under the laws of the State of Colorado that **(check one)**:

- I am a United States citizen.
- I am not a United States citizen but I am a Permanent Resident of the United States.
- I am not a United States citizen but I am lawfully present in the United States pursuant to Federal law.
- I am a foreign national not physically present in the United States.

I understand that this sworn statement is required by law because I have applied for a public benefit. I understand that state law requires me to provide proof that I am lawfully present in the United States prior to receipt of this public benefit. I further acknowledge that making a false, fictitious, or fraudulent statement or representation in this sworn affidavit is punishable under the criminal laws of Colorado as perjury in the second degree under Colorado Revised Statute 18-8-503 and it shall constitute a separate criminal offense each time a public benefit is fraudulently received.

Signature

Date (MM/DD/YY)

11/02/20

Affirmation & Consent

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

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

Print Full Legal Name of Applicant clearly below:

Last Name of Applicant (Please Print) Cronin	First Name of Applicant Phuong	Middle Name of Applicant Thi
Signature		Date 11-2-2020

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

Tax Check Authorization and Request To Release Information

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

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

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

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

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

Applicant's Name (Individual/Business) <u>Phuong T. Cronin/Igadl, Ltd.</u>		Social Security Number/Tax Identification Number _____	
Street Address		City	State
Home Telephone Number		Business/Work Telephone Number	
Legal Last Name (Please Print) <u>Cronin</u>	Legal First Name <u>Phuong</u>	Full Middle Name <u>Thi</u>	
Applicant's Signature _____		Date <u>11-2-2020</u>	

Investigation Authorization/Authorization to Release Information

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

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

Print Full Legal Name of Owner clearly below:

Applicant's Legal Business Name		Trade Name (DBA)	
Last Name of Owner (Please Print)	First Name of Owner	Middle Name of Owner	
Cronin	Phuong	Thi	
Signature			Date
			11-2-2020

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

Applicant's Request to Release Information

TO: (Leave this Blank)	FROM: (Applicant's Printed Name) Phuong T. Cronin
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1. I/We hereby authorize and request all persons to whom this request is presented having information relating to or concerning the above named applicant to furnish such information to a duly appointed agent of the Marijuana Enforcement Division whether or not such information would otherwise be protected from the disclosure by any constitutional, statutory or common law privilege.
2. I/We hereby authorize and request all persons to whom this request is presented having documents relating to or concerning the above named applicant to permit a duly appointed agent of the Marijuana Enforcement Division to review and copy any such documents, whether or not such documents would otherwise be protected from disclosure by any constitutional, statutory, or common law privilege.
3. If the person to whom this request is presented is a brokerage firm, bank, savings and loan, or other financial institution or an officer of the same, I/we hereby authorize and request that a duly appointed agent of the Marijuana Enforcement Division be permitted to review and obtain copies of any and all documents, records or correspondence pertaining to me/us, including but not limited to past loan information, notes co-signed by me/us, checking account records, savings deposit records, safe deposit box records, passbook records, and general ledger folio sheets.
4. I/We do hereby make, constitute, and appoint any duly appointed agent of the Colorado Marijuana Enforcement Division, my/our true and lawful attorney in fact for me/us in my/our name, place, stead, and on my/our behalf and for my/our use and benefit:
 - (a) To request, review, copy sign for, or otherwise act for investigative purposes with respect to documents and information in the possession of the person to whom this request is presented as I/we might;
 - (b) To name the person or entity to whom this request is presented and insert that person's name in the appropriate location in this request:
 - (c) To place the name of the agent presenting this request in the appropriate location on this request.
5. I grant to said attorney in fact full power and authority to do, take, and perform all and every act and thing whatsoever requisite, proper, or necessary to be done, in the exercise of any of the rights and powers herein granted, as fully to all intents and purposes as I/we might or could do if personally present, with full power of substitution or revocation, hereby ratifying and confirming all that said attorney in fact, or his substitute or substitutes, shall lawfully do or cause to be done by virtue of this power of attorney and the rights and powers herein granted.
6. This power of attorney ends twenty-four (24) months from the date of execution.
7. The above named applicant has filed with the Colorado Marijuana Licensing Authority an application for a Marijuana license. Said applicant understands that it is seeking the granting of a privilege and acknowledges that the burden of proving its qualifications for a favorable determination is at all times on the applicant.
8. I/We do, for myself/ourselves, my/our heirs, executors, administrators, successors, and assigns, hereby release, remise, and forever discharge the person to whom this request is presented, and his agents and employees from all and all manner or actions, causes of action, suits, debts, judgments, executions, claims, and demands whatsoever, known or unknown, in law or equity, which the applicant ever had, now has, may have, or claims to have against the person to whom this request is being presented or his agents or employees arising out of or by reason of complying with the request.
9. A reproduction of this request by photocopying or similar process shall be for all intents and purposes as valid as the original.

Applicant's Last Name (Please Print) Cronin	First Name Phuong	Full Middle Name Thi
Signature	Date 11-2-2020	



COLORADO
Department of Revenue
Specialized Business Group—Marijuana

1707 Cole Blvd., Suite 300
Lakewood, CO 80401

March 5, 2021

David Paul Michel

License Type: Owner- Individual
License # M120047

Dear David Paul Michel,

The purpose of this correspondence is to inform you that on March 5, 2021 you were found suitable to be a Controlling Beneficial Interest owner in any business licensed by the Marijuana Enforcement Division (MED). You are now eligible to apply for an ownership interest in a Colorado marijuana establishment. Per rule 2-235(A)(1) – “Except as provided in subparagraph (A)(1)(a), any Person intending to become a Controlling Beneficial Owner by submitting an initial application for any Regulated Marijuana Business that is not a Publicly Traded Corporation must first submit a request to the State Licensing Authority for a finding of suitability.”

To join the ownership of an existing Colorado Regulated Marijuana Business, the owner(s) of the existing establishment/business are required to submit this letter of suitability, a Regulated Marijuana Business License Change of Controlling Beneficial Owner application, supporting documents and applicable fees to the MED for approval. If you wish to open a new Colorado Regulated Marijuana Business, you must submit a complete Regulated Marijuana Business License application, accompanied with all applicable fees and all supporting documents, along with this letter of suitability.

Sincerely,

James Burack
Division Director

DR 8520 (02/04/22)

Colorado Marijuana Enforcement Division**Natural Person – Finding of Suitability Application Instructions****APPLICATION CHECKLIST** **1 Application Type**

Owner: Any Natural Person who holds 10% interest or more of the Owner's interest of a RMB; Executive Officer, Manager or any other Person or affiliate that is otherwise in a position to execute Control of the RMB.

 2 Application Fully Completed

Type or clearly print, in English, an answer to every question. If a question does not apply, indicate with an N/A. If the available space is insufficient, continue on a separate sheet and precede each answer with the appropriate title. Sign and date the application. **Attach a copy of your Real ID compliant state issued or Government ID (i.e. passport) or driver's license.**

Notice: You are required by state law to provide your social security number. If you do not have a social security number, you must complete a sworn statement stating you do not have a social security number.

 3 Application Contents

- Disclosure Requirements
- Main Application
- Authorization Forms
- Fingerprint Verification Form
- IdentoGo Instructions

The disclosure requirements and the main application must be completed in full by all applicants.

 4 All Forms Signed and Attached

The following accompanying forms must be completed, signed and returned with the application:

- Affidavit- Restrictions on Public Benefits
- Affirmation and Consent
- Tax Check Authorization and Request to Release Information
- Investigation Authorization / Authorization to Release Information
- Applicant's Request to Release Information
- Affirmation of Eligibility for Social Equity License

 5 Required Disclosures

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

 6 Application and License Fees

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

See fee table on website: SBG.Colorado.gov/MarijuanaEnforcement

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

- Submit complete application packet.
- Checks (in the name of the applicant or applicants attorney's trust account), money orders and major credit cards (subject to service charge).
- Mail-in applications can only be paid by check or money order

 7 Application Submittal

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

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

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

DR 8520 (02/04/22)

Suitability Required Disclosures

What type of application will this suitability be associated with?

- New Business (All required Findings of Suitability must first be obtained prior to any new business application submission).
- Change of Ownership with license # _____
(Applications for Finding of Suitability associated with Change of Ownership applications must be submitted at the same time).
- Change of Ownership Exemption with license # _____
- Social Equity Program

Provide 180 days of account statements used to acquire ownership or proof of ownership, for 180 days, of other assets being used to secure ownership interest.

Provide a copy of a Real ID compliant State issued or Government ID (state issued Driver's License, state issued ID or Government issued passport)

Fingerprint information (see instructions provided in the application)

Glossary of Terms:

RMB - Regulated Marijuana Business

CBO - Controlling Beneficial Owner

PBO - Passive Beneficial Owner

IFIH - Indirect Financial Interest Holder

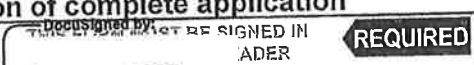
QII - Qualified Institutional Investor

QPF - Qualified Private Fund

PTC - Publicly Traded Company

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

Affirmation of complete application

Signature		Printed Name	Date (MMDDYYYY)
	REQUIRED	David Paul Michel	10/06/2022

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DR 8520 (02/04/22)
 COLORADO DEPARTMENT OF REVENUE
 Marijuana Enforcement Division
 SBG.Colorado.gov/MarijuanaEnforcement

Marijuana License Number (Leave Blank)

Natural Person Finding of Suitability Application Form

Why are you applying? (Check one of the following):											
<input type="checkbox"/> CBO	<input type="checkbox"/> PBO	<input type="checkbox"/> Executive Officer	<input checked="" type="checkbox"/> Social Equity CBO	<input type="checkbox"/> Manager	<input type="checkbox"/> Reasonable Cause						
Position Held Member											
Applicant's Last Name (Please Print) Michel			First Name (Please Print) David			Full Middle Name Paul					
Maiden/Married Names Used (Full Name) (Attach separate sheet if necessary) N/A					Nicknames, Aliases, Etc. Used (Full Name) (Attach separate sheet if necessary) N/A						
Gender <input checked="" type="checkbox"/> M <input type="checkbox"/> F <input type="checkbox"/> X		Race <input type="checkbox"/> Asian <input type="checkbox"/> Mixed Race <input type="checkbox"/> Black <input type="checkbox"/> Native American <input checked="" type="checkbox"/> Caucasian <input type="checkbox"/> Native Hawaiian/Pacific Islander <input type="checkbox"/> Hispanic/Latino <input type="checkbox"/> Undisclosed/Unknown									
Date of Birth (MMDDYYYY)		Social Security Number		Government Issued ID & Jurisdiction							
Place of Birth: City Stamford				State/Prov CT		Country USA					
Physical Appearance ⇨		Height (in feet & inches)		Weight (in pounds)		Hair Color		Eye Color			
U.S. Citizen <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No		*If "No", List Country of Citizenship									
Physical Address											
Address (include unit or apartment number)				City		County		State/Prov	ZIP		
Length of time at this Address:		Home Phone Number		Cell Phone Number		Email Address					
Year(s)	Month(s)										
Mailing Address (if different from Physical Address)											
Address (include unit or apartment number)				City		State/Prov		ZIP			
Name of Marijuana Business Associated with Igadl, Ltd.				Marijuana Business Phone Number ()		Marijuana Business Contact Name David Michel					
Marijuana Business Address 4891 Independence St., Ste. 270				City Wheat Ridge		State CO	ZIP 80033				
Applicant's Signature				DocuSigned by: THIS DOCUMENT IS VALID IN ADOBE ACROBAT PRO OR READER				REQUIRED		Date (MMDDYYYY) 10/06/2022	

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Applicant's Last Name (Please Print) Michel	First Name (Please Print) David	Full Middle Name Paul
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NOTICE: The Finding of Suitability Application Form is an official document. If you provide false information on your marijuana license application and/or do not disclose all information the application asks, your license is subject to denial, and you may be subject to criminal prosecution. The Marijuana Enforcement Division will conduct a complete background investigation and will check all sources of information.

1. Have you been convicted of a felony in the 3 years immediately preceding this application? (Unless charge was prior to age 18 and was adjudicated as a juvenile)	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No
2. Are you currently subject to a sentence for a felony conviction, including probation, parole or a deferred judgment? (Unless charge was prior to age 18 and was adjudicated as a juvenile)	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No
3. Have you failed to remedy an outstanding delinquency for any judgments, taxes, interest or penalties due to the Department of Revenue, relating to a Regulated Marijuana Business?	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No
4. Are you a licensed Physician making marijuana patient recommendations? (Medical Only)	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No
5. Have you had your authority to act as a primary caregiver revoked by the State Health Agency? (Medical Only)	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No
6. Are you under 21 years of age at the time of this application?	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No
7. Are you a sheriff, deputy sheriff, police officer, or prosecuting officer, or an officer or employee with the marijuana state licensing authority or a local licensing authority?	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No
8. Are you a Person that is a "Bad Actor" under rule 506(d) promulgated pursuant to the Federal "Securities Act of 1933", as amended and subject to 17CFR230.506(d)?	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No
9. Are you a person that is prohibited from engaging in transactions pursuant to this Article 10, due to its designation on the "Specially Designated Nationals and Block Person" list maintained by the Federal Office of Foreign Assets Control?	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No

I have thoroughly read and understand the questions above, and understand that I **cannot** hold a Colorado Marijuana license if I answered "Yes" to any of the questions above.

Applicant's Signature	DocuSigned by: BE SIGNED IN AROBAT PRO OR READER	REQUIRED	Date (MMDDYYYY) 10/06/2022
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Applicant's Last Name (Please Print) Michel	First Name (Please Print) David	Full Middle Name Paul
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Licensing

<p>1. Provide a list of any privileged or professional licenses, with license numbers, you have held within the last three (3) years prior to the submission of the Finding of Suitability Application. List those that were issued by the Colorado Department of Revenue or the Department of Regulatory Agencies, including all marijuana licenses.</p> <p style="margin-left: 40px;">M27142 M120027</p>	<input type="checkbox"/> None
<p>2. Have you or any business entity owned by you, ever owned or applied for a Marijuana license in this or any other jurisdiction, foreign or domestic?</p> <p style="margin-left: 20px;">a. If so, have you ever been subject to any of the following actions: (1) denial; (2) surrender; (3) order to show cause; (4) suspension; (5) revocation; (6) stipulation or settlement.</p> <p>If YES, provide details on a separate sheet, including jurisdiction, type of action, and date of action.</p>	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No
<p>3. Do you now own, have ever owned, or otherwise derive(d) a benefit from assets held outside the United States (other than Canada)?</p>	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No
<p>4. Has a complaint, judgment, consent decree, settlement or other disposition related to a violation of federal, state or similar foreign security law or regulation ever been filed or entered against you or a business entity? If YES, explain on a separate sheet of paper.</p>	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No
<p>5. Have you or are you involved in a civil lawsuit in regards to a marijuana business? If YES, provide details on a separate piece of paper.</p>	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No
<p>6. List any sanctions, penalties, assessments, or cease and desist orders imposed by any securities regulatory agency, other than the United States Securities and Exchange Commission. (Provide on a separate sheet.)</p>	

Criminal History

(DO NOT DISCLOSE CRIMINAL HISTORY WHERE NON-CONVICTION RECORD HAS BEEN SEALED OR EXPUNGED)

<p>1. In the last 3 years have you been arrested, served with a criminal summons, charged with, or convicted of ANY felony in this or any other country?</p> <ul style="list-style-type: none"> • You must include ALL felony arrests, charges, and convictions in the last 3 years (unless charge was prior to age 18 and was adjudicated as a juvenile), regardless of the outcome, even if the charges were dismissed or you were found not guilty. • NOTICE: Do not rely upon your understanding that an arrest or charge is "not supposed to be on your record." A criminal record was not cleared, erased, sealed, pardoned or expunged unless you were given, and have in your possession, a written order from a judge directing that action. 	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No
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*If you answered YES, explain in detail on the next page of this application, using additional sheets as necessary. For each FELONY offense for which you were arrested or charged, **YOU MUST OBTAIN OFFICIAL DOCUMENTATION FROM THE COURT WHERE YOU APPEARED, SHOWING THE FINAL DISPOSITION (OUTCOME) OF YOUR CASE (FELONIES ONLY)**. This information will include whether you were found guilty or not guilty and the penalty (money fine, time in jail or prison, probation or deferred sentence). If you received a deferred judgment, a deferred sentence, or probation, your documentation must include the date that you were discharged or released from probation or other supervision.

Applicant's Initials DS
DM

Applicant's Last Name (Please Print) Michel	First Name David	Full Middle Name Paul
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Arrest Disclosure Form

In the last 3 years have you been arrested, served a criminal summons, charged with, or convicted of a FELONY (unless charge was prior to age 18 and was adjudicated as a juvenile)? If so, you must disclose this information to the Marijuana Enforcement Division.

Any person applying to be licensed by the Marijuana Enforcement Division must make notification to the Division of any felony criminal conviction and/or felony criminal charge pending against such person.

Failure to disclose may result in disciplinary action, up to and including the denial of your license application.

Please List Each Felony Offense Separately

1	Date of Offense (MMDDYYYY)	Place of Offense N/A
Arresting Agency		
Original Charge		
Disposition Narrative (i.e. guilty, not guilty, probation, etc.) — Must also provide official documentation (felonies only).		
2	Date of Offense (MMDDYYYY)	Place of Offense
Arresting Agency		
Original Charge		
Disposition Narrative (i.e. guilty, not guilty, probation, etc.) — Must also provide official documentation (felonies only).		
3	Date of Offense (MMDDYYYY)	Place of Offense
Arresting Agency		
Original Charge		
Disposition Narrative (i.e. guilty, not guilty, probation, etc.) — Must also provide official documentation (felonies only).		
4	Date of Offense (MMDDYYYY)	Place of Offense
Arresting Agency		
Original Charge		
Disposition Narrative (i.e. guilty, not guilty, probation, etc.) — Must also provide official documentation (felonies only).		
Signature (Required even if no criminal hisc 2FE57771D0494A4...		DocuSigned by: Date (MMDDYYYY) 10/06/2022

Applicant's Last Name (Please Print) Michel	First Name David	Full Middle Name Paul
Financial History		
If known, please submit all executed agreements or documents that grant you any right to any percent of ownership or percent of income from the Colorado Marijuana business with which you are associated.		
1. Amount to otherwise be invested or loaned in business:	\$	0
2. Percentage of ownership this amount represents:		20 %
3. Investment will be derived from the following sources: Salary Income		
4. Has your interest in this Marijuana establishment been assigned, pledged or hypothecated to any person, firm, or corporation, or has any agreement been entered into whereby your interest is to be assigned, pledged or sold, either in part or whole?	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No	
If YES, explain:		

Income		
Annual Income		
Name of employer (Please provide 6 mos of pay stubs.):		
Salary (Source):	lgadl, Ltd.	\$
Salary (Source):		\$
Interest (Source):		\$
Interest (Source):		\$
Dividends (Source):		\$
Dividends (Source):		\$
Other (Source):	Elevated Holdings, LLC	\$
Other (Source):		\$
Total		\$


 Applicant's Initials _____

DR 4679 (03/24/14)
COLORADO DEPARTMENT OF REVENUE



Affidavit - Restrictions On Public Benefits

I, David P. Michel, swear or affirm under penalty of perjury under the laws of the State of Colorado that (check one):

- I am a United States citizen.
- I am not a United States citizen but I am a Permanent Resident of the United States.
- I am not a United States citizen but I am lawfully present in the United States pursuant to Federal law.
- I am a foreign national not physically present in the United States.

I understand that this sworn statement is required by law because I have applied for a public benefit. I understand that state law requires me to provide proof that I am lawfully present in the United States prior to receipt of this public benefit. I further acknowledge that making a false, fictitious, or fraudulent statement or representation in this sworn affidavit is punishable under the criminal laws of Colorado as perjury in the second degree under Colorado Revised Statute 18-8-503 and it shall constitute a separate criminal offense each time a public benefit is fraudulently received.

Signature	DocuSigned by: _____ _____ MUST BE SIGNED IN ACROBAT PRO OR READER _____2FE5777100494A...	Date (MMDDYYYY) 10/06/2022
REQUIRED		

Affirmation & Consent

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

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

Print Full Legal Name of Applicant clearly below:

Last Name of Applicant (Please Print) Michel	First Name of Applicant David	Middle Name of Applicant Steven
Signature <small>DocuSigned by: THIS DOCUMENT IS ELECTRONICALLY SIGNED IN ADOBE ACROBAT PRO OR READER</small>		Date (MMDDYYYY) 10/06/2022

REQUIRED

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

Tax Check Authorization and Request To Release Information

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

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

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

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

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

Applicant's Name (Individual/Business) David P. Michel		Social Security Number/Tax Identification Number	
Street Address		City	State
Home Telephone Number		Business/Work Telephone Number	
Legal Last Name (Please Print) Michel	Legal First Name David	Full Middle Name Paul	
Applicant's Signature DocuSigned by: THIS FORM WAS SIGNED IN ADOBE ACROBAT PRO OR READER		REQUIRED	Date (MMDDYYYY) 10/06/2022

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Investigation Authorization/Authorization to Release Information

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

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

Print Full Legal Name of Owner clearly below:

Applicant's Legal Business Name <p style="text-align: center;">lgadl, Ltd.</p>		Trade Name (DBA) <p style="text-align: center;">lgadl</p>
Last Name of Owner (Please Print) <p style="text-align: center;">Michel</p>	First Name of Owner <p style="text-align: center;">David</p>	Middle Name of Owner <p style="text-align: center;">Paul</p>
Signature <p style="text-align: center;">DocuSigned by: THIS FORM MUST BE SIGNED IN ADOBE ACROBAT PRO OR READER 2FE5777106484A...</p>		Date (MMDDYYYY) <p style="text-align: center;">10/06/2022</p>

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

Applicant's Request to Release Information

TO: (Leave this Blank)	FROM: (Applicant's Printed Name) David P. Michel
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1. I hereby authorize and request all persons to whom this request is presented having information relating to or concerning the above named applicant to furnish such information to a duly appointed agent of the Marijuana Enforcement Division whether or not such information would otherwise be protected from the disclosure by any constitutional, statutory or common law privilege.
2. I hereby authorize and request all persons to whom this request is presented having documents relating to or concerning the above named applicant to permit a duly appointed agent of the Marijuana Enforcement Division to review and copy any such documents, whether or not such documents would otherwise be protected from disclosure by any constitutional, statutory, or common law privilege.
3. If the person to whom this request is presented is a brokerage firm, bank, savings and loan, or other financial institution or an officer of the same, I hereby authorize and request that a duly appointed agent of the Marijuana Enforcement Division be permitted to review and obtain copies of any and all documents, records or correspondence pertaining to me, including but not limited to past loan information, notes co-signed by me, checking account records, savings deposit records, safe deposit box records, passbook records, and general ledger folio sheets.
4. I do hereby make, constitute, and appoint any duly appointed agent of the Colorado Marijuana Enforcement Division, my true and lawful attorney in fact for me in my name, place, stead, and on my behalf and for my use and benefit:
 - (a) To request, review, copy sign for, or otherwise act for investigative purposes with respect to documents and information in the possession of the person to whom this request is presented as I might;
 - (b) To name the person or entity to whom this request is presented and insert that person's name in the appropriate location in this request;
 - (c) To place the name of the agent presenting this request in the appropriate location on this request.
5. I grant to said attorney in fact full power and authority to do, take, and perform all and every act and thing whatsoever requisite, proper, or necessary to be done, in the exercise of any of the rights and powers herein granted, as fully to all intents and purposes as I might or could do if personally present, with full power of substitution or revocation, hereby ratifying and confirming all that said attorney in fact, or his substitute or substitutes, shall lawfully do or cause to be done by virtue of this power of attorney and the rights and powers herein granted.
6. This power of attorney ends twenty-four (24) months from the date of execution.
7. The above named applicant has filed with the Colorado Marijuana Licensing Authority an application for a Marijuana license. Said applicant understands that it is seeking the granting of a privilege and acknowledges that the burden of proving its qualifications for a favorable determination is at all times on the applicant.
8. I do, for myself, my heirs, executors, administrators, successors, and assigns, hereby release, remise, and forever discharge the person to whom this request is presented, and his agents and employees from all and all manner or actions, causes of action, suits, debts, judgments, executions, claims, and demands whatsoever, known or unknown, in law or equity, which the applicant ever had, now has, may have, or claims to have against the person to whom this request is being presented or his agents or employees arising out of or by reason of complying with the request.
9. A reproduction of this request by photocopying or similar process shall be for all intents and purposes as valid as the original.

Applicant's Last Name (Please Print) Michel	First Name David	Full Middle Name Paul
Signature <small>DocuSigned by: THIS FORM MUST BE SIGNED IN ADOBE ACROBAT PRO OR READER 2FE57771D040A4...</small>	REQUIRED	Date (MMDDYYYY) 10/06/2022

Affirmation of Eligibility for Social Equity License

Applicant affirms that, prior to submission of this application, he/she was compliant with the following criteria established pursuant to section 44-10-308 (4), C.R.S., and that he/she qualifies to be a social equity licensee.

- 1. The applicant is a Colorado resident.
 - a. Applicant may demonstrate his/her residency by submitting
 - 1) A current valid Colorado driver's license or Colorado identification card with a current address
 - 2) A government issued photo identification and two (2) of the following documents:
 - Utility or telephone bill
 - Vehicle registration
 - Voter registration card
 - Statement from a major creditor
 - Bank statement
 - Recent County tax notice
 - Recent contract/mortgage statement
- 2. The applicant has not previously owned a Regulated Marijuana Business that was subject to revocation.
- 3. The applicant has demonstrated at least one of the following: (Check at least one of the applicable criteria)
 - The applicant resided for at least fifteen (15) years between the years 1980 and 2010 in a census tract designated by the Office of Economic Development and International Trade as an Opportunity Zone, or designated as a Disproportionate Impacted Area. (A Disproportionate Impacted Area is defined as a census tract in the top 15% of the following: (a) unemployment, (b) school dropout rates, (c) poverty, or (d) the number of individuals receiving public assistance.)
 - a. To demonstrate the Applicant residence during the relevant time period he/she may submit:
 - School records, rental or lease agreements, utility bills, mortgage statements, loan documents, bank records, tax returns, or other documents which proves the applicant's residency
 - An affirmation, under penalty of perjury, of the applicant's residence and provide the name(s) and contact information for at least one individual who can verify the applicant's place of residency during the time period at issue.
 - The applicant or applicant's parent, legal guardian, sibling, spouse, child, or minor in their guardianship was, (a) arrested for a marijuana offense, (b) convicted of a marijuana offense, or (c) was subject to civil asset forfeiture related to a marijuana investigation.
 - a. The applicant must provide affirmation of the familial relationship, and court or other documents demonstrating the family member's arrest or conviction or that the family member was subject to asset forfeiture related to a marijuana investigation
 - The applicant's household income in the year prior to application did not exceed fifty percent (50%) of the state median income as measured by the number of people who reside in the Applicant's household.
 - a. The applicant must provide his/her tax return for the prior year
- 4. The applicant, or collectively one or more social equity proposed licensees, will hold at least fifty-one percent (51%) ownership of the Regulated Marijuana Business.

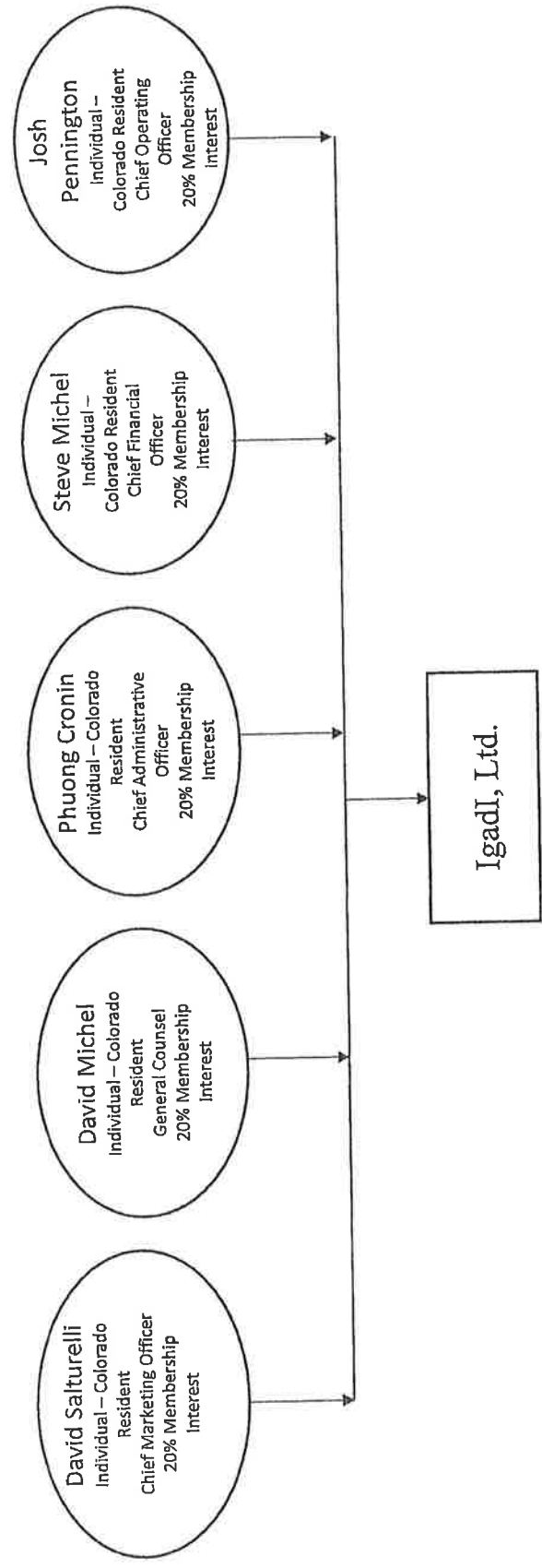
I, David Paul Michel, as the applicant for this New Regulated Marijuana Social Equity

Print

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

Signature	DocuSigned by: 2PE5777100484M...	Date (MMDDYYYY) 10/06/2022
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Igadi, Ltd. Organizational Chart



Attestation of Familial Relations

We, Wendy Michel and Ralph Stewart Michel, under penalty of perjury, due hereby attest that we are the parents of David Paul Michel, born December 23, 1977, and Steven Adam Michel, born May 1, 1980, and they are siblings born to us on the dates set forth above.

IN WITNESS WHEREOF, I have hereunder subscribed my name this 24th day of October, 2022.

Ralph Stewart Michel

Wendy Michel

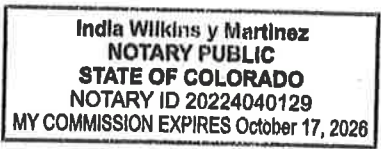
STATE OF COLORADO ||
 || SS.
COUNTY OF JEFFERSON ||

Before me, the undersigned authority, on this day personally appeared Ralph Stewart Michel and Wendy Michel, whose names are subscribed to the foregoing instrument in their respective capacities, being by me duly sworn, Ralph Stewart Michel and Wendy Michel declared and attested to me the foregoing in my presence.

The foregoing Attestation was acknowledged before me this 24th day of October, 2022.

India Wilkins y Martinez

Notary Public
My Commission expires: October 17, 2026





COLORADO
Department of Revenue
Enforcement Division – Marijuana
1707 Cole Blvd., Suite 300
Lakewood, CO 80401

November 25, 2020

Steven Adam Michel

License Type: Owner- Individual
License # M117651

Dear Steven Adam Michel,

The purpose of this correspondence is to inform you that on November 25, 2020 you were found suitable to be a Controlling Beneficial Interest owner in any business licensed by the Marijuana Enforcement Division (MED). You are now eligible to apply for an ownership interest in a Colorado marijuana establishment. Per rule 2-235(A)(1) – “Except as provided in subparagraph (A)(1)(a), any Person intending to become a Controlling Beneficial Owner by submitting an initial application for any Regulated Marijuana Business that is not a Publicly Traded Corporation must first submit a request to the State Licensing Authority for a finding of suitability.”

To join the ownership of an existing Colorado Regulated Marijuana Business, the owner(s) of the existing establishment/business are required to submit this letter of suitability, a Regulated Marijuana Business License Change of Controlling Beneficial Owner application, supporting documents and applicable fees to the MED for approval. If you wish to open a new Colorado Regulated Marijuana Business, you must submit a complete Regulated Marijuana Business License application, accompanied with all applicable fees and all supporting documents, along with this letter of suitability.

Sincerely,

James Burack
Division Director

Colorado Marijuana Enforcement Division**Natural Person – Finding of Suitability Application Instructions****APPLICATION CHECKLIST** **1 Application Type**

Owner: Any Natural Person who holds 10% interest or more of the Owner's interest of a RMB; Executive Officer, Manager or any other Person or affiliate that is otherwise in a position to execute Control of the RMB.

 2 Application Fully Completed

Type or clearly print, in English, an answer to every question. If a question does not apply, indicate with an N/A. If the available space is insufficient, continue on a separate sheet and precede each answer with the appropriate title. Sign and date the application. **Attach a copy of your Real ID compliant state issued or Government ID (i.e. passport) or driver's license.**

Notice: You are required by state law to provide your social security number. If you do not have a social security number, you must complete a sworn statement stating you do not have a social security number.

 3 Application Contents

- Disclosure Requirements
- Main Application
- Authorization Forms
- Fingerprint Verification Form
- IdentoGo Instructions

The disclosure requirements and the main application must be completed in full by all applicants.

 4 All Forms Signed and Attached

The following accompanying forms must be completed, signed and returned with the application:

- Affidavit- Restrictions on Public Benefits
- Affirmation and Consent
- Tax Check Authorization and Request to Release Information
- Investigation Authorization / Authorization to Release Information
- Applicant's Request to Release Information
- Affirmation of Eligibility for Social Equity License

 5 Required Disclosures

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

 6 Application and License Fees

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

See fee table on website: SBG.Colorado.gov/MarijuanaEnforcement

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

- Submit complete application packet.
- Checks (in the name of the applicant or applicants attorney's trust account), money orders and major credit cards (subject to service charge).
- Mail-in applications can only be paid by check or money order

 7 Application Submittal

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

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

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

Suitability Required Disclosures

What type of application will this suitability be associated with?

- New Business (All required Findings of Suitability must first be obtained prior to any new business application submission).
- Change of Ownership with license # _____
(Applications for Finding of Suitability associated with Change of Ownership applications must be submitted at the same time).
- Change of Ownership Exemption with license # _____
- Social Equity Program

Provide 180 days of account statements used to acquire ownership or proof of ownership, for 180 days, of other assets being used to secure ownership interest.

Provide a copy of a Real ID compliant State issued or Government ID (state issued Driver's License, state issued ID or Government issued passport)

Fingerprint information (see instructions provided in the application)

Glossary of Terms:

RMB - Regulated Marijuana Business
 PBO - Passive Beneficial Owner
 QII - Qualified Institutional Investor
 PTC - Publicly Traded Company

CBO - Controlling Beneficial Owner
 IFIH - Indirect Financial Interest Holder
 QPF - Qualified Private Fund

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

Affirmation of complete application

Signature		REQUIRED	Printed Name	Date (MMDDYYYY)
			Steven Michel	10/06/2022

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DR 8520 (02/04/22)
 COLORADO DEPARTMENT OF REVENUE
 Marijuana Enforcement Division
 SBG.Colorado.gov/MarijuanaEnforcement

Marijuana License Number (Leave Blank)

Natural Person Finding of Suitability Application Form

Why are you applying? (Check one of the following):									
<input type="checkbox"/> CBO	<input type="checkbox"/> PBO	<input type="checkbox"/> Executive Officer	<input checked="" type="checkbox"/> Social Equity CBO	<input type="checkbox"/> Manager	<input type="checkbox"/> Reasonable Cause				
Position Held <p style="text-align: center;">Member</p>									
Applicant's Last Name (Please Print) Michel			First Name (Please Print) Steven			Full Middle Name Adam			
Maiden/Married Names Used (Full Name) (Attach separate sheet if necessary) N/A					Nicknames, Aliases, Etc. Used (Full Name) (Attach separate sheet if necessary) N/A				
Gender <input type="checkbox"/> M <input type="checkbox"/> F <input type="checkbox"/> X		Race <input type="checkbox"/> Asian <input type="checkbox"/> Mixed Race <input type="checkbox"/> Black <input type="checkbox"/> Native American <input checked="" type="checkbox"/> Caucasian <input type="checkbox"/> Native Hawaiian/Pacific Islander <input type="checkbox"/> Hispanic/Latino <input type="checkbox"/> Undisclosed/Unknown							
Date of Birth (MMDDYYYY)		Social Security Number		Government Issued ID & Jurisdiction					
Place of Birth: City				State/Prov		Country			
Physical Appearance →		Height (in feet & inches)		Weight (in pounds)		Hair Color		Eye Color	
U.S. Citizen <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No		*If "No", List Country of Citizenship							
Physical Address									
Address (Include unit or apartment number)				City		County		State/Prov	ZIP
Length of time at this Address:		Home Phone Number		Cell Phone Number		Email Address			
Year(s) 1	Month(s) 1	()							
Mailing Address (if different from Physical Address)									
Address (Include unit or apartment number)				City		State/Prov		ZIP	
Name of Marijuana Business Associated with Igadl, Ltd.				Marijuana Business Phone Number		Marijuana Business Contact Name David Michel			
Marijuana Business Address 4891 Independence St., Ste 270				City Wheat Ridge		State CO		ZIP 80033	
Applicant's Signature		DocuSigned by: BE SIGNED IN ADOBE ACROBAT PRO OR READER					Date (MMDDYYYY) 10/06/2022		

REQUIRED

AE8D9E0DB10E4B8...

Applicant's Last Name (Please Print) Michel	First Name (Please Print) Steven	Full Middle Name Adam
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NOTICE: The Finding of Suitability Application Form is an official document. If you provide false information on your marijuana license application and/or do not disclose all information the application asks, your license is subject to denial, and you may be subject to criminal prosecution. The Marijuana Enforcement Division will conduct a complete background investigation and will check all sources of information.

1. Have you been convicted of a felony in the 3 years immediately preceding this application? (Unless charge was prior to age 18 and was adjudicated as a juvenile)	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No
2. Are you currently subject to a sentence for a felony conviction, including probation, parole or a deferred judgment? (Unless charge was prior to age 18 and was adjudicated as a juvenile)	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No
3. Have you failed to remedy an outstanding delinquency for any judgments, taxes, interest or penalties due to the Department of Revenue, relating to a Regulated Marijuana Business?	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No
4. Are you a licensed Physician making marijuana patient recommendations? (Medical Only)	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No
5. Have you had your authority to act as a primary caregiver revoked by the State Health Agency? (Medical Only)	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No
6. Are you under 21 years of age at the time of this application?	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No
7. Are you a sheriff, deputy sheriff, police officer, or prosecuting officer, or an officer or employee with the marijuana state licensing authority or a local licensing authority?	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No
8. Are you a Person that is a "Bad Actor" under rule 506(d) promulgated pursuant to the Federal "Securities Act of 1933", as amended and subject to 17CFR230.506(d)?	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No
9. Are you a person that is prohibited from engaging in transactions pursuant to this Article 10, due to its designation on the "Specially Designated Nationals and Block Person" list maintained by the Federal Office of Foreign Assets Control?	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No

I have thoroughly read and understand the questions above, and understand that I **cannot** hold a Colorado Marijuana license if I answered "Yes" to any of the questions above.

Applicant's Signature DocuSigned by: BE SIGNED IN ADOBE ACROBAT PRO OR READER	REQUIRED	Date (MMDDYYYY) 10/06/2022
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AE9D9E0DB10E4B8...

Applicant's Last Name (Please Print) Michel	First Name (Please Print) Steven	Full Middle Name Adam
Licensing		
<p>1. Provide a list of any privileged or professional licenses, with license numbers, you have held within the last three (3) years prior to the submission of the Finding of Suitability Application. List those that were issued by the Colorado Department of Revenue or the Department of Regulatory Agencies, including all marijuana licenses.</p> <p>M52158 M117651</p>	<input type="checkbox"/> None	
<p>2. Have you or any business entity owned by you, ever owned or applied for a Marijuana license in this or any other jurisdiction, foreign or domestic?</p> <p>a. If so, have you ever been subject to any of the following actions: (1) denial; (2) surrender; (3) order to show cause; (4) suspension; (5) revocation; (6) stipulation or settlement.</p> <p>If YES, provide details on a separate sheet, including jurisdiction, type of action, and date of action.</p>	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No	
<p>3. Do you now own, have ever owned, or otherwise derive(d) a benefit from assets held outside the United States (other than Canada)?</p>	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No	
<p>4. Has a complaint, judgment, consent decree, settlement or other disposition related to a violation of federal, state or similar foreign security law or regulation ever been filed or entered against you or a business entity? If YES, explain on a separate sheet of paper.</p>	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No	
<p>5. Have you or are you involved in a civil lawsuit in regards to a marijuana business? If YES, provide details on a separate piece of paper.</p>	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No	
<p>6. List any sanctions, penalties, assessments, or cease and desist orders imposed by any securities regulatory agency, other than the United States Securities and Exchange Commission. (Provide on a separate sheet.)</p>		
<p>Criminal History (DO NOT DISCLOSE CRIMINAL HISTORY WHERE NON-CONVICTION RECORD HAS BEEN SEALED OR EXPUNGED)</p>		
<p>1. In the last 3 years have you been arrested, served with a criminal summons, charged with, or convicted of ANY felony in this or any other country?</p> <ul style="list-style-type: none"> You must include ALL felony arrests, charges, and convictions in the last 3 years (unless charge was prior to age 18 and was adjudicated as a juvenile), regardless of the outcome, even if the charges were dismissed or you were found not guilty. NOTICE: Do not rely upon your understanding that an arrest or charge is "not supposed to be on your record." A criminal record was not cleared, erased, sealed, pardoned or expunged unless you were given, and have in your possession, a written order from a judge directing that action. 	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No	
<p>*If you answered YES, explain in detail on the next page of this application, using additional sheets as necessary. For each FELONY offense for which you were arrested or charged, YOU MUST OBTAIN OFFICIAL DOCUMENTATION FROM THE COURT WHERE YOU APPEARED, SHOWING THE FINAL DISPOSITION (OUTCOME) OF YOUR CASE (FELONIES ONLY). This information will include whether you were found guilty or not guilty and the penalty (money fine, time in jail or prison, probation or deferred sentence). If you received a deferred judgment, a deferred sentence, or probation, your documentation must include the date that you were discharged or released from probation or other supervision.</p>		

Applicant's Initials

SM

Applicant's Last Name (Please Print) Michel	First Name Steven	Full Middle Name Adam
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Arrest Disclosure Form

In the last 3 years have you been arrested, served a criminal summons, charged with, or convicted of a FELONY (unless charge was prior to age 18 and was adjudicated as a juvenile)? If so, you must disclose this information to the Marijuana Enforcement Division.

Any person applying to be licensed by the Marijuana Enforcement Division must make notification to the Division of any felony criminal conviction and/or felony criminal charge pending against such person.

Failure to disclose may result in disciplinary action, up to and including the denial of your license application.

Please List Each Felony Offense Separately

1	Date of Offense (MMDDYYYY)	Place of Offense N/A
Arresting Agency		
Original Charge		
Disposition Narrative (i.e. guilty, not guilty, probation, etc.) — Must also provide official documentation (felonies only).		
2	Date of Offense (MMDDYYYY)	Place of Offense
Arresting Agency		
Original Charge		
Disposition Narrative (i.e. guilty, not guilty, probation, etc.) — Must also provide official documentation (felonies only).		
3	Date of Offense (MMDDYYYY)	Place of Offense
Arresting Agency		
Original Charge		
Disposition Narrative (i.e. guilty, not guilty, probation, etc.) — Must also provide official documentation (felonies only).		
4	Date of Offense (MMDDYYYY)	Place of Offense
Arresting Agency		
Original Charge		
Disposition Narrative (i.e. guilty, not guilty, probation, etc.) — Must also provide official documentation (felonies only).		
Signature (Required even if no criminal history)		Date (MMDDYYYY) 10/06/2022

DocuSigned by:

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Applicant's Last Name (Please Print) Michel	First Name Steven	Full Middle Name Adam
Financial History		
If known, please submit all executed agreements or documents that grant you any right to any percent of ownership or percent of income from the Colorado Marijuana business with which you are associated.		
1. Amount to otherwise be invested or loaned in business:	\$	0
2. Percentage of ownership this amount represents:		20 %
3. Investment will be derived from the following sources: Income from Salary		
4. Has your interest in this Marijuana establishment been assigned, pledged or hypothecated to any person, firm, or corporation, or has any agreement been entered into whereby your interest is to be assigned, pledged or sold, either in part or whole?		<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No
If YES, explain:		

Income		
Annual Income		
Name of employer (Please provide 6 mos of pay stubs.):		
Salary (Source):	Igadi, Ltd.	\$
Salary (Source):	Elevated Holdings, LLC	\$
Interest (Source):		\$
Interest (Source):		\$
Dividends (Source):		\$
Dividends (Source):		\$
Other (Source):		\$
Other (Source):		\$
Total		\$

Applicant's Initials DS
SM

DR 4679 (03/24/14)
COLORADO DEPARTMENT OF REVENUE

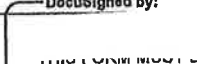


Affidavit - Restrictions On Public Benefits

I, Steven Adam Michel, swear or affirm under penalty of perjury under the laws of the State of Colorado that (check one):

- I am a United States citizen.
- I am not a United States citizen but I am a Permanent Resident of the United States.
- I am not a United States citizen but I am lawfully present in the United States pursuant to Federal law.
- I am a foreign national not physically present in the United States.

I understand that this sworn statement is required by law because I have applied for a public benefit. I understand that state law requires me to provide proof that I am lawfully present in the United States prior to receipt of this public benefit. I further acknowledge that making a false, fictitious, or fraudulent statement or representation in this sworn affidavit is punishable under the criminal laws of Colorado as perjury in the second degree under Colorado Revised Statute 18-8-503 and it shall constitute a separate criminal offense each time a public benefit is fraudulently received.

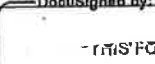
Signature	DocuSigned by:  <small>THIS DOCUMENT IS SIGNED IN ADOBE ACROBAT PRO OR READER</small> <small>AF000500040E488...</small>	Date (MMDDYYYY) REQUIRED 10/06/2022
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Affirmation & Consent

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

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

Print Full Legal Name of Applicant clearly below:

Last Name of Applicant (Please Print) Michel	First Name of Applicant Steven	Middle Name of Applicant Adam
Signature 	THIS FORM MUST BE SIGNED IN ADOBE ACROBAT PRO OR READER REQUIRED	Date (MMDDYYYY) 10/06/2022

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

Tax Check Authorization and Request To Release Information

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

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

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

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

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

Applicant's Name (Individual/Business) Steven Michel		Social Security Number/Tax Identification Number	
Street Address		City	State Zip Code
Home Telephone Number		Business/Work Telephone Number	
Legal Last Name (Please Print) Michel	Legal First Name Steven	Full Middle Name Adam	
Applicant's Signature <small>DocuSigned by: THIS FORM MUST BE SIGNED IN ACRUBA1 PRO OR READER A5050E0DB40E4B8...</small>		REQUIRED	Date (MMDDYYYY) 10/06/2022

Investigation Authorization/Authorization to Release Information

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

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

Print Full Legal Name of Owner clearly below:

Applicant's Legal Business Name <p style="text-align: center;">lgadl, Ltd.</p>		Trade Name (DBA) <p style="text-align: center;">lgadl</p>	
Last Name of Owner (Please Print) <p style="text-align: center;">Michel</p>		First Name of Owner <p style="text-align: center;">Steven</p>	
Middle Name of Owner <p style="text-align: center;">Adam</p>		Date (MMDDYYYY) <p style="text-align: center;">10/06/2022</p>	
Signature <p style="text-align: center;">DocuSigned by: Michel</p>		Date (MMDDYYYY) <p style="text-align: center;">10/06/2022</p>	

THIS FORM MUST BE SIGNED IN ADOBE ACROBAT PRO OR READER
AE9D9E00B10E4BA

REQUIRED

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

Applicant's Request to Release Information

TO: (Leave this Blank)	FROM: (Applicant's Printed Name) Steven Michel	
<ol style="list-style-type: none"> 1. I hereby authorize and request all persons to whom this request is presented having information relating to or concerning the above named applicant to furnish such information to a duly appointed agent of the Marijuana Enforcement Division whether or not such information would otherwise be protected from the disclosure by any constitutional, statutory or common law privilege. 2. I hereby authorize and request all persons to whom this request is presented having documents relating to or concerning the above named applicant to permit a duly appointed agent of the Marijuana Enforcement Division to review and copy any such documents, whether or not such documents would otherwise be protected from disclosure by any constitutional, statutory, or common law privilege. 3. If the person to whom this request is presented is a brokerage firm, bank, savings and loan, or other financial institution or an officer of the same, I hereby authorize and request that a duly appointed agent of the Marijuana Enforcement Division be permitted to review and obtain copies of any and all documents, records or correspondence pertaining to me, including but not limited to past loan information, notes co-signed by me, checking account records, savings deposit records, safe deposit box records, passbook records, and general ledger folio sheets. 4. I do hereby make, constitute, and appoint any duly appointed agent of the Colorado Marijuana Enforcement Division, my true and lawful attorney in fact for me in my name, place, stead, and on my behalf and for my use and benefit: <ol style="list-style-type: none"> (a) To request, review, copy sign for, or otherwise act for investigative purposes with respect to documents and information in the possession of the person to whom this request is presented as I might; (b) To name the person or entity to whom this request is presented and insert that person's name in the appropriate location in this request: (c) To place the name of the agent presenting this request in the appropriate location on this request. 5. I grant to said attorney in fact full power and authority to do, take, and perform all and every act and thing whatsoever requisite, proper, or necessary to be done, in the exercise of any of the rights and powers herein granted, as fully to all intents and purposes as I might or could do if personally present, with full power of substitution or revocation, hereby ratifying and confirming all that said attorney in fact, or his substitute or substitutes, shall lawfully do or cause to be done by virtue of this power of attorney and the rights and powers herein granted. 6. This power of attorney ends twenty-four (24) months from the date of execution. 7. The above named applicant has filed with the Colorado Marijuana Licensing Authority an application for a Marijuana license. Said applicant understands that it is seeking the granting of a privilege and acknowledges that the burden of proving its qualifications for a favorable determination is at all times on the applicant. 8. I do, for myself, my heirs, executors, administrators, successors, and assigns, hereby release, remise, and forever discharge the person to whom this request is presented, and his agents and employees from all and all manner or actions, causes of action, suits, debts, judgments, executions, claims, and demands whatsoever, known or unknown, in law or equity, which the applicant ever had, now has, may have, or claims to have against the person to whom this request is being presented or his agents or employees arising out of or by reason of complying with the request. 9. A reproduction of this request by photocopying or similar process shall be for all intents and purposes as valid as the original. 		
Applicant's Last Name (Please Print) Michel	First Name Steven	Full Middle Name Adam
Signature <small>DocuSigned by:</small>	<small>THIS FORM MUST BE SIGNED IN AROBAT PRO OR READER</small> 	Date (MMDDYYYY) 10/06/2022
<small>AC9D9E0DD19E486...</small>		REQUIRED

Affirmation of Eligibility for Social Equity License

Applicant affirms that, prior to submission of this application, he/she was compliant with the following criteria established pursuant to section 44-10-308 (4), C.R.S., and that he/she qualifies to be a social equity licensee.

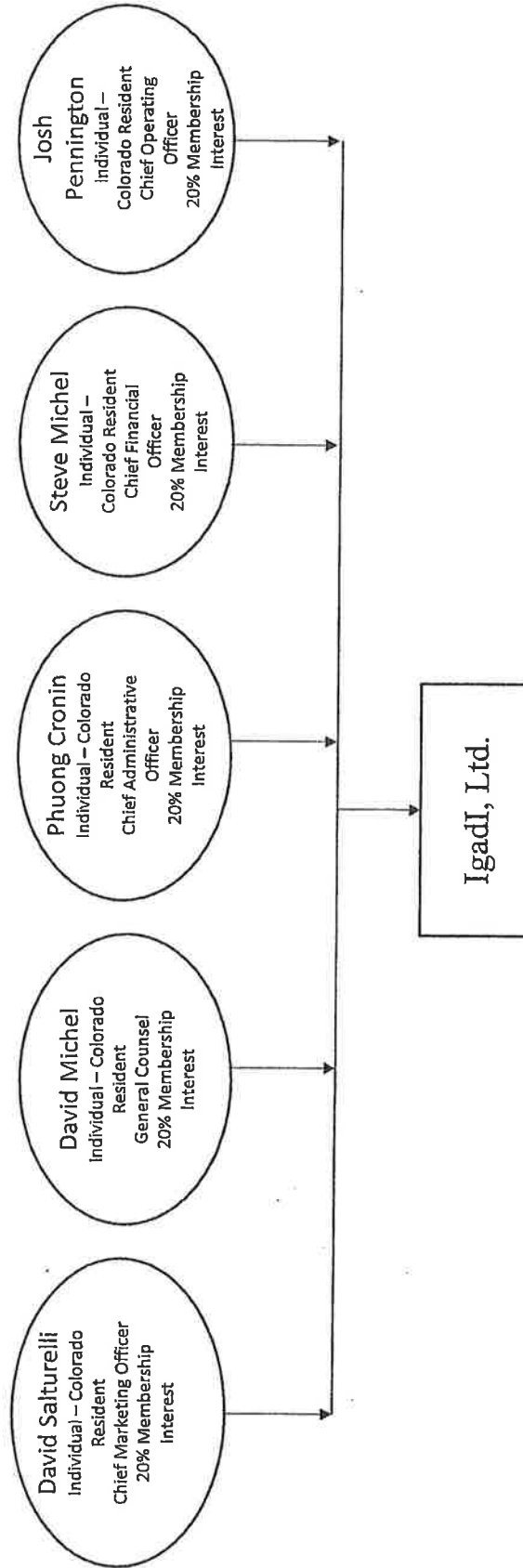
1. The applicant is a Colorado resident.
 - a. Applicant may demonstrate his/her residency by submitting
 - 1) A current valid Colorado driver's license or Colorado identification card with a current address
 - 2) A government issued photo identification and two (2) of the following documents:
 - Utility or telephone bill
 - Vehicle registration
 - Voter registration card
 - Statement from a major creditor
 - Bank statement
 - Recent County tax notice
 - Recent contract/mortgage statement
2. The applicant has not previously owned a Regulated Marijuana Business that was subject to revocation.
3. The applicant has demonstrated at least one of the following: (Check at least one of the applicable criteria)
 - The applicant resided for at least fifteen (15) years between the years 1980 and 2010 in a census tract designated by the Office of Economic Development and International Trade as an Opportunity Zone, or designated as a Disproportionate Impacted Area. (A Disproportionate Impacted Area is defined as a census tract in the top 15% of the following: (a) unemployment, (b) school dropout rates, (c) poverty, or (d) the number of individuals receiving public assistance.)
 - a. To demonstrate the Applicant residence during the relevant time period he/she may submit:
 - School records, rental or lease agreements, utility bills, mortgage statements, loan documents, bank records, tax returns, or other documents which proves the applicant's residency
 - An affirmation, under penalty of perjury, of the applicant's residence and provide the name(s) and contact information for at least one individual who can verify the applicant's place of residency during the time period at issue.
 - The applicant or applicant's parent, legal guardian, sibling, spouse, child, or minor in their guardianship was, (a) arrested for a marijuana offense, (b) convicted of a marijuana offense, or (c) was subject to civil asset forfeiture related to a marijuana investigation.
 - a. The applicant must provide affirmation of the familial relationship, and court or other documents demonstrating the family member's arrest or conviction or that the family member was subject to asset forfeiture related to a marijuana investigation
 - The applicant's household income in the year prior to application did not exceed fifty percent (50%) of the state median income as measured by the number of people who reside in the Applicant's household.
 - a. The applicant must provide his/her tax return for the prior year
4. The applicant, or collectively one or more social equity proposed licensees, will hold at least fifty-one percent (51%) ownership of the Regulated Marijuana Business.

I, Steven Adam Michel, as the applicant for this New Regulated Marijuana Social Equity
Print

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

Signature	DocuSigned by: AE9D9E0DB10E4B6...	Date (MMDDYYYY) 10/06/2022
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IgadI, Ltd. Organizational Chart



STATE OF NEW YORK
COUNTY OF ONTARIO - CITY COURT OF GENEVA
CERTIFICATE OF CONVICTION/DISPOSITION

I, Lisa Collett, certify that a judgment of conviction and/or disposition has been entered in this Court (CPL 60.60) against:

STEVEN A MICHEL, Defendant, DOB

Docket # 00-0380

Arrested: 04-29-2000 Arraigned: 05-18-2000 Judge: TIMOTHY J. BUCKLEY

ORIGINAL OFFENSE #1: UNLAW POSS MARIHUANA PL-221.05 -V -

Disposition Date: 05-18-2000 Disposition: PLED GUILTY
Sentence Date: 05-18-2000
Sentence: FINE
Fine Amount: \$100.00

REMARKS:
CASE IS SEALED PURSUANT TO CPL SECTION 160.50
PENALTY ASSESSMENT: \$60.00

Witness my hand and the seal
of said court this 10
day of March, 2015



Lisa Collett,
Clerk



COLORADO
Department of Revenue
Enforcement Division – Marijuana
1707 Cole Blvd., Suite 300
Lakewood, CO 80401

January 11, 2021

Joshua Aaron Pennington

License Type: Owner- Individual
License # M118848

Dear Joshua Aaron Pennington,

The purpose of this correspondence is to inform you that on January 11, 2021 you were found suitable to be a Controlling Beneficial Interest owner in any business licensed by the Marijuana Enforcement Division (MED). You are now eligible to apply for an ownership interest in a Colorado marijuana establishment. Per rule 2-235(A)(1) – “Except as provided in subparagraph (A)(1)(a), any Person intending to become a Controlling Beneficial Owner by submitting an initial application for any Regulated Marijuana Business that is not a Publicly Traded Corporation must first submit a request to the State Licensing Authority for a finding of suitability.”

To join the ownership of an existing Colorado Regulated Marijuana Business, the owner(s) of the existing establishment/business are required to submit this letter of suitability, a Regulated Marijuana Business License Change of Controlling Beneficial Owner application, supporting documents and applicable fees to the MED for approval. If you wish to open a new Colorado Regulated Marijuana Business, you must submit a complete Regulated Marijuana Business License application, accompanied with all applicable fees and all supporting documents, along with this letter of suitability.

Sincerely,

James Burack
Division Director

Colorado Marijuana Enforcement Division**Natural Person – Finding of Suitability Application Instructions****APPLICATION CHECKLIST** **1 Application Type**

Owner: Any Natural Person who holds 10% interest or more of the Owner's interest of a RMB; Executive Officer, Manager or any other Person or affiliate that is otherwise in a position to execute Control of the RMB.

 2 Application Fully Completed

Type or clearly print, in English, an answer to every question. If a question does not apply, indicate with an N/A. If the available space is insufficient, continue on a separate sheet and precede each answer with the appropriate title. Sign and date the application. **Attach a copy of your state issued or Government ID (i.e. passport) or driver's license.**

Notice: You are required by state law to provide your social security number. If you do not have a social security number, you must complete a sworn statement stating you do not have a social security number.

 3 Application Contents

- Disclosure Requirements
- Main Application
- Authorization Forms
- Fingerprint Verification Form
- IdentoGo Instructions

The disclosure requirements and the main application must be completed in full by all applicants.

 4 All Forms Signed and Attached

The following accompanying forms must be completed, signed and returned with the application:

- Affidavit- Restrictions on Public Benefits
- Affirmation and Consent
- Tax Check Authorization and Request to Release Information
- Investigation Authorization / Authorization to Release Information
- Applicant's Request to Release Information

 5 Required Disclosures

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

 6 Application and License Fees

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

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

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

- Submit complete hard copy application packet.
- Cash, checks (in the name of the applicant or applicants attorney's trust account), money orders and major credit cards (subject to service charge).
- Mail-in applications can only be paid by check or money order

 7 Application Submittal

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

Marijuana Enforcement Division
1707 Cole Blvd., Suite 300
Lakewood, CO 80401
ATTN: Business Licensing

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

Suitability Required Disclosures

What type of application will this suitability be associated with?

- New Business (All required Findings of Suitability must first be obtained prior to any new business application submission).
- Change of Ownership with license # _____
(Applications for Finding of Suitability associated with Change of Ownership applications must be submitted at the same time).
- Change of Ownership Exemption with license # _____

Provide 180 days of account statements used to acquire ownership or proof of ownership, for 180 days, of other assets being used to secure ownership interest.

Provide a copy of a State issued or Government ID (state issued Driver's License, state issued ID or Government issued passport)

Fingerprint information (see instructions provided in the application)

Glossary of Terms:

RMB - Regulated Marijuana Business

CBO - Controlling Beneficial Owner

PBO - Passive Beneficial Owner

IFIH - Indirect Financial Interest Holder

QII - Qualified Institutional Investor

QPF - Qualified Private Fund

PTC - Publicly Traded Company

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

Affirmation of complete application

Signature	Printed Name Joshua A. Pennington	Date 11-2-2020
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Natural Person Finding of Suitability Application Form

Applicant's Last Name (Please Print) Pennington		First Name (Please Print) Joshua		Full Middle Name Aaron	
Maiden/Married Names Used (Full Name) <small>(Attach separate sheet if necessary)</small>			Nicknames, Aliases, Etc. Used (Full Name) <small>(Attach separate sheet if necessary)</small>		
Gender <input checked="" type="checkbox"/> M <input type="checkbox"/> F <input type="checkbox"/> X	Race <input type="checkbox"/> Asian <input type="checkbox"/> Mixed Race <input type="checkbox"/> Black <input type="checkbox"/> Native American <input checked="" type="checkbox"/> Caucasian <input type="checkbox"/> Native Hawaiian/Pacific Islander <input type="checkbox"/> Hispanic/Latino <input type="checkbox"/> Undisclosed/Unknown				
Date of Birth	Social Security Number	Government Issued ID & Jurisdiction CO Driver's License			
Place of Birth: City		State/Prov	Country		
Physical Appearance ⇄	Height	Weight	Hair Color	Eye Color	
U.S. Citizen <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No	*If "No", List Country of Citizenship				
Physical Address					
Address (include unit or apartment number)		City	County	State/Prov	ZIP
Length of time at this Address: Year(s) Month(s)		Home Phone Number	Cell Phone Number	Email Address	
Mailing Address (if different from Physical Address)					
Address (include unit or apartment number)		City	State/Prov	ZIP	
Why are you applying for this application? (Check one of the following):					
<input type="checkbox"/> CBO		<input type="checkbox"/> PBO		<input checked="" type="checkbox"/> Executive Officer	
		<input type="checkbox"/> Manager		<input type="checkbox"/> Reasonable Cause	
Position Held Chief Operating Officer					
Name of Marijuana Business Associated with Igadi, Ltd.			Marijuana Business Phone Number	Marijuana Business Contact Name David Michel	
Marijuana Business Address 4891 Independence Street, Unit 270			City Wheat Ridge	State CO	ZIP 80033
Applicant's Signature				Date 11-2-2020	

Applicant's Last Name (Please Print) Pennington	First Name (Please Print) Joshua	Full Middle Name Aaron
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NOTICE: The Finding of Suitability Application Form is an official document. If you provide false information on your marijuana license application and/or do not disclose all information the application asks, your license is subject to denial, and you may be subject to criminal prosecution. The Marijuana Enforcement Division will conduct a complete background investigation and will check all sources of information.

1. Have you been convicted of a felony in the 3 years immediately preceding this application? (Unless charge was prior to age 18 and was adjudicated as a juvenile)	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No
2. Are you currently subject to a sentence for a felony conviction, including probation or parole? (Unless charge was prior to age 18 and was adjudicated as a juvenile)	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No
3. Are you currently subject to a deferred judgment? (Unless charge was prior to age 18 and was adjudicated as a juvenile)	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No
4. Have you failed to remedy an outstanding delinquency for any judgments, taxes, interest or penalties due to the Department of Revenue, relating to a Regulated Marijuana Business?	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No
5. Are you a licensed Physician making marijuana patient recommendations? (Medical Only)	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No
6. Have you had your authority to act as a primary caregiver revoked by the State Health Agency? (Medical Only)	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No
7. Are you under 21 years of age at the time of this application?	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No
8. Are you a sheriff, deputy sheriff, police officer, or prosecuting officer, or an officer or employee with the marijuana state licensing authority or a local licensing authority?	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No
9. Are you a Person that is a "Bad Actor" under rule 506(d) promulgated pursuant to the Federal "Securities Act of 1933", as amended and subject to 17CFR230.506(d)?	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No
10. Are you a person that is prohibited from engaging in transactions pursuant to this Article 10, due to its designation on the "Specially Designated Nationals and Block Person" list maintained by the Federal Office of Foreign Assets Control?	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No

I have thoroughly read and understand the questions above, and understand that I **cannot** hold a Colorado Marijuana license if I answered "Yes" to any of the questions above.

Applicant's Signature <i>[Signature]</i>	Date 11-2-2020
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Applicant's Last Name (Please Print) Pennington	First Name (Please Print) Joshua	Full Middle Name Aaron
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Licensing

<p>1. Provide a list of any privileged or professional licenses, with license numbers, you have held within the last three (3) years prior to the submission of the Finding of Suitability Application. List those that were issued by the Colorado Department of Revenue or the Department of Regulatory Agencies, including all marijuana licenses.</p> <p style="text-align: center;">M90415</p>	<input type="checkbox"/> None
<p>2. Have you or any business entity owned by you, ever owned or applied for a Marijuana license in this or any other jurisdiction, foreign or domestic? If so, have you ever been subject to any of the following actions: (1) denial; (2) surrender; (3) order to show cause; (4) suspension; (5) revocation; (6) stipulation or settlement. If YES, provide details on a separate sheet, including jurisdiction, type of action, and date of action.</p>	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No
<p>3. Do you now own, have ever owned, or otherwise derive(d) a benefit from assets held outside the United States (other than Canada)?</p>	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No
<p>4. Has a complaint, judgment, consent decree, settlement or other disposition related to a violation of federal, state or similar foreign security law or regulation ever been filed or entered against you or a business entity? If YES, explain on a separate sheet of paper.</p>	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No
<p>5. Have you or are you involved in a civil lawsuit in regards to a marijuana business? If YES, provide details on a separate piece of paper.</p>	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No
<p>6. List any sanctions, penalties, assessments, or cease and desist orders imposed by any securities regulatory agency, other than the United States Securities and Exchange Commission. (Provide on a separate sheet.)</p>	

Applicant's Last Name (Please Print) Pennington	First Name Joshua	Full Middle Name Aaron
Financial History		
If known, please submit all executed agreements or documents that grant you any right to any percent of ownership or percent of income from the Colorado Marijuana business with which you are associated.		
1. Amount to otherwise be invested or loaned in business:	\$ 0	
2. Percentage of ownership this amount represents:	0%	
3. Investment will be derived from the following sources:		
4. Has your interest in this Marijuana establishment been assigned, pledged or hypothecated to any person, firm, or corporation, or has any agreement been entered into whereby your interest is to be assigned, pledged or sold, either in part or whole?		<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No
If YES, explain:		

Income	
Annual Income	
Salary (Source): IgadI, Ltd.	\$ _____
Salary (Source):	\$ _____
Interest (Source):	\$ _____
Interest (Source):	\$ _____
Dividends (Source):	\$ _____
Dividends (Source):	\$ _____
Other (Source): Elevated Holdings, Ltd.	\$ _____
Other (Source):	\$ _____
Total	\$ _____

Applicant's Initials



Affidavit - Restrictions On Public Benefits

I, Joshua A. Pennington, swear or affirm under penalty of perjury under the laws of the State of Colorado that (check one):

- I am a United States citizen.
- I am not a United States citizen but I am a Permanent Resident of the United States.
- I am not a United States citizen but I am lawfully present in the United States pursuant to Federal law.
- I am a foreign national not physically present in the United States.

I understand that this sworn statement is required by law because I have applied for a public benefit. I understand that state law requires me to provide proof that I am lawfully present in the United States prior to receipt of this public benefit. I further acknowledge that making a false, fictitious, or fraudulent statement or representation in this sworn affidavit is punishable under the criminal laws of Colorado as perjury in the second degree under Colorado Revised Statute 18-8-503 and it shall constitute a separate criminal offense each time a public benefit is fraudulently received.

Signature	Date (MM/DD/YY) 11-2-2020
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Affirmation & Consent

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

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

Print Full Legal Name of Applicant clearly below:

Last Name of Applicant (Please Print) Pennington	First Name of Applicant Joshua	Middle Name of Applicant Aaron
Signature		Date 11-2-2020

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

Tax Check Authorization and Request To Release Information

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

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

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

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

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

Applicant's Name (Individual/Business) Joshua A. Pennington		Social Security Number/Tax Identification Number	
Street Address	City	State	Zip Code
Home Telephone Number	Business/Work Telephone Number		
Legal Last Name (Please Print) Pennington	Legal First Name Joshua	Full Middle Name Aaron	
Applicant's Signature		Date 11-2-2020	

Investigation Authorization/Authorization to Release Information

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

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

Print Full Legal Name of Owner clearly below:

Applicant's Legal Business Name		Trade Name (DBA)	
Last Name of Owner (Please Print) Pennington	First Name of Owner Joshua	Middle Name of Owner Aaron	
Signature			Date 11/2/2020

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Applicant's Request to Release Information

TO: (Leave this Blank)	FROM: (Applicant's Printed Name) Joshua A. Pennington	
<ol style="list-style-type: none"> 1. I/We hereby authorize and request all persons to whom this request is presented having information relating to or concerning the above named applicant to furnish such information to a duly appointed agent of the Marijuana Enforcement Division whether or not such information would otherwise be protected from the disclosure by any constitutional, statutory or common law privilege. 2. I/We hereby authorize and request all persons to whom this request is presented having documents relating to or concerning the above named applicant to permit a duly appointed agent of the Marijuana Enforcement Division to review and copy any such documents, whether or not such documents would otherwise be protected from disclosure by any constitutional, statutory, or common law privilege. 3. If the person to whom this request is presented is a brokerage firm, bank, savings and loan, or other financial institution or an officer of the same, I/we hereby authorize and request that a duly appointed agent of the Marijuana Enforcement Division be permitted to review and obtain copies of any and all documents, records or correspondence pertaining to me/us, including but not limited to past loan information, notes co-signed by me/us, checking account records, savings deposit records, safe deposit box records, passbook records, and general ledger folio sheets. 4. I/We do hereby make, constitute, and appoint any duly appointed agent of the Colorado Marijuana Enforcement Division, my/our true and lawful attorney in fact for me/us in my/our name, place, stead, and on my/our behalf and for my/our use and benefit: <ol style="list-style-type: none"> (a) To request, review, copy sign for, or otherwise act for investigative purposes with respect to documents and information in the possession of the person to whom this request is presented as I/we might; (b) To name the person or entity to whom this request is presented and insert that person's name in the appropriate location in this request: (c) To place the name of the agent presenting this request in the appropriate location on this request. 5. I grant to said attorney in fact full power and authority to do, take, and perform all and every act and thing whatsoever requisite, proper, or necessary to be done, in the exercise of any of the rights and powers herein granted, as fully to all intents and purposes as I/we might or could do if personally present, with full power of substitution or revocation, hereby ratifying and confirming all that said attorney in fact, or his substitute or substitutes, shall lawfully do or cause to be done by virtue of this power of attorney and the rights and powers herein granted. 6. This power of attorney ends twenty-four (24) months from the date of execution. 7. The above named applicant has filed with the Colorado Marijuana Licensing Authority an application for a Marijuana license. Said applicant understands that it is seeking the granting of a privilege and acknowledges that the burden of proving its qualifications for a favorable determination is at all times on the applicant. 8. I/We do, for myself/ourselves, my/our heirs, executors, administrators, successors, and assigns, hereby release, remise, and forever discharge the person to whom this request is presented, and his agents and employees from all and all manner or actions, causes of action, suits, debts, judgments, executions, claims, and demands whatsoever, known or unknown, in law or equity, which the applicant ever had, now has, may have, or claims to have against the person to whom this request is being presented or his agents or employees arising out of or by reason of complying with the request. 9. A reproduction of this request by photocopying or similar process shall be for all intents and purposes as valid as the original. 		
Applicant's Last Name (Please Print) Pennington	First Name Joshua	Full Middle Name Aaron
Signature		Date 11/2/2020



COLORADO
Department of Revenue
Marijuana Enforcement Division

1697 Cole Blvd., Suite 200
Lakewood, CO 80401

December 14, 2022

David Gray Salturelli

License Type: Owner- Social Equity
License # M148575

Dear David Gray Salturelli,

The purpose of this correspondence is to inform you that on December 14, 2022 you were found suitable as an Owner-SE per Rule 2-220(C)(2) to be a Controlling Beneficial Owner in any business licensed by the Marijuana Enforcement Division (MED). You are now eligible to apply for an ownership interest or a position of control in a Colorado marijuana establishment.

To join the ownership of an existing Colorado Regulated Marijuana Business, the owner(s) of the existing establishment/business are required to submit this letter of suitability, a Regulated Marijuana Business License Change of Controlling Beneficial Owner application, supporting documents and applicable fees to the MED for approval. If you wish to open and operate a new Colorado Regulated Marijuana Business, you must submit a complete Regulated Marijuana Business License application, accompanied with all applicable fees and all supporting documents, along with this letter of suitability. To assume a position as an Executive officer or Member of a Board of Directors that control a Regulated Marijuana Business, the business must submit a Changes Exempt from a Change of Owner Application Disclosure accompanied with all applicable fees and supporting documents.

Pursuant to Rule 2-235 - Suitability (H), this Finding of Suitability is valid for one year. If more than 365 days passes from the issuance of this Finding of Suitability and you have not applied to become a Controlling Beneficial Owner (including as an Executive Officer or Board of Director member) of a Regulated Marijuana Business pursuant to (1) an initial business license application or (2) a change of owner application, this initial Finding of Suitability will automatically expire without notification.

Sincerely,

Dominique Mendiola
Senior Director

Colorado Marijuana Enforcement Division**Natural Person – Finding of Suitability Application Instructions****APPLICATION CHECKLIST** **1 Application Type**

Owner: Any Natural Person who holds 10% interest or more of the Owner's interest of a RMB; Executive Officer, Manager or any other Person or affiliate that is otherwise in a position to execute Control of the RMB.

 2 Application Fully Completed

Type or clearly print, in English, an answer to every question. If a question does not apply, indicate with an N/A. If the available space is insufficient, continue on a separate sheet and precede each answer with the appropriate title. Sign and date the application. **Attach a copy of your Real ID compliant state issued or Government ID (i.e. passport) or driver's license.**

Notice: You are required by state law to provide your social security number. If you do not have a social security number, you must complete a sworn statement stating you do not have a social security number.

 3 Application Contents

- Disclosure Requirements
- Main Application
- Authorization Forms
- Fingerprint Verification Form
- IdentoGo Instructions

The disclosure requirements and the main application must be completed in full by all applicants.

 4 All Forms Signed and Attached

The following accompanying forms must be completed, signed and returned with the application:

- Affidavit- Restrictions on Public Benefits
- Affirmation and Consent
- Tax Check Authorization and Request to Release Information
- Investigation Authorization / Authorization to Release Information
- Applicant's Request to Release Information
- Affirmation of Eligibility for Social Equity License

 5 Required Disclosures

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

 6 Application and License Fees

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

See fee table on website: SBG.Colorado.gov/MarijuanaEnforcement

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

- Submit complete application packet.
- Checks (in the name of the applicant or applicants attorney's trust account), money orders and major credit cards (subject to service charge).
- Mail-in applications can only be paid by check or money order

 7 Application Submittal

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

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

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

DR 8520 (02/04/22)

Section 10, Item D.

Suitability Required Disclosures

What type of application will this suitability be associated with?

- New Business (All required Findings of Suitability must first be obtained prior to any new business application submission).
- Change of Ownership with license # _____
(Applications for Finding of Suitability associated with Change of Ownership applications must be submitted at the same time).
- Change of Ownership Exemption with license # _____
- Social Equity Program

Provide 180 days of account statements used to acquire ownership or proof of ownership, for 180 days, of other assets being used to secure ownership interest.

Provide a copy of a Real ID compliant State issued or Government ID (state issued Driver's License, state issued ID or Government issued passport)

Fingerprint information (see instructions provided in the application)

Glossary of Terms:

RMB - Regulated Marijuana Business

PBO - Passive Beneficial Owner

QII - Qualified Institutional Investor

PTC - Publicly Traded Company

CBO - Controlling Beneficial Owner

IFIH - Indirect Financial Interest Holder

QPF - Qualified Private Fund

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

Affirmation of complete application

Signature

MUST BE SIGNED IN
AT PRO OR READER**REQUIRED**

Printed Name

David Salturelli

Date (MMDDYYYY)

10/06/2022

DR 8520 (02/04/22)
 COLORADO DEPARTMENT OF REVENUE
 Marijuana Enforcement Division
 SBG.Colorado.gov/MarijuanaEnforcement

Marijuana License Number (Leave Blank)

Natural Person Finding of Suitability Application Form

Why are you applying? (Check one of the following):									
<input type="checkbox"/> CBO	<input type="checkbox"/> PBO	<input type="checkbox"/> Executive Officer	<input checked="" type="checkbox"/> Social Equity CBO	<input type="checkbox"/> Manager	<input type="checkbox"/> Reasonable Cause				
Position Held Member									
Applicant's Last Name (Please Print) Salturelli			First Name (Please Print) David				Full Middle Name Gray		
Maiden/Married Names Used (Full Name) (Attach separate sheet if necessary) N/A					Nicknames, Aliases, Etc. Used (Full Name) (Attach separate sheet if necessary) N/A				
Gender <input checked="" type="checkbox"/> M <input type="checkbox"/> F <input type="checkbox"/> X		Race <input type="checkbox"/> Asian <input type="checkbox"/> Mixed Race <input type="checkbox"/> Black <input type="checkbox"/> Native American <input checked="" type="checkbox"/> Caucasian <input type="checkbox"/> Native Hawaiian/Pacific Islander <input type="checkbox"/> Hispanic/Latino <input type="checkbox"/> Undisclosed/Unknown							
Date of Birth (MMDDYYYY)		Social Security Number		Government Issued ID & Jurisdiction					
Place of Birth: City				State/Prov		Country USA			
Physical Appearance ⇨		Height (in feet & inches)		Weight (in pounds)		Hair Color		Eye Color	
U.S. Citizen <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No		*If "No", List Country of Citizenship							
Physical Address									
Address (include unit or apartment number)				City		County		State/Prov	ZIP
Length of time at this Address:		Home Phone Number		Cell Phone Number		Email Address			
Year(s) 1	Month(s) 1								
Mailing Address (if different from Physical Address)									
Address (include unit or apartment number)				City		State/Prov		ZIP	
Name of Marijuana Business Associated with Igadl, Ltd.				Marijuana Business Phone Number		Marijuana Business Contact Name David Michel			
Marijuana Business Address 4891 Independence St., Ste. 270				City Wheat Ridge		State CO	ZIP 80033		
Applicant's Signature		DocuSigned by: -DRM MUST BE SIGNED IN ADOBE PRO OR READER					Date (MMDDYYYY) 10/06/2022		REQUIRED

Section 10, Item D.

Applicant's Last Name (Please Print) Salturelli	First Name (Please Print) David	Full Middle Name Gray
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NOTICE: The Finding of Suitability Application Form is an official document. If you provide false information on your marijuana license application and/or do not disclose all information the application asks, your license is subject to denial, and you may be subject to criminal prosecution. The Marijuana Enforcement Division will conduct a complete background investigation and will check all sources of information.

1. Have you been convicted of a felony in the 3 years immediately preceding this application? (Unless charge was prior to age 18 and was adjudicated as a juvenile)	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No
2. Are you currently subject to a sentence for a felony conviction, including probation, parole or a deferred judgment? (Unless charge was prior to age 18 and was adjudicated as a juvenile)	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No
3. Have you failed to remedy an outstanding delinquency for any judgments, taxes, interest or penalties due to the Department of Revenue, relating to a Regulated Marijuana Business?	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No
4. Are you a licensed Physician making marijuana patient recommendations? (Medical Only)	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No
5. Have you had your authority to act as a primary caregiver revoked by the State Health Agency? (Medical Only)	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No
6. Are you under 21 years of age at the time of this application?	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No
7. Are you a sheriff, deputy sheriff, police officer, or prosecuting officer, or an officer or employee with the marijuana state licensing authority or a local licensing authority?	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No
8. Are you a Person that is a "Bad Actor" under rule 506(d) promulgated pursuant to the Federal "Securities Act of 1933", as amended and subject to 17CFR230.506(d)?	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No
9. Are you a person that is prohibited from engaging in transactions pursuant to this Article 10, due to its designation on the "Specially Designated Nationals and Block Person" list maintained by the Federal Office of Foreign Assets Control?	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No

I have thoroughly read and understand the questions above, and understand that I cannot hold a Colorado Marijuana license if I answered "Yes" to any of the questions above.

Applicant's Signature	DocuSigned by: I MUST BE SIGNED IN ACROBAT PRO OR READER	Date (MMDDYYYY) 10/06/2022
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REQUIRED

9247EFCFA02349D...

Applicant's Last Name (Please Print) Salturelli	First Name (Please Print) David	Full Middle Name Gray
Licensing		
1. Provide a list of any privileged or professional licenses, with license numbers, you have held within the last three (3) years prior to the submission of the Finding of Suitability Application. List those that were issued by the Colorado Department of Revenue or the Department of Regulatory Agencies, including all marijuana licenses.		<input type="checkbox"/> None
M20955		
2. Have you or any business entity owned by you, ever owned or applied for a Marijuana license in this or any other jurisdiction, foreign or domestic? a. If so, have you ever been subject to any of the following actions: (1) denial; (2) surrender; (3) order to show cause; (4) suspension; (5) revocation; (6) stipulation or settlement. If YES, provide details on a separate sheet, including jurisdiction, type of action, and date of action.		<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No
3. Do you now own, have ever owned, or otherwise derive(d) a benefit from assets held outside the United States (other than Canada)?		<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No
4. Has a complaint, judgment, consent decree, settlement or other disposition related to a violation of federal, state or similar foreign security law or regulation ever been filed or entered against you or a business entity? If YES, explain on a separate sheet of paper.		<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No
5. Have you or are you involved in a civil lawsuit in regards to a marijuana business? If YES, provide details on a separate piece of paper.		<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No
6. List any sanctions, penalties, assessments, or cease and desist orders imposed by any securities regulatory agency, other than the United States Securities and Exchange Commission. (Provide on a separate sheet.)		
Criminal History (DO NOT DISCLOSE CRIMINAL HISTORY WHERE NON-CONVICTION RECORD HAS BEEN SEALED OR EXPUNGED)		
1. In the last 3 years have you been arrested, served with a criminal summons, charged with, or convicted of ANY felony in this or any other country? • You must include ALL felony arrests, charges, and convictions in the last 3 years (unless charge was prior to age 18 and was adjudicated as a juvenile), regardless of the outcome, even if the charges were dismissed or you were found not guilty. • NOTICE: Do not rely upon your understanding that an arrest or charge is "not supposed to be on your record." A criminal record was not cleared, erased, sealed, pardoned or expunged unless you were given, and have in your possession, a written order from a judge directing that action.		<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No
*If you answered YES, explain in detail on the next page of this application, using additional sheets as necessary. For each FELONY offense for which you were arrested or charged, YOU MUST OBTAIN OFFICIAL DOCUMENTATION FROM THE COURT WHERE YOU APPEARED, SHOWING THE FINAL DISPOSITION (OUTCOME) OF YOUR CASE (FELONIES ONLY). This information will include whether you were found guilty or not guilty and the penalty (money fine, time in jail or prison, probation or deferred sentence). If you received a deferred judgment, a deferred sentence, or probation, your documentation must include the date that you were discharged or released from probation or other supervision.		

Applicant's Initials

Applicant's Last Name (Please Print) Salturelli	First Name David	Full Middle Name Gray
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Arrest Disclosure Form

In the last 3 years have you been arrested, served a criminal summons, charged with, or convicted of a FELONY (unless charge was prior to age 18 and was adjudicated as a juvenile)? If so, you must disclose this information to the Marijuana Enforcement Division.

Any person applying to be licensed by the Marijuana Enforcement Division must make notification to the Division of any felony criminal conviction and/or felony criminal charge pending against such person.

Failure to disclose may result in disciplinary action, up to and including the denial of your license application.

Please List Each Felony Offense Separately

1	Date of Offense (MMDDYYYY)	Place of Offense N/A
Arresting Agency		
Original Charge		
Disposition Narrative (i.e. guilty, not guilty, probation, etc.) — Must also provide official documentation (felonies only).		
2	Date of Offense (MMDDYYYY)	Place of Offense
Arresting Agency		
Original Charge		
Disposition Narrative (i.e. guilty, not guilty, probation, etc.) — Must also provide official documentation (felonies only).		
3	Date of Offense (MMDDYYYY)	Place of Offense
Arresting Agency		
Original Charge		
Disposition Narrative (i.e. guilty, not guilty, probation, etc.) — Must also provide official documentation (felonies only).		
4	Date of Offense (MMDDYYYY)	Place of Offense
Arresting Agency		
Original Charge		
Disposition Narrative (i.e. guilty, not guilty, probation, etc.) — Must also provide official documentation (felonies only).		
Signature (Required even if no criminal history)		Date (MMDDYYYY) 10/06/2022
DocuSigned by: 9247EFC6EA02348B...		

Applicant's Last Name (Please Print) Salturelli	First Name David	Full Middle Name Gray
Financial History		
If known, please submit all executed agreements or documents that grant you any right to any percent of ownership or percent of income from the Colorado Marijuana business with which you are associated.		
1. Amount to otherwise be invested or loaned in business:	\$	0
2. Percentage of ownership this amount represents:		20 %
3. Investment will be derived from the following sources: Personal Income		
4. Has your interest in this Marijuana establishment been assigned, pledged or hypothecated to any person, firm, or corporation, or has any agreement been entered into whereby your interest is to be assigned, pledged or sold, either in part or whole?	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No	
If YES, explain:		

Income		
Annual Income		
Name of employer (Please provide 6 mos of pay stubs.):		
	lgadl	
Salary (Source):	lgadl, Ltd	\$
Salary (Source):		\$
Interest (Source):		\$
Interest (Source):		\$
Dividends (Source):		\$
Dividends (Source):		\$
Other (Source):	Elevated Holdings, LLC	\$
Other (Source):		\$
	Total	\$


 Applicant's Initials _____

DR 4679 (03/24/14)
COLORADO DEPARTMENT OF REVENUE



Affidavit - Restrictions On Public Benefits

I, David Salturelli, swear or affirm under penalty of perjury under the laws of the State of Colorado that (check one):

- I am a United States citizen.
- I am not a United States citizen but I am a Permanent Resident of the United States.
- I am not a United States citizen but I am lawfully present in the United States pursuant to Federal law.
- I am a foreign national not physically present in the United States.

I understand that this sworn statement is required by law because I have applied for a public benefit. I understand that state law requires me to provide proof that I am lawfully present in the United States prior to receipt of this public benefit. I further acknowledge that making a false, fictitious, or fraudulent statement or representation in this sworn affidavit is punishable under the criminal laws of Colorado as perjury in the second degree under Colorado Revised Statute 18-8-503 and it shall constitute a separate criminal offense each time a public benefit is fraudulently received.

Signature	DocuSigned by: TH- ST BE SIGNED IN ACROBAT PRO OR READER 9247EFCFA02349D...	REQUIRED	Date (MMDYYYY) 10/06/2022
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Affirmation & Consent

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

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

Print Full Legal Name of Applicant clearly below:

Last Name of Applicant (Please Print) Salturelli	First Name of Applicant David	Middle Name of Applicant Gray
Signature <small>DocuSigned by:</small>	<small>THIS DOCUMENT BE SIGNED IN ADOBE ACROBAT PRO OR READER</small>	Date (MMDDYYYY) 10/06/2022

REQUIRED

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

Tax Check Authorization and Request To Release Information

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

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

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

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

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

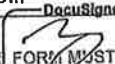
Applicant's Name (Individual/Business) David Salturelli / Igadl, Ltd.		Social Security Number/Tax Identification Number	
Street Address	City	State	Zip Code
Home Telephone Number	Business/Work Telephone Number		
Legal Last Name (Please Print) Salturelli	Legal First Name David	Full Middle Name Gray	
Applicant's Signature THIS FIELD IS REQUIRED	REQUIRED		Date (MMDDYYYY) 10/06/2022

Investigation Authorization/Authorization to Release Information

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

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


Print Full Legal Name of Owner clearly below:

Applicant's Legal Business Name Igadl, Ltd.		Trade Name (DBA) Igadl	
Last Name of Owner (Please Print) Salturelli	First Name of Owner David	Middle Name of Owner Gray	
Signature 	Date (MMDDYYYY) 10/06/2022		REQUIRED

DocuSigned by: **THIS FORM MUST BE SIGNED IN ADOBE ACROBAT PRO OR READER**
B247EFCEA02349D...

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

Applicant's Request to Release Information

TO: (Leave this Blank)	FROM: (Applicant's Printed Name) David Salturelli	
<p>1. I hereby authorize and request all persons to whom this request is presented having information relating to or concerning the above named applicant to furnish such information to a duly appointed agent of the Marijuana Enforcement Division whether or not such information would otherwise be protected from the disclosure by any constitutional, statutory or common law privilege.</p> <p>2. I hereby authorize and request all persons to whom this request is presented having documents relating to or concerning the above named applicant to permit a duly appointed agent of the Marijuana Enforcement Division to review and copy any such documents, whether or not such documents would otherwise be protected from disclosure by any constitutional, statutory, or common law privilege.</p> <p>3. If the person to whom this request is presented is a brokerage firm, bank, savings and loan, or other financial institution or an officer of the same, I hereby authorize and request that a duly appointed agent of the Marijuana Enforcement Division be permitted to review and obtain copies of any and all documents, records or correspondence pertaining to me, including but not limited to past loan information, notes co-signed by me, checking account records, savings deposit records, safe deposit box records, passbook records, and general ledger folio sheets.</p> <p>4. I do hereby make, constitute, and appoint any duly appointed agent of the Colorado Marijuana Enforcement Division, my true and lawful attorney in fact for me in my name, place, stead, and on my behalf and for my use and benefit:</p> <p style="margin-left: 20px;">(a) To request, review, copy sign for, or otherwise act for investigative purposes with respect to documents and information in the possession of the person to whom this request is presented as I might;</p> <p style="margin-left: 20px;">(b) To name the person or entity to whom this request is presented and insert that person's name in the appropriate location in this request:</p> <p style="margin-left: 20px;">(c) To place the name of the agent presenting this request in the appropriate location on this request.</p> <p>5. I grant to said attorney in fact full power and authority to do, take, and perform all and every act and thing whatsoever requisite, proper, or necessary to be done, in the exercise of any of the rights and powers herein granted, as fully to all intents and purposes as I might or could do if personally present, with full power of substitution or revocation, hereby ratifying and confirming all that said attorney in fact, or his substitute or substitutes, shall lawfully do or cause to be done by virtue of this power of attorney and the rights and powers herein granted.</p> <p>6. This power of attorney ends twenty-four (24) months from the date of execution.</p> <p>7. The above named applicant has filed with the Colorado Marijuana Licensing Authority an application for a Marijuana license. Said applicant understands that it is seeking the granting of a privilege and acknowledges that the burden of proving its qualifications for a favorable determination is at all times on the applicant.</p> <p>8. I do, for myself, my heirs, executors, administrators, successors, and assigns, hereby release, remise, and forever discharge the person to whom this request is presented, and his agents and employees from all and all manner or actions, causes of action, suits, debts, judgments, executions, claims, and demands whatsoever, known or unknown, in law or equity, which the applicant ever had, now has, may have, or claims to have against the person to whom this request is being presented or his agents or employees arising out of or by reason of complying with the request.</p> <p>9. A reproduction of this request by photocopying or similar process shall be for all intents and purposes as valid as the original.</p>		
Applicant's Last Name (Please Print) Salturelli	First Name David	Full Middle Name Gray
Signature 	Date (MMDDYYYY) 10/06/2022	
<small>Document ID: 8247EFCEA02349D...</small> FORM MUST BE SIGNED IN ADOBE ACROBAT PRO OR READER REQUIRED		

Affirmation of Eligibility for Social Equity License

Applicant affirms that, prior to submission of this application, he/she was compliant with the following criteria established pursuant to section 44-10-308 (4), C.R.S., and that he/she qualifies to be a social equity licensee.

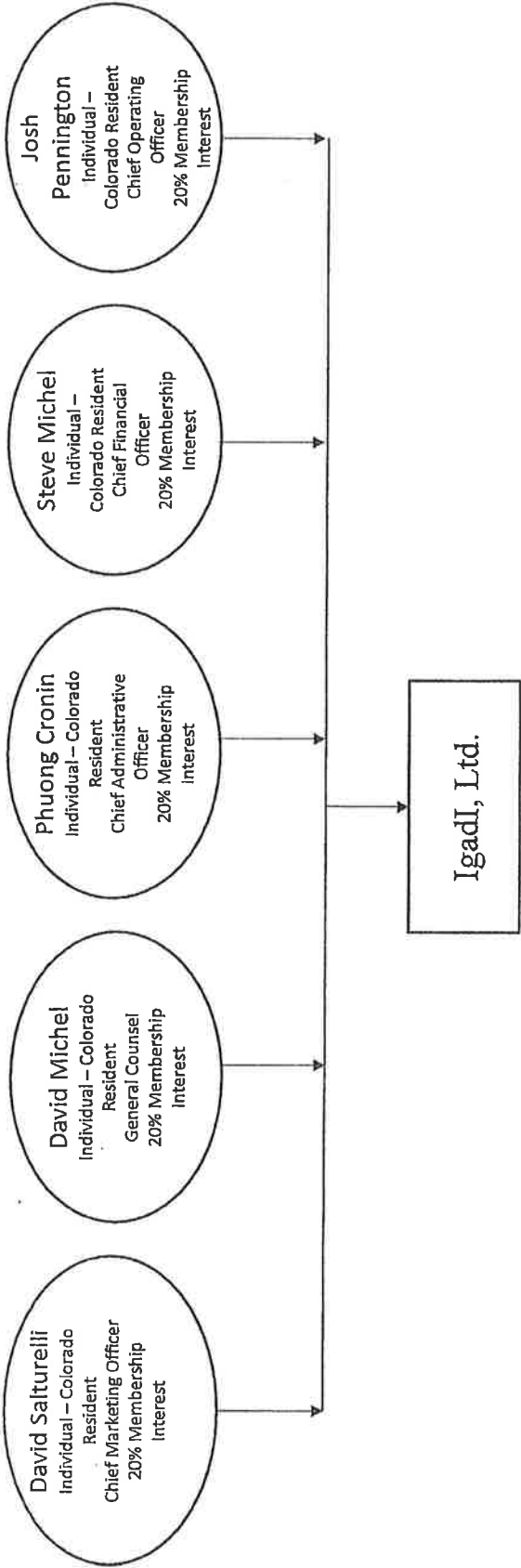
1. The applicant is a Colorado resident.
 - a. Applicant may demonstrate his/her residency by submitting
 - 1) A current valid Colorado driver's license or Colorado identification card with a current address
 - 2) A government issued photo identification and two (2) of the following documents:
 - Utility or telephone bill
 - Vehicle registration
 - Voter registration card
 - Statement from a major creditor
 - Bank statement
 - Recent County tax notice
 - Recent contract/mortgage statement
2. The applicant has not previously owned a Regulated Marijuana Business that was subject to revocation.
3. The applicant has demonstrated at least one of the following: (Check at least one of the applicable criteria)
 - The applicant resided for at least fifteen (15) years between the years 1980 and 2010 in a census tract designated by the Office of Economic Development and International Trade as an Opportunity Zone, or designated as a Disproportionate Impacted Area. (A Disproportionate Impacted Area is defined as a census tract in the top 15% of the following: (a) unemployment, (b) school dropout rates, (c) poverty, or (d) the number of individuals receiving public assistance.)
 - a. To demonstrate the Applicant residence during the relevant time period he/she may submit:
 - School records, rental or lease agreements, utility bills, mortgage statements, loan documents, bank records, tax returns, or other documents which proves the applicant's residency
 - An affirmation, under penalty of perjury, of the applicant's residence and provide the name(s) and contact information for at least one individual who can verify the applicant's place of residency during the time period at issue.
 - The applicant or applicant's parent, legal guardian, sibling, spouse, child, or minor in their guardianship was, (a) arrested for a marijuana offense, (b) convicted of a marijuana offense, or (c) was subject to civil asset forfeiture related to a marijuana investigation.
 - a. The applicant must provide affirmation of the familial relationship, and court or other documents demonstrating the family member's arrest or conviction or that the family member was subject to asset forfeiture related to a marijuana investigation
 - The applicant's household income in the year prior to application did not exceed fifty percent (50%) of the state median income as measured by the number of people who reside in the Applicant's household.
 - a. The applicant must provide his/her tax return for the prior year
4. The applicant, or collectively one or more social equity proposed licensees, will hold at least fifty-one percent (51%) ownership of the Regulated Marijuana Business.

I, David Salturelli, as the applicant for this New Regulated Marijuana Social Equity
Print

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

Signature	<div style="border: 1px solid black; height: 20px; width: 100%;"></div> <small>DocuSigned by: 9247EFCFA02349D...</small>	Date (MMDDYYYY) 10/06/2022
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IgadI, Ltd. Organizational Chart



David Salturelli

June 30, 2014

Buncombe County Clerk of Court,

I, David Gray Salturelli, would like to request ALL paperwork and documentation regarding a Minor In Possession of Alcohol charge I received in the summer of 2010. Please contact me with any other information I need to submit to you. Thank you.

Phone:

Email: d:

X _____

Date: 6/30/14

UNIFORM SUMMONS & COMPLAINT OR PENALTY ASSESSMENT

No. 3917651
COLORADO STATE PATROL

STATE OF COLORADO

DATE OF VIOLATION: 12-30-11 TIME OF VIOLATION: 2132 APPROXIMATE LOCATION OF VIOLATION, STATE OF COLORADO: CO #160 MP 235

ROAD CODE: H160 MILEPOST: 235 FCC: 619

DOMESTIC VIOLENCE OFFENSE SEXUAL OFFENSE INJURY / FATAL ACCIDENT PROPERTY DAMAGE ACCIDENT V.R.A. CRIME (VICTIM WITNESS) AGGRESSIVE DRIVER CONSTRUCTION ZONE SCHOOL ZONE

CASE REPORT NO. 58111775

TRAFFIC CITATION FBNAL CITATION

DEFENDANT LAST NAME: SACTURELLI FIRST NAME: DAVID M.I.: G DATE OF BIRTH: [blank] AGE: [blank] CONTACT TELEPHONE NO.: [blank]

DEFENDANT HOME ADDRESS: [blank] CITY / STATE / ZIP: [blank] CONTACT TELEPHONE NO.: [blank]

DRIVER'S LICENSE NO.: [blank] CDL DRIVER CLASS: [blank] ENDORSEMENTS: [blank] STATE: [blank] RACE: [blank] SEX: [blank] HEIGHT: [blank] WEIGHT: [blank] HAIR: [blank] EYES: [blank]

VEHICLE LICENSE NO.: [blank] VEHICLE LICENSE TYPE: [blank] VEHICLE LICENSE STATE: [blank] VIN: [blank] VEHICLE COLOR (TOP/BOTTOM): [blank]

VEHICLE YEAR: [blank] VEHICLE MAKE: [blank] VEHICLE MODEL: [blank] REGISTERED OWNER NAME/ADDRESS: [blank] SAME AS DEFENDANT

CC	CRS	OFFENSE	FINE - \$	PTS
800	42-4-1301(1)(a)	Drove vehicle while under the influence of alcohol or drugs or both	Summons	12
812	42-4-1301(2)(a)	Drove vehicle with blood alcohol content of 0.08 or more	Summons	12
801	42-4-1301(1)(b)	Drove vehicle while ability impaired by alcohol or drugs or both	Summons	8
	42-4-1101()	() Speeding mph in a zone		0
	42-4-237(2)	Drove vehicle when safety belt not in use () Driver () Front Seat Passenger		0
574	42-4-236() ()	Failed to provide/ properly use (rear facing/ forward facing) child restraint System or booster seat/ safety belt-positioning device/ safety belt.		0
580	42-2-105.5(3)	Operator under 18 (not wearing seatbelt/ allowed occupants w/o seat belts/ child restraint systems)	Summons	2
954	42-4-1409(1)	Owner operated uninsured motor vehicle on a public roadway	Summons	4
956	42-4-1409(2)	Operated an uninsured motor vehicle on a public roadway	Summons	4
957	42-4-1409(3)	Failed to present evidence of insurance upon request	Summons	RA
	42-2-138() ()	Drove motor/off highway vehicle when license under restraint:		3
	42-2-101(1)	Drove vehicle without a valid driver's license		0
038	42-3-114	Displayed Expired Number Plates		4
	42-4-1402()	Careless driving (caused bodily injury / caused death)		4
142	42-4-1008(1)	Following too closely		4
319	42-4-703(3)	Disregarded/Fail to stop as required at stop sign at through highway.		3
	42-4-1007(1)(a)()	Changed lanes when unsafe () Failed to drive in a single lane (weaving)		2
436	42-4-608(1)	Failed to use turn signals		4
304	42-4-604	Failed to obey traffic control signal		3
146	42-4-711(1)	Drove vehicle improperly on mountain highway		0
700	42-4-106(5)(n)(III)	Commercial vehicle failed to comply with (Tire/Chain) restrictions		0
713	42-4-235(2)(a)	Commercial vehicle failed to comply with DPS rules and regulations governing safety Standards and specifications.		0
X	PCA 18-18-406(1)	POSS OF 2.03 OR LESS OF MARIJUANA 50m	RA	RA

FINGERPRINTED PHOTOGRAPHED FLACARD HAZMAT CMV REQ. CDL CIV UNDOT#

DNA SURCHARGE \$2.50 TOTAL SURCHARGE (\$): \$ TOTAL FINE + SURCHARGE: \$

SUMMONS TRAFFIC INFRACTION OFFENSE VALID COLO DL

DEFENDANT IN CUSTODY DEFENDANT SIGNATURE: [Signature] PRINT OFFICER LAST NAME: CRELL NUMBER: 1609

YOU ARE SUMMONED AND ORDERED TO APPEAR TO ANSWER CHARGES AS NOTED ABOVE BY: ALAMOSA COUNTY COURT ADDRESS/DIRECCION DE LA COURTE: 702 4TH ST CITY/CIRUAD: ALAMOSA APPEARANCE DATE/TIME: 01/07/12 1:30pm DISTRICT: 5 TROOP: B PATROL: P DATE ISSUED: 12-30-11

County Court, Alamosa County, State of Colorado
 Court Address: 702 Fourth St., Alamosa, CO 81101
 Phone Number: (719) 589-4996

Plaintiff: THE PEOPLE OF THE STATE OF COLORADO
 vs.
 Defendant: Saltarelli, David

FEB - 7 2012 RJM

▲ COURT USE ONLY ▲
 Submitted Court

Case Number:
 Div.: 4 Ctrm:

C.R.C.P. RULE 11 ADVISEMENT and PLEA

- §1. I am the defendant in this case and acknowledge that my true name is as stated above. I realize that if I am not a citizen of the United States that under the laws of the United States, conviction of a crime may result in deportation, exclusion from admission to the United States, or denial of naturalization.
- a. I also understand that if I am IN CUSTODY AND am a citizen of another country I have the right to have the Court notify my country's consular representative here in the United States. If I want the Court to do that I understand that I need to let the Judge know and I may do so at this time.
- §2. I understand that I have the right to remain silent, that I do not have to submit this plea of guilty, and that anything I write or say may be used against me. Knowing this, I acknowledge and understand the following statement of the rights that the I have in this case:
- a. I have the right to enter a plea of not guilty and have a trial in this case either to the Court or to a jury.
 - b. I have the right to be represented by an attorney throughout the trial and at all proceedings leading up to trial.
 - c. If I do not have the means to hire an attorney and I am charged with a class 1 misdemeanor, DUI, DUI PER SE, DWAI, DUR, DUD, DUS, or if a jail sentence is being requested, I can apply for the Public Defender and if I meet the financial guidelines the Court will appoint one for me without cost to me.
 - d. I am presumed innocent of the charges pending against me, and that presumption of innocence will remain with me throughout the trial until the prosecution presents evidence to prove me guilty beyond a reasonable doubt.
 - e. At the trial, I have the right to be confronted by the witnesses called to testify against me and to cross-examine those witnesses.
 - f. I have the right to present evidence in my own defense at the trial and to compel the attendance of witnesses by subpoenas issued by this Court.
 - g. I have the right to remain silent at the trial or testify in my defense as I choose. If I choose to remain silent, I understand that my silence cannot be used against me.
 - h. After the trial is over, I have the right to appeal to a higher court to review any conviction.
- §3. I acknowledge that I have read and understand the elements of the offense(s) and the penalty for the offense(s) AS SET FORTH IN THE ATTACHED APPENDICES M II
- §4. I understand the penalties as stated are within the discretion of the Court. The Court is not bound in sentencing by any representations or stipulations.
- §5. I am entering a plea of guilty to the offense(s). I understand that the State would have to prove each element of the offense(s) beyond a reasonable doubt before I could be convicted of the offense(s) in a trial. I understand and state that:
- a. I am entering my plea of guilty voluntarily and not as a result of coercion or undue influence on the part of anyone. There have been no threats, force or promises made to me to cause me to enter this plea.

--over--

- b. I understand that the Court will not be bound by any representations made to me by anyone concerning the penalty to be imposed or the granting or denial of probation, unless such representations are included in a formal plea agreement approved by the Court.
- c. I acknowledge that there is a factual basis for this plea or if this plea is a result of a plea bargain, I waive the establishment of a factual basis for the charge.
- d. At this time, I am not under the influence of any drugs, intoxicants, or medication which would interfere with my ability to understand the advisement given in this form or these proceedings.
- e. I understand a plea of guilty to certain offenses will subject me to a greater penalty if I should ever again be convicted of or plead guilty to the same offense. Similarly, I understand that I may be subject to a greater penalty now, at sentencing, if I have in the past been convicted of or pled guilty to the same offense to which I am pleading guilty now. In these circumstances the penalty imposed may be greater than specified on the Appendix. Such offenses include: Violations of a Restraining Order, Domestic Violence, additional offenses for Driving Under the influence of Alcohol or Drugs, Driving While Impaired by Alcohol or Drugs, Failure to Provide Proof of Insurance, Driving Without a Valid Driver's License, and some other offenses.
- f. **Notice to defendant regarding DNA Collection and Testing:**
I understand that pursuant to CRS 16-23-103 any adult who has been charged with a felony and was required to submit to DNA testing and collection may petition the Court for expungement of those DNA records. If all felony charges in my case are dismissed OR if I am acquitted of the charges against me OR if I enter a plea of guilty to a charge other than a felony, I may request expungement of my DNA results. If I meet any one of the above criteria I may request expungement of my DNA record and destruction of those results upon completion of my case, after final order of the Court. I understand I should refer to CRS 16-23-105 for proper expungement procedures.
- g. I acknowledge that I have read and understand this advisement of rights, and I understand that by entering my plea of guilty to the charge I am waiving and giving up these rights. I also acknowledge that I have read the statements I am making and I affirm that the statements made are true and correct.
- h. I UNDERSTAND: That this conviction [(if not deferred)] will be reported to the Motor Vehicle Division of the State of Colorado for recording on my driving record and that points may be assessed against my driving record.
- i. [initial if applicable] DEFERRED SENTENCE: plea is entered on basis of a deferred sentence as set forth in the DEFERRED SENTENCE AGREEMENT submitted with this Rule 11 Advisement and Plea.
- j. [initial if applicable] WAIVER OF RIGHT TO A LAWYER: I understand that I have the right to have a lawyer represent me as explained in Section 2. I am voluntarily giving up that right and I choose to enter a plea of guilty at this hearing without the advice of a lawyer.

DEFENDANT'S SIGNATURE _____ DATE 2/7/12

DEFENSE COUNSEL SIGNATURE _____ Reg. No. _____

FINDING OF THE COURT AND ORDER

The Court finds that the Defendant has entered his/her guilty plea to the charge voluntarily with a full understanding of his or her rights, the nature of the charge or charges and the possible penalties; therefore, the Court accepts the plea and orders as follows.

DATE: _____
MICHAEL A. GONZALES
Alamosa County Court Judge

§11. MARIHUANA POSSESSION UNDER 2 OZ. C.R.S. 18-18-406(1)

- a. That you were in ALAMOSA County, Colorado, at or about the time, date and place alleged in the complaint.
- b. That you possessed two ounces or less of marijuana.
- c. This offense is a Class 2 Petty Offense.

§12. MENACING C.R.S 18-3-206

- a. That in ALAMOSA County, Colorado, on or about the date alleged in the complaint you did:
- b. By any threat or physical action
- c. Knowingly place or attempt to place another to fear of imminent serious bodily injury.
- d. This offense is a Class 3 Misdemeanor.

§13. OBSTRUCTING A PEACE OFFICER OR FIREFIGHTER C.R.S. 18-8-104

- a. That you were in ALAMOSA County, Colorado, at or about the time, date and place alleged in the complaint.
- b. That you knowingly obstructed, impaired or hindered
- c. the enforcement of the penal law or preservation of the peace by a peace officer acting under color of his official authority, or
- d. the prevention, control or abatement of fire by a firefighter acting under color of his official authority, or
- e. the administration of emergency care or assistance by a volunteer, acting in good faith to render such care or assistance without compensation at the place of an emergency or accident.
- f. By using or threatening to use violence, force or physical interference or obstacle.
- g. The penalty for this offense is a Class 2 Misdemeanor.

§14. POSSESSION OR CONSUMPTION OF ALCOHOL BY AN UNDERAGE PERSON C.R.S 18-13-122

- a. That you were in ALAMOSA County, Colorado, at or about the time, date and place alleged in the complaint.
- b. That you were under twenty-one years of age.
- c. And that you possessed or consumed ethyl alcohol.
- d. This offense is a Class 2 Petty Offense and the court may impose a fine and order that you perform 24 hours of useful public service and complete an alcohol evaluation and treatment.

§15. POSSESSION OF ALCOHOL BY AN UNDERAGE PERSON C.R.S. 12-47-901

- a. That you were in ALAMOSA County, Colorado, at or about the time, date and place alleged in the complaint.
- b. That you were under twenty-one years of age.
- c. And you possessed ethyl alcohol to any public place, including public street, alleys, roads, highways or upon property owned by the state of Colorado or any subdivision thereof, or inside vehicles upon the same.
- d. This offense is a Class 2 Misdemeanor and the court may impose a fine and order that you perform 24 hours of useful public service and complete an alcohol evaluation and treatment.

§16. RESISTING ARREST C.R.S. 18-8-103

- a. That you were to ALAMOSA County, Colorado, at or about the time, date and place alleged in the complaint.
- b. That you knowingly prevented or attempted to prevent a peace officer acting under the color of his official authority from effecting an arrest of yourself or another,
- c. by using or threatening to use physical force or violence against the peace officer (or another) or by using any means which creates a substantial risk of causing physical injury to the peace officer or another.
- d. This offense is a Class 2 Misdemeanor.

§17. THEFT C.R.S. 18-4-401

- a. That you were to ALAMOSA County, Colorado, at or about the time, date and place alleged in the complaint.
- b. That you knowingly obtained or exercised control over anything of value of another without authorization, or by threat or deception and intended to deprive the other person permanently of the use or benefit of the thing of value or
- d. knowingly used, concealed or abandoned the thing of value in such a manner as to deprive the person permanently of its use or benefit or
- e. used, concealed or abandoned the of value intending that such use, concealment or abandonment deprive the other person permanently of its use and benefit or demanded consideration to which you were not legally entitled as a condition of restoring the thing of value to the other person.
- f. If the value of the thing involved is less than \$100.00, theft is a Class 3 Misdemeanor; or if the value is under \$500.00, theft is a Class 2 Misdemeanor, \$500.00 to \$1000.00, theft is a Class 1 Misdemeanor.

§18. VIOLATION OF A RESTRAINING ORDER C.R.S. 18-6-803.5(1)

- a. That you were in ALAMOSA County, Colorado, at or about the time, date and place alleged in the complaint.
- b. That you contacted, harassed, injured, intimidated, molested, threatened or touched a protected person or came within a specified distance of a protected person or premises.
- c. That such conduct was prohibited by a restraining order issued by a state or municipal court,
- d. After you were personally served with such order or otherwise had acquired from the court actual knowledge of its contents.
- e. This is a Class 2 misdemeanor; but if you have been previously convicted of violating C.R.S. 18-6-803.5 (1), or if this charge is for violating a restraining order issued under C.R.S. 18-1-1001, than this is a Class 1 Misdemeanor.

§19. DOMESTIC VIOLENCE 18-6-801

- a. That you were in ALAMOSA County, Colorado, at or about the time, date and place alleged in the complaint.
- b. That crime(s) convicted of was a method of control, punishment, intimidation or revenge
- c. directed against a person with whom you were or are involved to an intimate relationship.
- d. This offense is a sentence enhancement charge requiring that treat evaluation and program, conforming to standards adopted by the domestic violence management treatment board as required by C.R.S. 16-11.8-104

§20. OTHER: THE ELEMENTS OF _____, C.R.S. _____

The elements are _____
The offense is a Class _____ Misdemeanor Petty Offense

..... THE PENALTIES AS BASED UPON CLASSIFICATION ARE AS FOLLOWS

Class 1 Misdemeanor-6 mo. to 18 mo. (24 mo. for extraordinary risk crime) in County jail and/or a fine of \$500.00 to \$5000.00
Class 2 Misdemeanor-3 mo. to 12. mo. in County jail and/or a fine of \$250.00 to \$1000.00 Class 3 Misdemeanor-up to 6 mo. in County jail and or a fine of \$50.00 to \$750.00 Petty Offense-up to 6 mo. in County jail and or a fine of up to \$500.00

§1. 3° ASSAULT C.R.S. 18-3-204

- a. That you were in ALAMOSA County, Colorado, at or about the time, date and place alleged in the complaint.
- b. That you knowingly or recklessly caused bodily injury to another person or with criminal negligence you caused bodily injury to another person by means of a deadly weapon.
- c. This offense is a Class 1 Misdemeanor.

§2. CRIMINAL MISCHIEF C.R.S. 18-4-501

- a. That you were in ALAMOSA County, Colorado, at or about the time, date and place alleged in the complaint.
- b. That you knowingly damaged the real or personal property of one or more persons in the course of a single criminal episode.
- c. Where the aggregate damage to property is under \$500.00, criminal mischief is a Class 2 Misdemeanor; or if the value is \$500.00 to \$1000.00, criminal mischief is a Class 1 Misdemeanor.

§3. 2° CRIMINAL TRESPASS C.R.S. 18-4-503

- a. That you were in ALAMOSA County, Colorado, at or about the time, date and place alleged in the complaint.
- b. That you unlawfully entered or remained upon the premises of another person when such premises were enclosed in a manner designed to exclude intruders or when the premises were fenced; or
- c. that you knowingly and unlawfully entered or remained in the common areas of a hotel, motel, condominium or apartment building.
- d. This offense is a Class 3 Misdemeanor, except if the premises were classified as agricultural land, this offense is a Class 2 Misdemeanor.

§4. 3° CRIMINAL TRESPASS C.R.S. 18-4-504

- a. That you were in ALAMOSA County, Colorado, at or about the time, date and place alleged in the complaint.
- b. That you unlawfully entered or remained upon the premises of another person.
- c. This offense is a Class 1 Petty Offense; except if the premises were classified as agricultural land, this offense is a Class 3 Misdemeanor.

§5. CHILD ABUSE-KNOWINGLY/RECKLESSLY-CAUSED BODILY INJURY C.R.S. 18-6-40 (1)(a), (7)(a)(V)

- a. That you were in ALAMOSA County, Colorado, at or about the time, date and place alleged in the complaint.
- b. That you caused injury to a child's life or health, or permitted a child to be unreasonable placed in a situation that poses a threat of such injury;
- c. Or engaged in a continued pattern of conduct that results in malnourishment, lack of proper medical care, cruel punishment, mistreatment or accumulation of injuries that ultimately results in serious bodily injury to a child.
- d. That the acts were done knowingly or recklessly.
- e. That the injury was other than serious bodily injury.
- f. This offense is a Class 1 Misdemeanor.

§6. DISORDERLY CONDUCT C.R.S. 18-9-106

- a. That you were in ALAMOSA County, Colorado, at or about the time, date and place alleged in the complaint.
- b. That you intentionally, knowingly or recklessly
 - (1)(a) made a course and obviously offensive utterance, gesture, or display in a public place and that this intended to incite an immediate breach of the peace, this offense is a Class 1 Petty Offense; or
 - (1)(c) made unreasonable noise in a public place or near a private residence that you had no right to occupy (POI); or
 - (1)(d) fought with another in a public place except in an amateur or professional contest of athletic skill (M3); or
 - (1)(e) not being a peace officer, you discharged a firearm in a public place except when engaged in lawful target practice or hunting (M2); or
 - (1)(f) not being a peace officer, you displayed an article used or fashioned in a manner to cause a person to reasonably believe it was a deadly weapon in a public place in a manner calculated to alarm (M2)

§7. DRUG PARAPHERNALIA POSSESSION C.R.S. 18-18-428(1)

- a. That you were in ALAMOSA County, Colorado, at or about the time, date and place alleged in the complaint.
- b. That you possessed drug paraphernalia
- c. That you knew or reasonably should have known the same could be used under circumstances in violation of the laws of the state.
- d. This offense is a Class 2 Petty Offense

§8. FALSE REPORTING TO AUTHORITIES C.R.S. 18-8-111

- a. That in ALAMOSA County, Colorado, on or about the time alleged in the complaint you did:
- b. Knowingly cause a false alarm, fire or other emergency to be transmitted to or within an official or volunteer fire department, ambulance service or any other government agency which deals with emergencies involving danger to life or property; or
- c. Make a report or knowingly cause the transmission of a report to law enforcement authorities pretending to furnish information relating to an offense or other incident within their official concern when you knew that you had no such information or you knew the information was false.
- d. This offense is a Class 3 Misdemeanor

§9. FRAUD BY CHECK C.R.S. 18-5-205

- a. That you were in ALAMOSA County, Colorado, at or about the time, date and place alleged in the complaint.
- b. That you, knowing you had insufficient funds with the drawee bank, issued check(s) within a sixty day period for the payment of services, wages, salary, commission, labor, rent, money, property or other things of value.
- c. If the total of the checks involved is less than \$100.00, this offense is a Class 3 Misdemeanor; or if the total of the checks involved is \$100.00 or more but less than \$500.00, this offense is a Class 2 Misdemeanor.

§10. HARASSMENT C.R.S. 18-9-111

- a. That you were in ALAMOSA County, Colorado, at or about the time, date and place alleged in the complaint.
- b. That with the intent to harass, annoy or alarm another person you did:
 - (1)(a) strike, shove, kick or otherwise touch a person or subject that person to physical contact; or
 - (1)(b) in a public place direct obscene language or make an obscene gesture to or at another person; or
 - (1)(c) follow a person in or about a public place; or
 - (1)(e) initiate communication with a person by telephone in a manner intended to harass or threaten bodily injury or property damage or make a comment, request, suggestion or proposal by telephone which is obscene or
 - (1)(f) make a telephone call or caused a telephone to ring repeatedly whether or no a conversation ensued with no purpose of legitimate conversation; or
 - (1)(g) make repeated communication at inconvenient hours or in offensively coarse language; or
 - (1)(h) repeatedly insult, taunt or challenge another in a manner likely to provoke a violent or disorderly response.
- c. The penalty for this offense is a Class 3 Misdemeanor; and a Class 1 Misdemeanor with regard to (1)(a) if committed with the intent to intimidate or harass another person because of that person's actual or perceived race, color, religion, ancestry or national origin.

PRE-TRIAL CONFERENCE FORM

DEFENDANT: Saltarelli, David

CASE # _____

FEB - 7 2012

Defendant will **PLEAD GUILTY** to the following charges:

C.R.S. cite:

Name of Offense:

Marijuana Poss. Under 2oz.

The District Attorney moves to **DISMISS** the following counts, pursuant to Defendant's plea of guilty to the above-listed offense(s): _____

SENTENCING CONDITIONS:

1. **DEFERRED SENTENCE STIPULATION:** The District Attorney and the above-named Defendant hereby stipulate and agree that the sentence and judgment to the offense(s) of _____ shall be deferred for a period of _____ months, pursuant to the following conditions: _____

Defendant expressly recognized that if any of the above-listed conditions are violated, a judgment against the Defendant may enter and the court may impose sentence.

2. **RESTITUTION:** _____ (victim) _____ (amount)

3. **OTHER CONDITIONS:** _____

NO PLEA AGREEMENT REACHED

_____ Set for trial to (A) _____ Jury (B) _____ The Court

_____ Pre-Trial Conference continued by _____

_____ Defendant waives right to speedy trial for period of continuance.

_____ Other: _____

Defendant/Counsel

[Signature]
DA or Deputy DA

2/7/12
Date

Alamosa Combined Court Shirley Skinner, Clerk of the Combined Court 702 Fourth St. Alamosa, CO 81101 Phone Number: (719) 589-4996	<i>Alamosa Combined Court</i> <i>Alamosa, Colorado</i>
THE PEOPLE OF THE STATE OF COLORADO V Defendant <i>Salturellis, David</i>	FEB - 7 2012 <i>[Signature]</i> <i>Alamosa Combined Court</i> COURT USE ONLY
	Case Number: Division Courtroom

ADVISEMENT OF RIGHTS (MISDEMEANOR/TRAFFIC)

YOU, THE DEFENDANT ARE ADVISED:

1. This is an Arraignment and you are expected to enter a plea to the charges against you. You may plead "GUILTY", "Not Guilty" or "No Contest."
2. The Judge will explain the nature of the charges against you and the possible penalties that may be imposed.
3. **YOU HAVE THE RIGHT TO HAVE A LAWYER REPRESENT YOU.** You may have a lawyer represent you at any stage of the Court proceedings. If you would like to speak to a lawyer before you enter a plea, you may do so. You should inform the Judge and ask for a continuance of the Arraignment to allow you to talk to a lawyer. If you are charged with an offense for which the Court usually imposes jail time, you have the right to have a lawyer appointed to represent you (Public Defender), if you cannot afford to hire your own lawyer. The Judge will advise you how to apply for a Public Defender, if one may be appointed in your case.
4. **YOU HAVE THE RIGHT TO HAVE A TRIAL ON THE CHARGE(S) AGAINST YOU.** At the Trial, the Prosecution has the burden of proving the charge(s) against you beyond a reasonable doubt. You are presumed innocent and can only be found guilty if the Prosecution presents enough evidence to prove your guilty beyond a reasonable doubt. At the Trial, you have the right to cross-examine the witnesses called to testify against you and to present evidence and subpoena witnesses on your behalf.
5. **YOU HAVE THE RIGHT TO REMAIN SILENT CONCERNING THE CHARGE(S) BROUGHT AGAINST YOU.** This means you have the right not to incriminate yourself. Anything you say which is a confession or an admission could be used as evidence at a later Trial to show that you are guilty. Your silence cannot be used against you and does not indicate any wrongdoing on your part.
6. **YOU HAVE THE RIGHT TO APPEAL.** If you are found guilty, you have the right to Appeal to a higher Court.
7. **IF YOU PLEAD NOT GUILTY,** it means that you deny the charges against you. By pleading "Not Guilty", you are telling the Court that you wish formal proof to be presented to a Judge and that you require the Prosecution to prove your guilty beyond a reasonable doubt. You are entitled to a "Speedy Trial" if you plead "Not Guilty." A "Speedy Trial" usually means the Trial must be held within six months of your pleading "Not Guilty".
8. If you plead "GUILTY", it means you admit the charge(s) against you and that you give up your right to a Trial. By pleading guilty, you are telling the Court that you agree that the Judge should impose a sentence or penalty for your violation of the law.
9. You may plead "NO CONTEST". This means that you neither admit nor deny the charges, but that you do not want to fight it. The Court may or may not accept the plea of "No Contest". If the Court accepts the plea, you will be sentenced as though you had pleaded Guilty.
10. By pleading "Guilty" or "Not Contest" without the help of a Lawyer, you will be **GIVING UP THE RIGHT TO HAVE A LAWYER REPRESENT YOU AT THIS STAGE OF THE PROCEEDINGS.**
11. If you plead "Guilty" or "No Contest", you will have the **RIGHT TO MAKE A STATEMENT ON YOUR OWN BEHALF** before the Judge imposes a sentence.
12. If you are charged with a **PETTY OFFENSE**, it is a violation where the maximum penalty is a \$500 fine and/or 6 months in the County Jail. If the possible penalties are greater, the offense charged is a **MISDEMEANOR**. If you are charged with a **PETTY OFFENSE**, and want a **JURY TRIAL**, you must file a **WRITTEN REQUEST** for a Jury Trial within 10 days of your plea and **PAY A \$25 JURY FEE**. The Jury fee may be set aside if you cannot pay it. If you do not file the request and do not pay the fee, you will be giving up your right to a Jury Trial.
13. If you are charged with a **MISDEMEANOR**, and you have the **RIGHT TO A JURY TRIAL WITHOUT A FORMAL REQUEST** or payment of a fee. You have a trial before a Judge alone, however, you give up the right to a Jury Trial.
14. You are advised that there is a **RESTRAINING ORDER** which restrains you from harassing, molesting, intimidating, or retaliating against any witness to or alleged victim of the acts you are charged with committing. This Restraining Order remains in effect until the case is dismissed or you complete all the requirements of any sentence in the case.

I HAVE CAREFULLY READ AND I UNDERSTAND THE ABOVE ADVISEMENT.

Dated: *2/7/12*
Revised: 10/22/07

Defendant: _____

David Salturelli

Work Experience:

Igadi LTD

Chief Marketing Officer/Co-Founder Tabernash, CO Jan 2015 – Present

- Designed interior retail display and functionality
- Established retail standard operating procedures
- Managed retail employees and managers over four retail locations
- Created branding/marketing of store and internal products including logo design, packaging & pricing
- Established wholesale standard operating procedures
- Managed sales/marketing of products provided throughout Colorado
- Managed wholesale sales representatives covering multiple regions throughout Colorado

Apparelphernalia

Owner/Co-Founder Tabernash, CO Jan 2015 – Present

- Established retail standard operating procedures
- Designed apparel and merchandise branding
- Handled ordering of all apparel and merchandise products
- Supervised inventory of all products

Citypub

General Manager Denver, CO 2012 – 2014

- Managed assistant bar managers, bartenders, and servers
- Managed chefs and kitchen employees
- Established standard operating procedures throughout bar, restaurant, and kitchen
- Handled sourcing and ordering bar, restaurant, and kitchen inventory and equipment
- Designed interior and exterior improvements and remodeling of bar and restaurant

Blake Street Tavern

Bar Manager Denver, CO 2010 – 2012

- Managed assistant bar managers, bartenders, and servers
- Established standard operating procedures throughout bar,
- Handled sourcing and ordering bar inventory and equipment

Tigers for Tomorrow

Facilities Manager Attala, AL 2006 - 2010

- Handled daily care for big cats and other exotic animals
- Maintain conditions of animal enclosures
- Maintain conditions of facilities building and exterior landscaping
- Designed and built large mammal enclosures
- Managed daily care of barn animals

Education

Metropolitan State University, Denver, CO 2014 – present

Bachelor of Science in Business Management – ongoing

Email: .

PHUONG T. CRONIN

CAREER HIGHLIGHTS

Igadi, Ltd.

Chief Administrative Officer, Winter Park, CO 2014 - Present

- Manage all HR functions including onboarding, off boarding, payroll, coordinating employee benefits and tracking employee training and development strategies.
- Coordinate with external IT vendors on all computer, internet and software services. Debug and troubleshoot all IT and software issues as needed.
- Maintain and track all third party contracts and agreements.
- Prepare, maintain and track all corporate licenses and renewals.

Pole Creek Management, LLC

Property Manager/Owner, Winter Park, CO 2014 to Present

- Manage rental property – ensure all leases are current; collect monthly rents; coordinate vendors & subcontractors for all work on property;
- Review monthly budgets and capital reserve spending.

Intrawest - Winter Park Resort

Village Company & Commercial Asset Manager, Winter Park, CO 2012 to 2014

- Responsible for Village Company budgets; ongoing daily management; regular analysis and reporting including variance and forecasting of financial performance.
- Accountable for overseeing A/P and A/R functions and for all Village operations including events; animation activity; maintenance, landscaping; safety; cleanliness; promotion/marketing; communication; financial management; reserve planning; board of directors' liaison and management of executive board and annual meetings.
- Created a positive and mutually-beneficial relationship with the commercial merchants operating within the Village; ensuring all tenants remain current; lease management/modification; proactive management of all financials related to commercial assets; actively work to lease vacant space; merchant communications; maintenance and safety of commercial assets and ensuring a high-quality and consistent experience is delivered to guests by the tenants.

Eco Luxe Real Estate

Office Manager, Winter Park, CO/Oceanside, CA 2011 to 2012

- Review contract terms to ensure compliance.
- Liaison with other agents and customers to manage deliverables for all real estate transactions to track status and resolve issues.
- Interface with customers to ensure smooth transactions at closings.
- Adapt to new roles as needed including managing new marketing channels

Intrawest - Winter Park Resort Ski & Ride School

Financial Administrator, Winter Park, CO 2010 to 2011

- Compiled detailed daily, weekly and monthly reports using JD Edwards and RTP to Management; perform analysis of marketing and sales plans to determine progress; recommend trade decisions of plans based on performance analysis; research and resolve billing and collections disputes;

- Represented department on Revenue Maximization Team to establish strategic product and services pricing to remain competitive within market;
- Assist with yearly strategic plan and budget for SRS; accountable for overseeing A/P and resolving any issues

Law Office of David P. Michel, LLC

Office Manager/Paralegal, Winter Park, CO 2008 to 2010

- Prepared, checked and processed legal forms, agreements and related materials.
- Located and abstract information from legal files and records. Gathered and organized relevant material for use in legal proceedings.
- Established and managed operations for firm, handled a busy phone system, functioned as primary liaison to clients and ensured a consistently positive client experience.

EDUCATION

B.S in Electrical Engineering - University of California, Santa Barbara, CA

M.B.A in Accounting - University of Phoenix, Phoenix, AZ

Licensed CO Real Estate Broker (inactive); AMS – Association Management Specialist (inactive)

David P. Michel, Esq

Education

University of Connecticut School of Law, Hartford, CT (August 2002 – December 2004)

- ❖ J.D., December 2004; 3.435 Overall G.P.A.; 3.581 Upper Class G.P.A.
- ❖ *Academic Honors:*
 - Member of the Moot Court Board:
 - Received “Best Oralist” Award in the 2003 William H. Hastie Moot Court Competition;
 - Winner of the 2004 University of Connecticut Moot Court Board Ethics Competition.
 - Awarded the CALI Excellence Award for class performance in both Negotiations and Criminal Procedure.

Hamilton College, Clinton, NY (August 1996 – May 2000)

- ❖ B.A. with a major in Religious Studies and a minor in History, May of 2000.
- ❖ Spent my Junior Year studying abroad in Costa Rica at the Costa Rica Rainforest Outward Bound School, Intercultura Language School in Heredia, Costa Rica, and Universidad Nacional in Heredia, Costa Rica.
- ❖ J.D., January 2005; 3.435 Overall G.P.A.; 3.581 Upper Class G.P.A.

Continuing Legal Education and Bar Licenses.

- ❖ Attended and/or presented at numerous continuing legal education seminars on marijuana, real estate, criminal and corporate law.
- ❖ Admitted to practice law in the states of Colorado, New Hampshire and Connecticut.

Work Experience

Igadi, Ltd., Tabernash, CO (May, 2014 – Present) – *General Counsel*

- ❖ Intimately involved in marijuana licensing, corporate structures, marijuana related contracts, 280E compliance/avoidance measures, real estate analysis, due diligence for purchase of licenses and real property, regulatory analysis and compliance in numerous states and countries.
- ❖ Oversaw licensing, permitting and construction of large marijuana facility.
- ❖ Created unique HR structure for marijuana industry to avoid 280E tax matters and provide liability protection for companies that engage in the sale of marijuana.

Michel Law, LLC, Winter Park, CO (August 2006 – Present) – *Attorney and Owner*

- ❖ Extensive practice in the areas of Marijuana, Real Estate, Construction, Corporate and Criminal Law.
- ❖ Serve as general counsel to numerous Colorado marijuana businesses involved in their day-to-day operations since 2009.

District Attorney’s Office - 5th Judicial District, Georgetown, CO (January 2013 – May, 2013) – *Deputy District Attorney*

- ❖ Took temporary role as District Attorney for Clear Creek County as head prosecutor working on numerous drug related and search and seizure matters.

Nelson, Kinder, Mosseau & Saturley, P.C., Manchester, NH (March 2005 – July 2006) – *Attorney*

- ❖ Member of the *Environmental, Employment and Energy & Utilities Practice Groups.*
- ❖ Experience with all facets of civil litigation in multiple jurisdictions at the state and federal level.

Connecticut Urban Legal Initiative, Hartford, CT (August 2004 – December 2004) – *Internship*

- ❖ Provided legal assistance to non-for-profits on real estate, tax and corporate matters.

Levy & Droney, P.C., Farmington, CT (May 2004 – August 2004) – *Summer Associate*

- ❖ Associate in the litigation and Real Estate Practice Groups.

State’s Attorney’s Office, G.A. 9, Middletown, CT (March 2003 – April 2004) – *Prosecutor*

- ❖ Worked as district attorney for large office in Central Connecticut dealing with numerous drug possession related and search and seizure matters.

Steven Michel

Work Experience:

Igadi, LTD

CFO *Tabernash, CO* *Jan 2015 – Present*

- Financial Statement Presentation
- Tax Return Preparation
- Supervise the Accounting & Financial Staff in managing AR, AP, Cash, Inventory, Assets, Procurement & Payroll.
- Budget Preparation

Steven Michel Accounting, LLC

Accountant *Winter Park, CO* *June 2014 – Present*

- Provide Accounting services
- Handle financial statement presentation, AP, AR

Aspens Market

General Manager *Jackson, WY* *Jan 2011 – June 2014*

- Opened new grocery store from scratch
- Handle staffing, inventory, purchasing and all financial aspects of the company including financial statement review, budgeting, billing and payroll.

Jackson Whole Grocer

Director of Sustainability *Jackson, WY* *Nov 2006 – Dec 2010*

- Organized Jackson Eco Fair 2009 & 2010, to promote sustainability efforts of local businesses
- Organized Harvest Festival 2008, 2009 & 2010 to promote local food producers & growers
- Implemented the Natural Step Sustainability Framework, baseline mapping of store departments, training of managers and staff, setting short-term and long-term goals
- Participated in the Yellowstone Business Partnership’s Uncommon Sense Sustainability Program
- Created and organized content for new website, www.jacksonwholegrocer.com
- Handled financing and promotions for Vertical Harvest Greenhouse project to construct a vertical greenhouse in downtown Jackson

Slow Foods in the Tetons

Board Member, Treasurer *Jackson, WY* *Jan 2010 – Jan 2013*

- Prepared financial statements, operating budget and handled cash flow

Jackson Hole People’s Market

Market Manager *Jackson, WY* *June 2010 – Present*

- Started an evening farmer’s market in downtown Jackson with local farmers, ranchers, artists food producers and musicians.
- Handled finances, marketing, managing vendors and writing grants

Ernst & Young, LLP

Senior Auditor, Assurance and Advisory Business Services *San Francisco, CA* *Sept 2004 - Aug. 2006*

- Performed client service and financial reporting tasks as a senior on the engagements for Gracenotes, Inc, Lightspeed VP and Babcock & Brown LP.
- Performed SEC reporting, experience includes: 10Q, 10K, and 8-K filings for Chiron Corporation.

Deloitte & Touche, LLP

Staff Accountant, Assurance and Advisory Business Services *Stamford, CT* *Sept. 2003 - Sept. 2004*

- Performed client services and financial reporting tasks as a staff on the engagements for ITT Technologies and Crane Corporation.
- Performed SEC reporting, experience includes: 10Q, 10K, and 8-K filings for ITT Technologies and Crane Corporation.

Education

Certified CPA of Board Accountancy in the State of California *July 2006*

Masters in Accounting, University of Connecticut

GPA 3.6

Storrs, CT Graduated Aug. 2003

Bachelor of Science in Business Management, Cornell University

GPA 3.1

Ithaca, NY Graduated May 2002

Community Service & Other Accomplishments

- **Leadership Jackson Hole** – Graduated Jackson Hole’s 2009/2010 leadership program, which teaches young residents of Jackson leadership skills
- **KHOL, Jackson Community Radio** – Hosted ‘Lights Off’ radio show, which interviews local green experts in Jackson Hole, WY. Performed interviews of guests and edited show for radio.

Email:

JOSHUA PENNINGTON

EXPERIENCE | **COO/CO-FOUNDER, IGADI, LTD., TABERNASH, CO**
OCTOBER, 2014 - PRESENT

- Designed and operated a \$2M MJ revenue retail center and \$1M MJ wholesale business.
- Manage over 35 employees in a variety of work capacities which includes but not limited to cashiers, receptionists, extraction experts, lab technicians, general contractors, logistics manager, canna chefs, kitchen assistants and cultivation experts.
- Responsible for Standard Operating Procedures for all departments to ensure consistent quality of products and customer experience.
- Created a compliant procedure in one of the most rapidly changing and highly regulated industries in the world.

GENERAL MANAGER SHAGGY'S RESTAURANT, HUNTSVILLE, AL

2010 - 2013

- Responsible for ordering supplies, tracking and maintaining inventory and catering services.
- Handled all scheduling and delegation of tasks for employees.
- Created SOPs for each department.
- Trained all cashiers in cash handling and customer service protocols.

CASHIER/MANAGER LITTLE ROSIES TAQUERIA, HUNTSVILLE, AL

2006 - 2011

- Created training handbook for new hires.
- Trained all new employees in proper protocols for each department.
- Responsible for cash drawer reconciliations and handling bank deposits.

EDUCATION | **CALHOUN COMMUNITY COLLEGE, HUNTSVILLE, AL**
2009-2012

Associates Degree of Science

OFFICE OF THE SECRETARY OF STATE
OF THE STATE OF COLORADO

CERTIFICATE OF FACT OF GOOD STANDING

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

Igadi, Ltd.

is a

Limited Liability Company

formed or registered on 09/10/2014 under the law of Colorado, has complied with all applicable requirements of this office, and is in good standing with this office. This entity has been assigned entity identification number 20141553567 .

This certificate reflects facts established or disclosed by documents delivered to this office on paper through 10/17/2023 that have been posted, and by documents delivered to this office electronically through 10/18/2023 @ 14:28:07 .

I have affixed hereto the Great Seal of the State of Colorado and duly generated, executed, and issued this official certificate at Denver, Colorado on 10/18/2023 @ 14:28:07 in accordance with applicable law. This certificate is assigned Confirmation Number 15412229 .



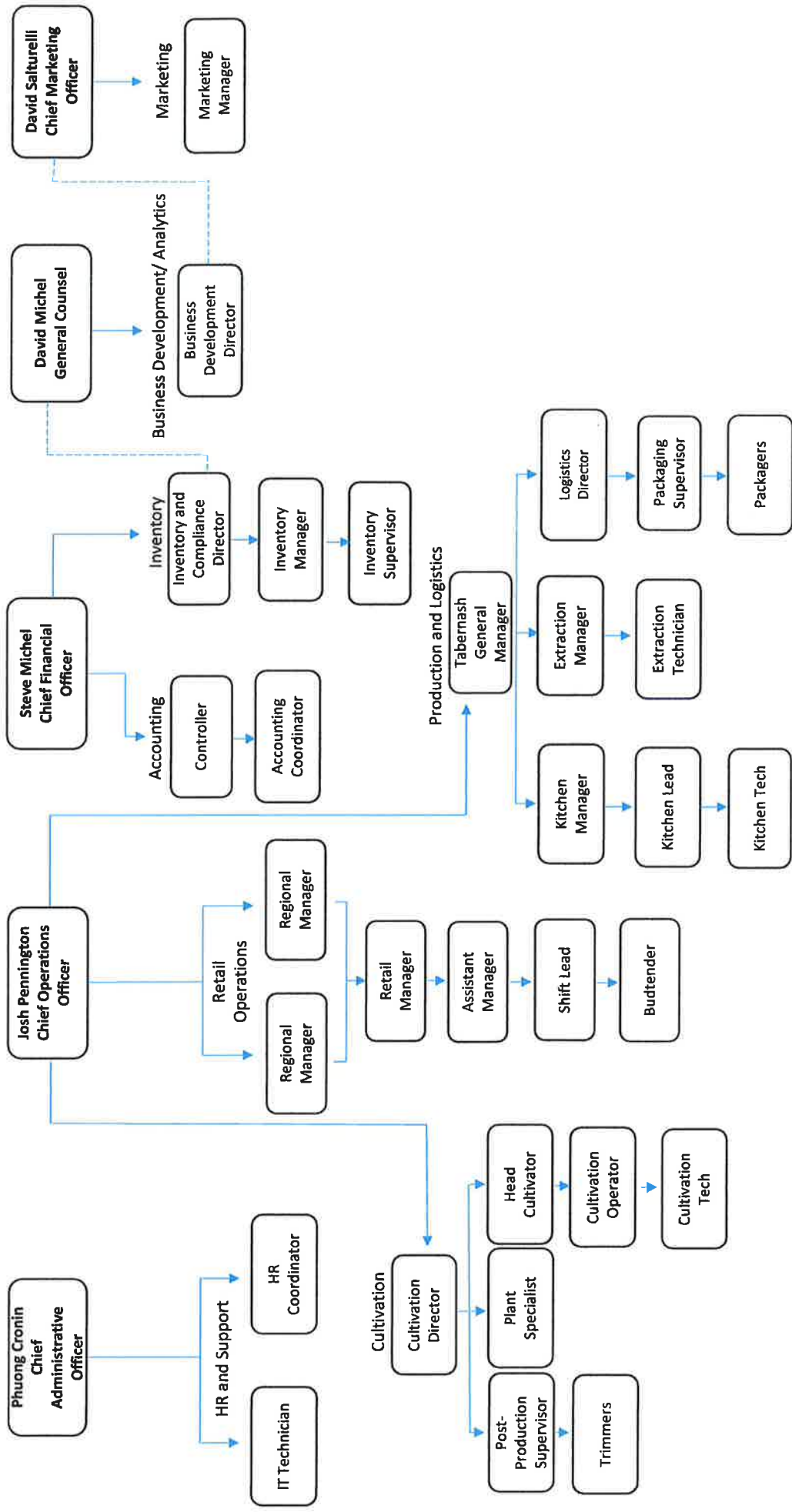
Jena Griswold

Secretary of State of the State of Colorado

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

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

Igadi Organizational Chart





Colorado Secretary of State
 Date and Time: 09/10/2014 02:47 PM
 ID Number: 20141553567
 Document number: 20141553567
 Amount Paid: \$1.00

Section 10, Item D.

Document must be filed electronically.
 Paper documents are not accepted.
 Fees & forms are subject to change.
 For more information or to print copies
 of filed documents, visit www.sos.state.co.us.

ABOVE SPACE FOR OFFICE USE ONLY

Articles of Organization

filed pursuant to § 7-80-203 and § 7-80-204 of the Colorado Revised Statutes (C.R.S.)

1. The domestic entity name of the limited liability company is

Igadi, Ltd.

(The name of a limited liability company must contain the term or abbreviation "limited liability company", "ltd. liability company", "limited liability co.", "ltd. liability co.", "limited", "l.l.c.", "llc", or "ltd.". See §7-90-601, C.R.S.)

(Caution: The use of certain terms or abbreviations are restricted by law. Read instructions for more information.)

2. The principal office address of the limited liability company's initial principal office is

Street address **72399 US Highway 40**
(Street number and name)

Tabernash **CO** **80478**
(City) (State) (ZIP/Postal Code)

United States
(Province - if applicable) (Country)

Mailing address **PO Box 240**
(leave blank if same as street address) (Street number and name or Post Office Box information)

Tabernash **CO** **80478**
(City) (State) (ZIP/Postal Code)

United States
(Province - if applicable) (Country)

3. The registered agent name and registered agent address of the limited liability company's initial registered agent are

Name **Michel** **David**
(if an individual) (Last) (First) (Middle) (Suffix)

or
(if an entity)
(Caution: Do not provide both an individual and an entity name.)

Street address **72399 US Highway 40**
(Street number and name)

Tabernash **CO** **80478**
(City) (State) (ZIP Code)

Mailing address **PO Box 240**
(leave blank if same as street address) (Street number and name or Post Office Box information)

Tabernash (City) CO (State) 80478 (ZIP Code)

(The following statement is adopted by marking the box.)

[X] The person appointed as registered agent has consented to being so appointed.

4. The true name and mailing address of the person forming the limited liability company are

Name (if an individual) Salturelli David (Last) (First) (Middle) (Suffix)

or (if an entity) (Caution: Do not provide both an individual and an entity name.)

Mailing address PO Box 240 (Street number and name or Post Office Box information)

Tabernash (City) CO (State) 80478 (ZIP/Postal Code) United States (Country)

(If the following statement applies, adopt the statement by marking the box and include an attachment.)

[] The limited liability company has one or more additional persons forming the limited liability company and the name and mailing address of each such person are stated in an attachment.

5. The management of the limited liability company is vested in

(Mark the applicable box.)

[X] one or more managers.

or

[] the members.

6. (The following statement is adopted by marking the box.)

[X] There is at least one member of the limited liability company.

7. (If the following statement applies, adopt the statement by marking the box and include an attachment.)

[] This document contains additional information as provided by law.

8. (Caution: Leave blank if the document does not have a delayed effective date. Stating a delayed effective date has significant legal consequences. Read instructions before entering a date.)

(If the following statement applies, adopt the statement by entering a date and, if applicable, time using the required format.)

The delayed effective date and, if applicable, time of this document is/are (mm/dd/yyyy hour:minute am/pm)

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Causing this document to be delivered to the Secretary of State for filing shall constitute the affirmation or acknowledgment of each individual causing such delivery, under penalties of perjury, that the document is the individual's act and deed, or that the individual in good faith believes the document is the act and deed of the person on whose behalf the individual is causing the document to be delivered for filing, taken in conformity with the requirements of part 3 of article 90 of title 7, C.R.S., the constituent documents, and the organic statutes, and that the individual in good faith believes the facts stated in the document are true and the document complies with the requirements of that Part, the constituent documents, and the organic statutes.

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<u>Michel</u>	<u>David</u>		
<i>(Last)</i>	<i>(First)</i>	<i>(Middle)</i>	<i>(Suffix)</i>
<u>PO Box 240</u>			
<i>(Street number and name or Post Office Box information)</i>			
<hr/>			
<u>Tabernash</u>	<u>CO</u>	<u>80478</u>	
<i>(City)</i>	<i>(State)</i>	<i>(ZIP/Postal Code)</i>	
<u>United States</u>			
<i>(Province – if applicable)</i>		<i>(Country)</i>	

(If the following statement applies, adopt the statement by marking the box and include an attachment.)

- This document contains the true name and mailing address of one or more additional individuals causing the document to be delivered for filing.

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**AMENDED AND RESTATED
OPERATING AGREEMENT
OF
IGADI, LTD.
a Colorado limited liability company**

January 1, 2022

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**AMENDED AND RESTATED
OPERATING AGREEMENT**

OF

**IGADI, LTD.,
a Colorado limited liability company**

THIS AMENDED AND RESTATED OPERATING AGREEMENT (this "Agreement") is entered into as of January 1, 2022, by David Salturelli, Phuong Cronin, David Michel, Josh Pennington, and Steven Michel (the "Members") executing this Agreement, Igadi, Ltd., a Colorado limited liability company (the "Company"), and any other Persons who shall in the future become bound by the terms hereof.

WHEREAS, the Articles of Organization of the Company were filed with the Secretary of State of Colorado on September 10, 2014 and the sole Member, David Salturelli, entered into that certain Operating Agreement, dated September 10, 2014 (the "Original Operating Agreement");

WHEREAS, the Company has agreed to issue 800 Units of Membership Interest (the "Transfer") to Phuong Cronin, David Michel, Josh Pennington, and Steven Michel pending the approval of the Transfer by the Colorado Department of Revenue Marijuana Enforcement Division and each local government in which the Company operates a marijuana license and this Agreement will be effective on the date of the closing of the Transfer; and

WHEREAS, the Members desire to amend and restate the Original Operating Agreement by agreeing to the terms and conditions as set forth herein.

NOW, THEREFORE, in consideration of the agreements and obligations set forth herein, the Company and the Members hereby agree as follows:

**ARTICLE I
DEFINITIONS**

In addition to other terms specifically defined in this Agreement, the following terms used in this Agreement shall have the following meanings (unless otherwise expressly provided herein):

"Act" means the Colorado Limited Liability Company Act, as amended.

"Additional Member" means any Person who is admitted to the Company as an Additional Member pursuant to Section 8.2(b).

"Additional Units" has the meaning set forth in Section 8.2(a).

"Affiliate" with respect to any Person, means (i) any Person directly or indirectly controlling, controlled by or under common control with another Person; (ii) any officer, director, manager, general partner or employee of such Person; (iii) any Person who is an officer, director, manager or general partner of any Person described in clause (i) of this definition; and (iv) in the case of an individual, such individual's spouse, lineal descendants and ascendants, brothers and sisters by blood or adoption, and any trust for any such Person's benefit.

“Agreement” means this Operating Agreement, as amended and restated from time to time.

“Assignee” means the owner of an Economic Interest who is not a Member.

“BBA Rules” has the definition set forth in Section 10.6(b).

“Board of Managers,” has the meaning set forth in Section 5.1(a).

“Capital Account,” as of any given date, means a separate account established and maintained for each Member and Assignee which shall be

increased by (A) the amount of money and the fair market value of any property contributed by such Member to the Company (determined by the Managers as of the date of contribution) pursuant to the provisions of this Agreement (net of any liabilities secured by such property that the Company is considered to assume or hold such property subject to for purposes of Code Section 752), (B) such Member’s or Assignee’s share of Profits (or items thereof), if any, allocated to its Capital Account pursuant to this Agreement; and (C) any other amounts required by Treasury Regulations Section 1.704-1(b), provided, in each such case, however, that the Managers determines that such increase is consistent with the economic arrangement among the Members as expressed in this Agreement, and

decreased by (X) the amount of money and the fair market value of any property distributed to such Member by the Company (determined by the Managers as of the date of distribution) pursuant to the provisions of this Agreement (net of any liabilities secured by such property that such Member is considered to assume or hold such property subject to for purposes of Code Section 752), (Y) such Member’s share of Net Losses (or items thereof) allocated to its Capital Account pursuant to this Agreement and (Z) any other amounts required by Treasury Regulations Section 1.704-1(b), provided, in each such case, however, that the Managers determine that such decrease is consistent with the economic arrangement among the Members as expressed in this Agreement.

“Capital Contribution” means any contribution to the capital of the Company in cash or Property by a Member whenever made. “Initial Capital Contribution” means the initial capital contribution of a Member made to the Company pursuant to Section 9.1, as identified across from such Member’s name on Exhibit A attached hereto.

“Closing” has the meaning set forth in Section 11.4.

“Code” means the Internal Revenue Code of 1986, as amended, or corresponding provisions of subsequent superseding federal revenue laws.

“Company” means IgadI, Ltd.

“Competing Business” has the meaning set forth in Section 5.10.

“Covered Person” means a Member, Officer, Manager; any Affiliate of a Member, Officer or Manager; any officer, director, member, partner, manager, shareholder, employee, agent or representative of a Member or Manager or their respective Affiliates; and any employee of the Company or its Affiliates.

“Deadlock” means the event in which the Managers fail to approve any action properly before them by reason of a tie vote taken at a duly noticed and convened meeting.

“Distributable Cash” means all cash, revenues and funds received by the Company from Company operations (including any proceeds from the financing, refinancing, sale, exchange or disposition of Property), less the sum of the following to the extent paid or set aside by the Company: (i) all principal and interest payments then due on indebtedness of the Company; (ii) all cash expenditures incurred incident to the operation of the Company’s business, whether or not in the ordinary course of the Company’s business; (iii) cash Reserves; and (iv) such amounts as may be required to satisfy conditions imposed by lenders or other creditors.

“Down Payment Note” has the meaning set forth in Section 11.4(b).

“Economic Interest” means a Member’s or Assignee’s share (as a result of such Person’s ownership of one or more of the outstanding Units) of the Company’s Net Profits and Net Losses, capital, and distributions of the Company’s assets pursuant to this Agreement and the Act, but shall not include any right to participate in the management or affairs of the Company, including the right to vote on, consent to or otherwise participate in any decision of the Members unless the owner of the Economic Interest is a Member.

“Effective Date” means the date by which this Agreement is effective for the Company and amongst the Members, which date will be the date of the closing of the Transfer.

“Fair Market Value of the Units” means the amount determined pursuant to Section 11.3.

“Final Appraiser” has the meaning set forth in Section 11.3(c).

“Fiscal Year” means the Company’s annual period used for financial statements and tax reporting purposes, which shall be the calendar year.

“Incapacity” means, as to any natural Person, the death or adjudication of incompetence or insanity of such Person.

“Involuntary Transfer” means any involuntary Transfer, proceeding or action by or in which a Member shall be deprived or divested of any right, title or interest, direct or indirect, in or to any Units, including any seizure under levy of attachment or execution, any Transfer in connection with a foreclosure upon a pledge, any entry of any order for relief or Transfer in connection with bankruptcy (whether pursuant to the filing of a voluntary or an involuntary petition under the Federal Bankruptcy Code of 1978, or any modifications or revisions thereto, or other similar bankruptcy or insolvency laws), or any other court proceeding to a debtor-in-possession, trustee in bankruptcy or receiver or other officer or agency, or any Transfer to a state or to a public officer or agency pursuant to any statute pertaining to escheat or abandoned property. Involuntary Transfer shall include a Transfer pursuant to divorce or other separation of marital property. Involuntary Transfer shall include any Transfer that is not otherwise approved by the Board of Managers pursuant to Section 11.1(a).

“Involuntary Transferee” has the meaning ascribed thereto in Section 11.2(a).

“Majority Vote” means the affirmative vote or consent of Members holding a majority of the Units entitled to vote.

“Majority Vote of the Board of Managers” means the affirmative vote or consent of at least eighty percent (80%) of the Managers.

“Manager” means each Person listed in Section 5.2 and any other Person that succeeds any such Person in that capacity.

“Manager Value” has the meaning set forth in Section 11.3(a).

“Marijuana Laws” means the Sections 14 and 16 of Article XVIII of the Colorado Constitution, Colorado Marijuana Code (CRS § 44-10-101, et seq.), Colorado Marijuana Rules (1 CCR 212-3), and all other state and local rules, regulations, and ordinances applicable to the Company.

“MED” means the State of Colorado Marijuana Enforcement Division.

“Member” means each of the parties who executes a counterpart of this Agreement as a Member and each of the parties who may hereafter become an Additional Member or Substitute Member. A Member shall have the rights of a “member” as set forth in the Act.

“Membership Interest” means a Member’s share (as a result of such Person’s ownership of one or more outstanding Units) of the Company’s Net Profits and Net Losses, capital and distributions of the Company’s assets pursuant to this Agreement and, subject to any provisions to the contrary in this Agreement, the right to participate in the management or affairs of the Company and the right to vote on, consent to or otherwise participate in any decision of the Members.

“Net Losses” means, for each Fiscal Year, the losses and deductions of the Company determined in accordance with accounting principles consistently applied from year to year employed under the method of accounting selected by the Board of Managers, and as reported, separately or in the aggregate, as appropriate, on the Company’s information tax return filed for federal income tax purposes, plus any expenditures described in Code § 705(a)(2)(B).

“Net Profits” means, for each Fiscal Year, the income and gains of the Company determined in accordance with accounting principles consistently applied from year to year employed under the method of accounting selected by the Board of Managers, and as reported, separately or in the aggregate, as appropriate, on the Company’s information tax return filed for federal income tax purposes, plus any income described in Code § 705(a)(1)(B).

“Notes” has the meaning set forth in Section 11.4(a).

“Officer” means any Person appointed as an officer of the Company by the Board of Managers pursuant to Section 5.7.

“Partnership Representative” has the definition set forth in Section 10.6(b).

“Percentage Interest(s)” means a fraction expressed as a percentage, the numerator of which is the number of Units owned of record by the Member or Assignee and the denominator of which is the total number of Units issued and outstanding at the time of the calculation.

“Person” means any individual, general partnership, limited liability partnership, limited partnership, limited liability limited partnership, limited liability company, corporation, joint venture, trust, business trust, cooperative or any other similar unincorporated or incorporated business association, and the heirs, executors, administrators, legal representatives, successors, and assigns of such “Person” where the context so permits.

“Property” means all real, personal and/or intangible property, including, without limitation all technologies, inventions, trade secrets and other intellectual property owned or subsequently acquired by the Company and all rights associated therewith.

“Pro Rata Share” has the meaning set forth in Section 11.2(b).

“Qualified Appraiser” means an independent, reputable and duly licensed business appraiser having at least ten (10) years of experience appraising companies in the United States.

“Redeemed Member” has the meaning set forth in Section 6.6.

“Redemption Notice” has the meaning set forth in Section 6.6.

“Redemption Right” has the meaning set forth in Section 6.6.

“Remainder Note” has the meaning set forth in Section 11.4(c).

“Reserves” means, with respect to any Fiscal Year, funds set aside or amounts allocated during such period to reserves which shall be maintained in amounts sufficient to cover three (3) months of working capital, to pay taxes, insurance, debt service or other costs or expenses incident to the ownership or operation of the Company’s business or as may be required to satisfy conditions imposed by lenders or other creditors, or such higher amount as the Board of Managers may reasonably determine is required.

“Seller” has the meaning set forth in Section 11.3(b).

“Seller’s Appraiser” has the meaning set forth in Section 11.3(b).

“Seller’s Value” has the meaning set forth in Section 11.3(b).

“Substitute Member” means any Person who becomes a Member in accordance with Section 11.6.

“Super-Majority” means at least eighty percent (80%).

“Super-Majority Vote” means the affirmative vote or consent of Members holding at least eighty percent (80%) of the Units entitled to vote.

“Transfer” means, with respect to any Unit, property, asset or other right or interest, (a) when used as a verb, to sell, assign, transfer, exchange, distribute, devise, gift, grant a lien on, encumber or otherwise dispose of such Unit, property, asset or other right or interest, in whole or in part, directly or indirectly, or (b) when used as a noun, the sale, assignment, transfer, exchange, distribution, devise, gift, granting of a lien, encumbrance or other disposition of such Unit, property, asset or other right or interest, in whole or in part, in either case whether pursuant to a sale, merger, combination, consolidation, reclassification or otherwise, and whether voluntarily or by operation of law.

“Transfer Notice” has the meaning set forth in Section 11.2(a).

“Treasury Regulations” (“Treas. Reg.”) means the proposed, temporary and final regulations promulgated under the Code, and the corresponding sections of any regulations subsequently issued that amend or supersede such regulations.

“Unit(s)” represent a Member’s or Assignee’s measurement of its Membership Interest and/or Economic Interest in the Company, which are divided into separate classes of Units with such rights as set

forth in Section 8.1. All Units issued by the Company shall be uncertificated unless otherwise determined by the Board of Managers.

“Unreturned Capital Contribution” shall mean, with respect to any Member, at any time, the excess, if any, of such Member’s aggregate Capital Contribution, less any amounts previously distributed to such Member pursuant to Section 10.2(b)(i).

**ARTICLE II
FORMATION OF COMPANY**

2.1 Formation. Effective September 10, 2014 the Company was organized as a Colorado limited liability company under and pursuant to the Act.

2.2 Name. The name of the Company is IgadI, Ltd.

2.3 Principal Place of Business. The principal place of business of the Company shall be as set forth in the Articles of Organization, as amended. The Company may locate its places of business and registered office at any other place or places as the Board of Managers may from time to time deem advisable.

2.4 Registered Office and Registered Agent. The Company’s registered office shall be as set forth in the Articles of Organization. The name of its registered agent at such address shall be David Michel, unless otherwise determined by the Board of Managers. The Board of Managers may, from time to time, change the address of the registered office and the registered agent by filing the documents required by law.

2.5 Effective Date. This Agreement is not effective until the date of closing of the Transfer. Until such time the Original Operating Agreement will be the effective operating agreement for the Company and this Agreement will be null, void, and of no force and effect if the Transfer does not close prior to December 31, 2022.

**ARTICLE III
BUSINESS OF COMPANY**

3.1 Purpose. The purpose of the Company is to engage in the transaction of any and all lawful business, to promote any lawful purpose and to engage in any lawful act or activity for which limited liability companies may be organized and all activities related or incidental thereto.

**ARTICLE IV
NAMES AND ADDRESSES OF MEMBERS**

The names and addresses of the Members and Assignees, together with the Members’ and Assignees’ ownership of Units, shall be maintained in the books and records of the Company and shall be updated by the Board of Managers from time to time without the consent of the Members to reflect Additional Members, Substitute Members, Assignees and ownership Transfers and changes.

**ARTICLE V
RIGHTS AND DUTIES OF THE MANAGERS**

5.1 Management of Company by Managers.

(a) Exclusive Management by Managers. Subject to the provisions of this Agreement (including, without limitation, the limitations on the authority of the Managers), the business, Property and affairs of Company shall be managed, and all powers of Company shall be exercised, by or under the direction of the Managers acting as part of a Board of Managers (the "Board of Managers"). Except as otherwise set forth herein, all decisions of the Board of Managers shall be made by the Majority Vote of the Board of Managers (or unanimous vote if the full Board of Managers is comprised only of one or two Managers). The Managers shall be deemed to be "managers" within the meaning of the Act.

(b) Agency Authority of Managers. Only those Managers designated by a Majority Vote of the Board of Managers shall have authority to endorse checks, drafts and other evidences of indebtedness made payable to the order of Company or to sign checks, drafts and other instruments obligating the Company to pay money, or sign agreements or other documents except as otherwise set forth herein. Subject to the provisions of Section 5.8, the Board of Managers may from time to time, and only by unanimous approval, delegate any power of the Board of Managers to a single Officer pursuant to Section 5.7; provided, that any delegated powers will nevertheless remain subject to any Member approval required by the Act or by this Agreement.

5.2 Managers: Number, Class, Term, Qualifications, Voting. The Board of Managers shall be comprised of five (5) managers, each a Manager. Each Member shall be entitled to elect one (1) Manager. The Managers shall initially be **Phuong Cronin, David Michel, Steven Michel, Joshua Pennington, and David Saturelli**. Each Manager shall hold office for a term commencing on the date of designation and expiring upon the earlier of (a) the date on which such Manager is removed; or (b) the date on which such Manager resigns. A Manager may be an individual or an entity but need not be a Member, provided, that all Managers shall be bound by the terms of this Agreement.

5.3 Resignation. Any Manager may resign at any time by giving written notice to the Members and the remaining Managers without prejudice to the rights, if any, of Company or any Affiliate of the resigning Manager under any contract to which the Manager or any such Affiliate is a party. The resignation of any Manager shall take effect upon receipt of that notice by Company or at such later time as shall be specified in the notice; and, unless otherwise specified in the notice, the acceptance of the resignation shall not be necessary to make it effective. A Manager who has an Incapacity shall be deemed to have resigned and such form of resignation shall not require the other Manager's resignation or approval. The resignation of a Manager shall not affect the Manager's or any of the Manager's Affiliate's rights, if any, as a Member and shall not constitute a withdrawal of a Member.

5.4 Removal. A Manager may be removed as a Manager at any time, with or without cause, by the unanimous consent of the Board of Managers (not including any Member that is the Manager being so removed).

5.5 Vacancies. Any vacancy occurring on the Board of Managers as a result of the resignation or removal of a Manager shall be filled promptly by a Majority Vote.

5.6 Meetings of the Board of Managers.

(a) The Board of Managers may determine to meet or not to meet at its sole discretion. Meetings of the Board of Managers may be called by any Manager. All meetings shall be held upon at least ten (10) calendar days' notice by mail or at least forty-eight (48) hours' notice delivered personally, by email, telephone or facsimile; provided, to the extent a standing weekly, bi-weekly, monthly, quarterly or annual meeting of the Board of Managers is calendared and agreed by the Board of Managers, such meetings shall constitute meetings of the Board of Managers duly held without the need for separate notice for each such meeting, and, without limiting the foregoing, notice of a meeting need not be given to any

Manager who signs a waiver of notice or a consent to holding the meeting or an approval of the minutes thereof (if any), whether before or after the meeting, or who attends and participates in the meeting for any other purpose than to protest the lack of notice to such Manager. A notice need not specify the purpose of any meeting except as required by law or unless a meeting is called to make any of Company records or made a part of the minutes of the meeting (if any). Managers collectively holding a majority of the votes present, whether or not a quorum is present, may adjourn any meeting to another time and place. Notice of any adjournment shall be given prior to the time of the adjourned meeting to the Managers who are not present at the time of the adjournment. Meetings of the Managers may be held at any place within or without the State of Colorado that has been designated in the notice of the meeting or at such place as may be approved by the Board of Managers. Managers may participate in a meeting through the use of telephone, conference telephone or similar communications equipment, so long as all Managers participating in such meeting are able to hear one another. Participation in a meeting in such manner constitutes presence in person at such meeting. A Manager entitled to vote at any meeting of the Board of Managers may authorize another Person in writing (which may consist of an email in which any other Manager is copied and confirmation of receipt is received), including another Manager, to act in his or her place by proxy if the Manager has a reasonable basis for not being available to vote himself or herself.

(b) Except as otherwise provided herein, the presence of all Managers shall constitute a quorum of the Managers for the transaction of business. Every act or decision done or made with the approval of Managers collectively holding at least eighty percent (80%) of the votes present at a meeting duly held and in which a quorum is present shall be deemed to be the act of the Board of Managers within the meaning of this Agreement. Any action required or permitted to be taken by the Board of Managers may be taken by the Managers without a meeting, if such action is approved in writing by the number of Managers required to take such action. A proposed written consent shall be provided to all Managers not less than two (2) business days prior to the date of the proposed action, provided, however, this notice requirement may be waived by the Managers and shall be deemed waived if all Managers consent to such action. Any action taken without a meeting shall be effective when the required minimum number of votes has been received. Such action by written consent shall have the same force and effect as a determination of the Managers at a meeting. A Manager or an Officer shall notify all Managers of all actions taken by such consents, and all such consents shall be maintained in the books and records of Company.

5.7 Officers.

(a) Appointment of Officers. The Board of Managers may, subject to the terms of any written employment agreement approved by the Board of Managers, from time to time appoint (and subsequently remove) individuals to act on behalf of Company as officers of Company to conduct the day-to-day management of Company with such general or specific authority as the Board of Managers may specify and are permitted or authorized in this Agreement. The Officers may include, but are not limited to, a Chief Executive Officer, President, Vice President, Secretary, Chief Financial Officer and Chief Operating Officer. The Officers shall serve at the pleasure of the Board of Managers, subject to any rights of such Officers under any employment contract (if any). Unless otherwise restricted under this Agreement or by the Board of Managers, if the title of an Officer is one commonly used for officers of a business corporation formed under the Colorado Corporations and Associations Act, the assignment of such title shall constitute the delegation to such person of the authorities and duties that are normally associated with that office. Any individual may hold any number of offices. An Officer need not be a Member or a Manager.

(b) Removal, Resignation, and Filling of Vacancy of Officers. Subject to Section 5.4, any Officer may be removed, either with or without cause, by the Board of Managers at any time. Any Officer may resign at any time by giving written notice to the Board of Managers. Any resignation shall take effect at the date of the receipt of that notice or at any later time specified in that notice; and, unless otherwise specified in that notice, the acceptance of the resignation shall not be necessary to make it effective. Any

resignation or removal is without prejudice to the rights, if any, of the parties under any contract to which the Officer is a party. A vacancy in any office because of death, resignation, removal, disqualification or any other cause shall be filled, if at all, by the Board of Managers.

5.8 Limitations on Authority. In addition to any other approval required under this Agreement, it shall require the Super-Majority Vote (unless previously set forth in an annual budget that has been previously adopted by the approval of a Super-Majority Vote) to:

- (a) approve any direct or indirect investor and/or investment (including any sale of Units) in Company or in any subsidiary or in any Affiliate of Company;
- (b) incur indebtedness, trade debt, or financing in excess of \$10,000 in any calendar month outside the ordinary course of business;
- (c) enter into any merger, consolidation, restructuring, recapitalization or reorganization;
- (d) issue Additional Units pursuant to Section 8.2;
- (e) approve any capital expenditure, capital addition or capital improvement in excess of \$10,000 in any calendar month;
- (f) initiate or settle litigation;
- (g) waive any Company right or settle any dispute;
- (h) approve an agreement or material transaction between the Company and a Member or any Affiliate of such Member;
- (i) approve management-level employees and determine their compensation;
- (j) approve a sale of Company or substantially all of its assets, or the sale of any subsidiary or substantially all of its assets; or
- (k) sell any assets of the Company outside of the ordinary course of business.

5.9 Remuneration and Reimbursement of Officers and Managers. The Officers and Managers of Company shall be entitled to reimbursement of reasonable out-of-pocket business expenses all as determined by the Board of Managers or as set forth in an employment agreement with such Officer or Manager or another agreement of Company with the Person entitled to such reimbursement.

5.10 Devotion of Time; Other Activities of Managers and Officers. Except as required by any individual contract and notwithstanding any provision to the contrary in this Agreement, the Managers and Officers shall not be required to manage the Company as the Manager's or Officer's sole and exclusive function. Managers and Officers may have other business interests and may engage in other activities in addition to those relating to the Company, provided, however, that while holding the position of Manager or Officer and for two (2) years after ceasing to be a Manager and/or Officer, no Manager or Officer may directly or indirectly compete with the Company or participate either financially or directly or indirectly with any business that is involved in the same or similar industry(ies) as the Company does or has certain plans to do, without the prior written consent of all the disinterested Managers. Notwithstanding the foregoing, Managers and Officers may own, directly or indirectly, solely as an investment, securities of any entity traded on a national securities exchange that is in the same industry as the Company (a "Competing

Business”) so long as the Manager or Officer is not a controlling person of, or a member of a group that controls, such Competing Business and does not, directly or indirectly, own 1% or more of any class of securities of such Competing Business. A Manager’s or Officer’s other business interests or engagement in other activities shall not be a breach of the Manager’s or Officer’s fiduciary duties, provided that the Manager or Officer complies with this Section 5.10 and it does not materially or substantially interfere with the Manager or Officer performing his or her responsibilities in their manager and officer capacity to the Company, in which case a Super Majority of the Board Managers, not including the Manager or Officer may restrict the Manager’s or Officers other business interests as a condition of that Manager or Officer maintain his or her position pursuant to Section 5.4 hereof. Neither the Company nor the Members shall have any right, by virtue of this Agreement, to share or participate in such other investments or activities of a Manager or Officer or to the income or proceeds derived therefrom.

5.11 Manager Deadlock. In the event the Managers have a Deadlock, the decision on the action causing the Deadlock shall be made by the Members pursuant to a special meeting or written consent in accordance with Section 6.5 of this Agreement.

**ARTICLE VI
RIGHTS, OBLIGATIONS AND MEETINGS OF MEMBERS**

6.1 Limitation of Liability. Each Member’s liability shall be limited as set forth in the Act and other applicable law.

6.2 Withdrawal or Resignation.

(a) No Member has the right to withdraw from the Company without the prior written consent of the Board of Managers, which consent may be withheld, conditioned or delayed in the Board of Managers’ sole and absolute discretion.

(b) Notwithstanding any provision of the Act to the contrary, if a Member withdraws without receiving the prior written consent of the Board of Managers, then the Member who has withdrawn in violation of the terms of this Agreement will no longer be considered a Member and will not: (i) be entitled to exercise any voting or approval rights as a Member; (ii) receive any further allocations of Net Profits; or (iii) be entitled to any distributions from the Company or return of the Member’s Capital Contributions. Upon dissolution of the Company, the Member who has withdrawn in violation of the terms of this Agreement will then be entitled to any distributions of the positive balance (if any) in such Member’s capital account as of the date of withdrawal, on a pro rata basis with all other Members, but will not share in any distributions in excess of such balance. The Company and each other Member will have the right to recover damages resulting from the unauthorized withdrawal by a Member and may offset for the damages resulting from any unauthorized withdrawal by a Member against any amount otherwise distributable to the Member by the Company.

(c) If a Member withdraws with the prior written consent of the Board of Managers then such Member shall be treated as an Assignee for all purposes, and upon such withdrawal or resignation such former Member’s Units shall become Economic Interests.

(d) No withdrawal or resignation shall entitle the former Member or his or her successor to demand that its Economic Interest be liquidated. Any Member resigning or withdrawing from the Company without receiving consent pursuant to Section 6.2(a) hereof, which resignation or withdrawal results in damage or injury to the Company will be liable to the Company for such damages, which damages may be offset against the former Member’s Economic Interest.

6.3 Priority and Return of Capital. Except as expressly provided herein, no Member or Assignee shall have priority over any other Member or Assignee, either as to the return of Capital Contributions or as to Net Profits, Net Losses or distributions; provided that this Section 6.3 shall not apply to loans (as distinguished from Capital Contributions) which a Member has made to the Company with the consent of the Board of Managers.

6.4 Liability of a Member to the Company. A Member who receives any distribution is liable to the Company only to the extent provided by the Act.

6.5 Meetings and Voting of Members.

(a) If any vote or consent of Members is required under this Agreement or the Act, then except as otherwise set forth in this Agreement, a Super-Majority Vote will be required.

(b) The Company may, but is not required to hold, annual meetings of the Members. Any such annual meeting of the Members shall take place in the United States at a place to be determined by the Board of Managers unless all Members agree to a location for the meeting outside of the United States.

(c) Special meetings of the Members may be called by any Member.

(d) Meetings of the Members may be called by any Member or Manager. All meetings shall be held upon at least ten (10) calendar days' notice by mail or at least forty-eight (48) hours' notice delivered personally, by email, telephone or facsimile; provided, notice of a meeting need not be given to any Member who signs a waiver of notice or a consent to holding the meeting or an approval of the minutes thereof (if any), whether before or after the meeting, or who attends and participates in the meeting for any other purpose than to protest the lack of notice. A notice need not specify the purpose of any meeting except as required by law or unless a meeting is called to make any of Company records or made a part of the minutes of the meeting (if any). Members collectively holding a majority of the votes present, whether or not a quorum is present, may adjourn any meeting to another time and place. Notice of any adjournment shall be given prior to the time of the adjourned meeting to the Members who are not present at the time of the adjournment. Meetings of the Members may be held at any place within or without the State of Colorado that has been designated in the notice of the meeting or at such place as may be approved by the Board of Managers. Members may participate in a meeting through the use of telephone, conference telephone or similar communications equipment, so long as all Members participating in such meeting are able to hear one another. Participation in a meeting in such manner constitutes presence in person at such meeting.

(e) Except as otherwise provided herein, the presence of Members representing a Super-Majority of the Units entitled to vote (either in person or by proxy) at such meeting of the Members shall constitute a quorum for the transaction of business.

(f) At all meetings of Members, a Member may vote in person or by proxy executed in writing by the Member or by a duly authorized attorney-in-fact. Such proxy shall be filed with the Board of Managers before or at the time of the meeting. No proxy shall be valid after three (3) years from the date of its execution, unless otherwise provided in the proxy.

(g) Action required or permitted to be taken at a meeting of Members may be taken without a meeting if the action is evidenced by one or more written consents describing the action taken, signed by Members having not less than the minimum number of votes that would be necessary to authorize or take such action at a meeting of the Members, and delivered to the Board of Managers for inclusion in the minutes or for filing with the Company records; provided all Members be given notice of such action.

Action taken under this Section 6.5(g) is effective when the Members required for such action have signed the consent, unless the consent specifies a different effective date.

6.6 Redemption. The Company shall have the right to redeem any Member, or in the case of (iii) below, such Member's heirs or legal guardian ("Redeemed Member") if such Member, or the shareholder(s), member(s), managers, or officer(s) of such Member, as applicable, has: (i) filed a voluntary petition in bankruptcy, been adjudged as bankrupt, or made or attempted to make an assignment for the benefit of creditors which has not been dismissed within one hundred twenty (120) days, (ii) in the opinion of Company's counsel or the Managers, willfully and materially breached this Agreement in a manner that caused material substantial harm to the Company and failed to cure such breach (if such breach is reasonably capable of being cured) within thirty (30) days following written notice thereof, (iii) if such Member is a natural Person, has an Incapacity (iv) had any license required by the MED revoked, (v) had any license required by the MED expire beyond ninety (90) days without reinstatement, or (vi) has been found by a trial court, in an administrative hearing or by an investigation conducted by the Company's counsel, to have violated Marijuana Laws that: (A) renders the Member ineligible to possess an ownership interest in the Company; (B) could result in the suspension or ultimate revocation of the Member's license granted by the MED; or (C) could result in the loss or suspension of any license required for the Company to operate any of its (or its affiliate's) state-regulated medical or retail marijuana establishments (the "Redemption Right"). The Company may exercise its Redemption Right upon the written consent of the Board of Managers (excluding the Redeemed Member) by giving written notice ("Redemption Notice") to the Redeemed Member. The Company shall purchase all, and not less than all, of the Redeemed Member's Units for the Fair Market Value of the Units and upon the payments terms set forth Sections 11.3 and 11.4.

ARTICLE VII
LIABILITY, EXCULPATION; INDEMNIFICATION
AND OUTSIDE BUSINESS ACTIVITY

7.1 Liability. Except as otherwise provided by the Act, the debts, obligations and liabilities of the Company, whether arising in contract, tort or otherwise, shall be solely the debts, obligations and liabilities of the Company, and no Covered Person shall be obligated personally for any such debt, obligation or liability of the Company solely by reason of being a Covered Person.

7.2 Exculpation.

(a) No Covered Person shall be liable to the Company or any other Covered Person for any loss, damage or claim incurred by reason of any act or omission performed or omitted to be performed by such Covered Person in good faith on behalf of the Company, in a manner reasonably believed to be within the scope of authority conferred on such Covered Person by or in accordance with the provisions of this Agreement or the Act, and in a manner reasonably believed to be in or not opposed to the best interests of the Company, except that a Covered Person shall be liable for any such loss, damage or claim incurred by reason of such Covered Person's fraud, deceit, gross negligence, willful or wanton misconduct or, as to a Manager, a breach of such Manager's fiduciary duty.

(b) A Covered Person shall be fully protected in relying in good faith upon the records of the Company and upon such information, opinions, reports or statements presented to the Company by any Person as to matters the Covered Person reasonably believes are within such other Person's professional or expert competence and who has been selected with reasonable care by or on behalf of the Company, including information, opinions, reports or statements as to the value and amount of the assets, liabilities, Net Profits, or Net Losses or any other facts pertinent to the business and affairs of the Company, including without limitation, the existence and amount of assets from which distributions to Members might properly be paid.

7.3 Fiduciary Duty.

(a) To the extent that, at law or in equity, a Covered Person has duties (including fiduciary duties) and liabilities relating thereto to the Company or to any other Covered Person, a Covered Person acting in accordance with the provisions of this Agreement shall not be liable to the Company or to any other Covered Person for his or her good faith reliance on the provisions of this Agreement. The provisions of this Agreement, to the extent that they restrict the duties and liabilities of a Covered Person otherwise existing at law or in equity, are agreed by the parties hereto to govern and shall supersede such other duties and liabilities of such Covered Person.

(b) Unless otherwise expressly provided herein, (a) whenever a conflict of interest exists or arises between Covered Persons, or (b) whenever this Agreement or any other agreement contemplated herein or therein provides that a Covered Person shall act in a manner that is, or provides terms that are, fair and reasonable to the Company or any Member, the Covered Person shall resolve such conflict of interest, taking such action or providing such terms, considering in each case the relative interest of each party (including its own interest) to such conflict, agreement, transaction or situation and the benefits and burdens relating to such interests, any customary or accepted industry practices, and any applicable generally accepted accounting practices or principles. In the absence of bad faith by the Covered Person, the resolution, action or term so made, taken or provided by the Covered Person shall not constitute a breach of this Agreement or any other agreement contemplated herein or of any duty or obligation of the Covered Person at law, in equity or otherwise, including without limitation, a breach of fiduciary duty.

7.4 Indemnification. To the fullest extent permitted by applicable law, the Company shall indemnify, defend and hold harmless a Covered Person for any loss, damage or claim (including legal fees) incurred by such Covered Person by reason of any act or omission performed or omitted to be performed by such Covered Person in good faith on behalf of the Company, in a manner reasonably believed to be within the scope of authority conferred on such Covered Person by or in accordance with the provisions of this Agreement or the Act, and in a manner reasonably believed to be in or not opposed to the best interests of the Company; and provided that his or her conduct has not been found by a non-appealable court judgment, order, decree or decision to constitute fraud, deceit, gross negligence, willful or wanton misconduct or a breach of his or her fiduciary obligations to the Members or the Company; provided further, however, that any indemnification under this Section 7.4 shall be provided out of and to the extent of Company assets only, and no Member shall have any personal liability on account thereof. The termination of any action, suit or proceeding by judgment, order, or settlement shall not, of itself, create a presumption that any Covered Person did not act in good faith and in a manner which such Covered Person reasonably believed to be in or not opposed to the best interests of the Company and in accordance with such Covered Person's scope of authority in the provisions of this Agreement or the Act. Notwithstanding the foregoing and in the interest of clarity, the Company shall not be obligated to indemnify any Covered Person in connection with, arising out of or relating to a breach by such Covered Person of any representation or warranty made in a subscription agreement for Units.

7.5 Outside Businesses; Conflicts of Interests.

(a) Any Manager, Officer, Member or Affiliate thereof may engage in or possess an interest in other business ventures, independently or with others;

(b) The Company, the Members, Managers, Officers and Affiliates thereof shall have no rights by virtue of this Agreement (or otherwise) in and to such independent ventures or the income or profits derived therefrom and the pursuit of any such venture; and

(c) No Member, Manager, Officer or Affiliate thereof shall be obligated to present any particular investment or business opportunity to the Company and any Member, Manager, Officer or Affiliate thereof shall have the right to take for its own account (individually or as a partner or fiduciary) or to recommend to others any such particular investment or business opportunity.

**ARTICLE VIII
MATTERS RESPECTING CAPITAL**

8.1 Capital Structure.

(a) The authorized capital of the Company shall consist of such number, series or classes of Units as may be issued from time to time by the Company as determined by the Board of Managers. The ownership of Units shall be maintained in the books and records of the Company, which may be modified from time to time by the Board of Managers to reflect the issuance of Additional Units or Transfers of Units.

(b) Each Member shall be entitled to one vote for each voting Unit held of record on the Company's books as to all matters that come before the Members for a vote.

(c) Upon any liquidation, dissolution or winding up of the Company, any of the Company's net assets available for distribution shall be distributed as provided in Section 10.4.

(d) Notwithstanding anything to the contrary herein, each Member's initial allocation of Units shall be as listed opposite the name of such Member on Exhibit A attached hereto.

8.2 Additional Units.

(a) Subject to the provisions of Section 5.8, the Board of Managers may cause the Company to issue additional equity ("Additional Units") to any Person under the terms and conditions approved by the Board of Managers, including setting the class, rights and preferences of any such Additional Units.

(b) Unless otherwise determined by the Board of Managers or specified in an agreement with the Company, each Person who subscribes for any of the Additional Units shall be admitted as an Additional Member of the Company ("Additional Member") at the time such Person executes this Agreement or a counterpart of this Agreement in the form of the Operating Agreement Post-Effective Execution Page set forth on and attached hereto as Exhibit B.

8.3 Allocations to New Members. The Board of Managers may, at the time an Additional Member or Substitute Member is admitted or Units are transferred to an Assignee, close the Company books (as though the Company's tax year had ended) or make pro rata allocations of loss, income and expense deductions to an Additional Member, Substitute Member or Assignee for that portion of the Company's tax year in which an Additional Member or Substitute Member was admitted or Assignee becomes a holder of Units, in accordance with the provisions of Code § 706(d), and the Treasury Regulations promulgated thereunder.

ARTICLE IX
CONTRIBUTIONS TO THE COMPANY AND CAPITAL ACCOUNTS

9.1 Members' Capital Contributions. A record of each Member's Capital Contributions shall be maintained in the books and records of the Company. Each Member made the Initial Capital Contribution set forth on Exhibit A.

9.2 No Additional Capital Contributions.

(a) No Member or Assignee shall be required to make any Capital Contribution to the Company, other than its Initial Capital Contribution, without such Member's consent, which may be expressly given or implied by the making of such additional Capital Contribution.

(b) If the Board of Managers determines that the Company needs additional funds, the Board of Managers may cause the Company to sell Additional Units in accordance with Section 8.2 or borrow such funds from any Person, including any Member or Members, upon such terms and conditions as may be agreed to at the time. No loan to the Company from a Member shall be deemed to constitute a Capital Contribution and shall not increase the Capital Account(s) of the Member(s) making the loan.

(c) None of the terms, covenants, obligations or rights contained in this Section 9.2 is or shall be deemed to be for the benefit of any Person, other than the Members and the Company, and no such third Person shall under any circumstances have any right to compel any actions or payments by the Board of Managers, the Members and/or the Assignees.

9.3 Capital Accounts.

(a) There will be established and maintained on the books of the Company a separate Capital Account for each Member and Assignee.

(b) In the event that Property is subject to Code § 704(c) or is revalued on the books of the Company in accordance with the preceding paragraph pursuant to § 1.704 1(b)(2)(iv)(f) of the Treasury Regulations, the Members' Capital Accounts shall be adjusted in accordance with § 1.704 1(b)(2)(iv)(g) of the Treasury Regulations for allocations to the Members of depreciation, amortization and gain or loss, as computed for book purposes (and not tax purposes) with respect to such Property.

(c) The manner in which Capital Accounts are to be maintained is intended to comply with the requirements of Code § 704(b), and the Treasury Regulations promulgated thereunder. If, in the opinion of the Company's accountants, the manner in which Capital Accounts are to be maintained should be modified in order to comply with Code § 704(b), and the Treasury Regulations promulgated thereunder, then notwithstanding anything to the contrary contained in this Agreement, the method in which Capital Accounts are maintained shall be so modified; provided, however, that any change in the manner of maintaining Capital Accounts shall not materially alter the economic agreement between or among the Members.

(d) No Member or Economic Interest owner shall have any liability to restore all or any portion of a deficit balance in such Member's or Economic Interest owner's Capital Account.

9.4 Withdrawal or Reduction of Members' Capital Contributions; No Interest.

(a) A Member shall not receive out of Property any part of his or her Capital Contributions until all liabilities of the Company, except liabilities to Members on account of their Capital Contributions, have been paid or there remains Property of the Company sufficient to pay them.

(b) No Member shall be entitled to interest on or return of such Member's Capital Contribution, except as otherwise specifically provided for herein.

9.5 Substantial Economic Effect. The provisions of this Agreement relating to the maintenance of Capital Accounts and procedures upon liquidation of the Company are intended to comply generally with the provisions of Treasury Regulation Section 1.704-1, and shall be interpreted and applied in a manner consistent with such Regulations and, to the extent the subject matter thereof is otherwise not addressed by this Agreement, the provisions of Treasury Regulations Section 1.704-1 are hereby incorporated by reference unless the Board of Managers shall determine that such incorporation will result in economic consequences inconsistent with the economic arrangement among the Members as expressed in this Agreement. In the event the Board of Managers shall determine that it is prudent to modify the manner in which the Capital Accounts, or any debits or credits thereto, are computed or allocated or the manner in which distributions are made in order to comply with such Treasury Regulations and other applicable tax laws, to assure that the Company is treated as a partnership for tax purposes, or to achieve the economic arrangement of the Members as expressed in this Agreement, then notwithstanding Section 9.3 hereof, the Board of Managers may make such modification, provided that it is not likely to have more than an insignificant detrimental effect on the tax consequences and total amounts distributable to any Member pursuant to Article X as applied without giving effect to such modification. The Board of Managers shall also make any appropriate modifications in the event unanticipated events (such as the incurrence of nonrecourse indebtedness) might otherwise cause the allocations under this Agreement not to comply with the Treasury Regulations; provided in each case that the Board of Managers determines that such adjustments or modifications shall not result in economic consequences inconsistent with the economic arrangement among the Members as expressed in this Agreement.

ARTICLE X COMPENSATION; ALLOCATIONS AND DISTRIBUTIONS

10.1 Allocations of Profits and Losses. After giving effect to the special allocations set forth in Exhibit C, Net Profits and Net Losses shall be allocated to the Members and Assignees such that the applicable Capital Account of each, immediately after giving effect to such allocations, shall equal, as nearly as possible, the amount of the distributions that would be made during such accounting period if (i) the Company were dissolved and terminated, (ii) its affairs were wound up and each asset with respect thereto were sold at book value (except that any asset which was the subject of a disposition in such accounting period shall be treated as if it were sold for cash equal to the sum of the amount received by the Company in any such disposition and the fair market value of any other property received by the Company in such disposition), (iii) all liabilities of the Company were satisfied, and (iv) the net assets of the Company were distributed to the Members and Assignees in accordance with Section 10.2. The Board of Managers shall make such other assumptions as it deems necessary or appropriate in its good faith reasonable judgment in order to effectuate the intended beneficial entitlements of the Members.

10.2 Distributions of Distributable Cash.

(a) Except for liquidation distributions which shall be made in accordance with Section 10.4 or as otherwise provided in Section 10.3, distributions of Distributable Cash shall be made at such time as determined by the Board of Managers. All distributions shall be subject to the provisions of the Act regarding distributions and shall be subject to the retention and establishment of such Reserves as the Board of Managers deems necessary with respect to the reasonable business needs of the Company, including

Reserves with respect to any contingent liabilities of the Company. All amounts withheld pursuant to the Code or any provisions of state or local tax law with respect to any payment or distribution to the Members and Assignees from the Company shall be treated as amounts distributed to the relevant Member or Assignee pursuant to this Section 10.2.

(b) Except as otherwise provided in Sections 10.3 and 10.4, all distributions of Distributable Cash shall be made to the Members as follows:

(i) First, to Members, pro rata in accordance with each Member's outstanding Unreturned Capital Contributions, until their Unreturned Capital Contributions are reduced to zero; and

(ii) Thereafter, to all Unit holders in accordance with their respective Percentage Interests unless otherwise agreed to by a unanimous vote of the Board of Managers, in which case distributions may be made to each member in an amount to each Member as set forth in the vote of the Board of Managers.

10.3 Distributions to Pay Federal and State Income Taxes.

(a) To the extent funds of the Company may be legally available for distribution by the Company and to the extent Distributable Cash is available, the Board of Managers shall distribute to the Members and Assignees, on or before ninety (90) days after the close of each Fiscal Year, an amount necessary to pay each Member's and Assignee's federal and state income tax liability for the Company's Net Profits allocated to such Member or Assignee for the immediately preceding Fiscal Year as determined by the certified public accountants for the Company, less any and all unrecovered losses from prior years. The distribution made pursuant to this Section 10.3 shall be made before the distributions pursuant to Section 10.2(b) and shall be treated as an advancement of the distributions payable under Sections 10.2(b)(ii). For purposes of these computations, each Member and Assignee shall be presumed to be subject to a combined federal and state income tax rate on his allocable share of the Company Net Profit for the year equal to the highest combined federal and state income tax rate imposed for individuals residing in Colorado (or such other state as determined by the Board of Managers). At the discretion of the Board of Managers, tax distributions under this Section 10.3(a) may be made on a quarterly basis in order to fund the Members' and Assignees' anticipated quarterly estimated tax obligations.

(b) Notwithstanding the foregoing, the Company will not make any distribution to a Member pursuant to this Section 10.3 with respect to a Fiscal Year in which such Member has received a cash distribution pursuant to Section 10.2 sufficient to pay the tax due on Net Profits allocated to the Member.

10.4 Distributions in Liquidation. Upon liquidation of the Company and subject to Section 12.3, liquidating distributions will be made to the Members and Assignees first in accordance with and to the extent of their respective Capital Account balances after taking into account the allocation of all Net Income or Net Losses pursuant to this Agreement, and thereafter in accordance with the Members and Assignees respective Percentage Interests.

10.5 Limitation Upon Distributions. Notwithstanding any provision to the contrary contained in this Agreement, the Company shall not make or declare a distribution to any Member or Assignee on account of his interest in the Company if such distribution would violate the Act or other applicable law.

10.6 Partnership Representative.

(a) The Company shall cause to be prepared and timely filed all Federal, state and local income tax returns or other returns or statements required by applicable Law. The Company shall claim all

deductions and make such elections for federal or state income tax purposes that the Board of Managers reasonably believe will produce the most favorable tax results for the Members.

(b) The Members hereby appoint **Steven Michel** as the partnership representative, as provided in Code Section 6223(a), as amended by the Bipartisan Budget Act of 2015 ("BBA Rules") for any one or more of the Company's taxable years (the "Partnership Representative").

(c) By a Super-Majority Vote, the Members shall have the power to name or remove the designated individual under Reg. § 301.6223-1(b)(3)(i) for each of the Company's taxable years. The Partnership Representative is authorized and required to represent the Company (at the Company's expense) in all disputes, controversies, or proceedings with tax authorities, to make any available election with respect to the BBA Rules, to take any action it deems necessary or appropriate to comply with the requirements of the Code and to conduct the Company's affairs with respect to the BBA Rules, and to expend Company funds for professional services and costs associated therewith. The Company shall indemnify and reimburse the Partnership Representative for all losses, claims, liabilities, damages, and expenses, including legal and accounting fees, incurred as a Partnership Representative pursuant to this Agreement, including in connection with any examination or proceeding.

(d) Each Person who holds or has held Units will promptly provide such cooperation and assistance, including executing and filing forms or other statements and providing information about such Person, as is reasonably requested by the Partnership Representative in connection with a Company audit or to enable the Company to satisfy any applicable tax reporting or compliance requirements, to evaluate or make any tax election available to the Company under the BBA Rules, to qualify for an exception from or reduced rate of tax or other benefit, or be relieved of liability for any tax regardless of whether such requirement, tax benefit, or tax liability existed on the date such Person was admitted to the Company. Such information shall include, but not be limited to, if such Person is an entity, providing the Partnership Representative with the type of entity, its federal income tax classification, the names of its direct and indirect owners and, if such direct or indirect owners are entities, with the types of entities and their respective federal income tax classifications.

(e) The Partnership Representative may, in its sole discretion, cause the Company to (i) elect out of the BBA Rules under Code Section 6221(b), (ii) push out the final partnership adjustments to Members under Code Section 6226(a), or (iii) pay the liability at the Company level.

(f) To the extent the Partnership Representative elects to have the liability paid at the Company level, the Company shall make any payments of imputed underpayment, and penalties and interest thereon, that it may be required to make under the BBA Rules (the "Tax Payment Amount"), and the Tax Payment Amount shall be allocated by the Partnership Representative among the Persons who held Units for the reviewed year in a manner that reflects such Persons' respective interests in the Company for the reviewed year, adjusted by taking into account any attributes or actions taken by such Persons (including without limitation their tax-exempt status) that resulted in a reduction in the imputed underpayment, including but not limited to under Section 6225(c)(3) of the Code and the Regulations and administrative guidance thereunder. In making the allocation of imputed underpayment hereunder, it is the intention of the Members that such allocation be made in the manner that would result in each Person being allocated a share of the imputed underpayment that is, as closely as possible, equal to the tax liability such Person would have with respect to the adjustment giving rise to the imputed underpayment if the BBA Rules were not in effect. For the avoidance of doubt, if any Person (whether a current or former owner of a Unit) provides information to the Partnership Representative regarding its tax attributes or its amended U.S. federal income tax return for the reviewed year that directly results in a reduction in the imputed underpayment, such Person shall receive credit for such reduction in determining its share, if any, of the Tax Payment Amount.

(g) Each Person holding Units agrees to indemnify and hold harmless the Partnership Representative and the Company from and against any liability with respect to such Person's proportionate share of any Tax Payment Amount imposed at the Company level in connection with a Company-level tax audit of a taxable period during which such Person owned Units, regardless of whether such Person owns Units in the year in which such tax is actually imposed on the Company or becomes payable by the Company as a result of such audit. The Company may offset a Person's share of any such Tax Payment Amount against any distribution from the Company. If not offset against a distribution, the Partnership Representative may deliver a written demand for payment to such Person to pay the Company in immediately available funds the amount that the Partnership Representative determines is needed by the Company to discharge those obligations and to otherwise pay and reimburse, indemnify, and hold the Company harmless with respect to such Person's share of any such Tax Payment Amount. If such a Person fails to timely pay the full amount of the required payment to the Company as directed by the Partnership Representative, such Person shall pay the Company interest at the default rate, on the amount under this Section 10.6(g) that such Person fails to timely pay. Any amount paid by (or any distribution retained from) a Person under this Section 10.6(g) will not be treated as a Capital Contribution or otherwise added to the Person's Capital Account, except to the extent (if at all) the Partnership Representative determines that such characterization or treatment is necessary or appropriate.

(h) The obligations under this Section 10.6 of a Person holding Units will survive the liquidation, termination, or other transfer of all or any portion of the Person's Units and the dissolution, liquidation, winding up, and termination of the Company (which will be deemed to continue in existence for such purpose). The Company, the Partnership Representative and the Members who satisfied their obligations under this Section 10.6 may pursue and enforce all rights and remedies that they may have against a Person who holds or formerly held Units under this Agreement, including instituting a proceeding to collect any payments they or the Company are owed under this Section 10.6, and exercising any other remedies they may have under this Agreement or applicable Law. If the Company has terminated, this section shall be applied as if the Company continued to exist to the extent possible under applicable Law.

10.7 Financial Statements. Within ninety (90) days after the close of each Fiscal Year, the Board of Managers shall cause the Company's financial statements for that year to be prepared, which financial statements, as determined by the Board of Managers, may be audited by an independent accountant.

10.8 Returns and Other Elections. The Board of Managers shall cause the preparation and timely filing of all tax returns required to be filed by the Company pursuant to the Code and all other tax returns deemed necessary and required in each jurisdiction in which the Company does business. Copies of such returns, or pertinent information therefrom, shall be furnished to the Members and Assignees within a reasonable time after the end of the Fiscal Year.

ARTICLE XI TRANSFERABILITY

11.1 General.

(a) No Member or Assignee shall have the right to Transfer all or any part of or any interest in its Units without the unanimous consent of the Board of Managers. Any voluntary Transfer in contravention of this Agreement shall be void and the Company shall not be obligated to record such transfer on its books and records or treat any purported transferee of such Units as a Member for any purpose. Any Involuntary Transfer shall be subject to the provisions of Section 11.2.

(b) No Member may Transfer any Units without first complying with the following:

(i) the Member shall deliver to the Company, upon its request, an opinion of counsel addressed to the Company reasonably acceptable in form and substance to the Company that registration under the Securities Act of 1933, as amended, is not required in connection with such transfer and that such transfer is exempt from all applicable state securities laws; and

(ii) every Person (including such Person's spouse, if any) or entity (other than the Company) to whom such Units are transferred in compliance with this Article XI shall be required to execute and deliver to the Company a counterpart of this Agreement in the form of the Operating Agreement Post-Effective Execution Page set forth on and attached hereto as Exhibit B.

11.2 Involuntary Transfers.

(a) Upon any Involuntary Transfer, the Member whose Units have been so transferred (or such Member's legal representative, legatee, executor, administrator or testamentary trustee, if applicable) shall promptly, but in any event within thirty (30) days after such Involuntary Transfer, give written notice to the Company and the other Members, with a copy to the Person to whom the Involuntary Transfer was made (the "Involuntary Transferee"), stating that the Involuntary Transfer occurred, the reason therefor, the date of the Involuntary Transfer, the name and address of the Involuntary Transferee and the number or amount of Units acquired by such Involuntary Transferee, and any other terms and conditions of such transfer ("Transfer Notice").

(b) Upon its receipt of the Transfer Notice:

(i) such Involuntary Transferee shall be deemed to have made an irrevocable offer to sell such Units in accordance with this Section 11.2;

(ii) the offer will remain open for a period of three (3) months following the receipt of the Transfer Notice;

(iii) each offeree may accept such offer only by giving written notice to the Involuntary Transferee within the time provided stating the number of Units that such offeree desires to purchase;

(iv) the Company shall have the first right to purchase any offered Units; provided, that if the Involuntary Transfer is the result of a Member's divorce or other separation of marital property, then the Member whose Units have been transferred will have the first right to purchase such Units, and the Company shall have the next right in the event that such Member does not purchase all of the offered Units. If the Company elects not to accept such offer or does not elect to purchase all of the Units offered, the Members (other than the Member whose Units have been subject to the Involuntarily Transfer) may accept such offer as to the Units the Company has elected not to purchase, in accordance with such Member's relative ownership of Units compared to the aggregate ownership of Units of all Members (other than the Member whose Units have been subject to the Involuntarily Transfer) ("Pro Rata Share"). If any Member (other than the Member whose Units have been subject to the Involuntarily Transfer) fails to accept the offer or accepts the offer for less than its Pro Rata Share, then the Member(s) (other than the Member whose Units have been subject to the Involuntarily Transfer) that desire to purchase more than their Pro Rata Share shall all be permitted to do so in accordance with their reallocated Pro Rata Share, as determined by the Board of Managers, in its sole discretion, among all such Members interested in purchasing the Units offered. The Company and the Members (other than the Member whose Units have been subject to the Involuntarily Transfer) may, in the aggregate, purchase all or any portion of such Units. If not so accepted by the Company or the Members, the offer shall terminate upon expiration of such period;

(v) the purchase price of any such Units shall be (A) if the Transfer was made for consideration, the lowest of (1) the price at which such Units were acquired by the Involuntary Transferee, and (2) an amount equal to the Fair Market Value of the Units; and (B) if the Transfer was made without consideration, the Fair Market Value of the Units. Notwithstanding the foregoing, if the Involuntary Transfer is related to any bankruptcy, insolvency or similar proceedings, the purchase price shall be an amount equal to the Fair Market Value of the Units; and

(vi) the purchase price for any such Units shall be payable as provided in Section 11.4.

(c) If the foregoing purchase options are not exercised in full, the Involuntary Transferee may retain the Units that are not purchased; provided, however, such Involuntary Transferee shall have only the rights of an Assignee with respect to such Units.

11.3 Fair Market Value. The Fair Market Value of the Units to be sold pursuant to this Agreement shall be determined as follows:

(a) The Board of Managers shall submit its good faith determination of the Fair Market Value of the Units to be sold within ten (10) business days following the date on which the purchaser becomes obligated to purchase the Units ("Manager Value");

(b) The Involuntary Transferee or Redeemed Member, as applicable, shall have ten (10) days from the receipt of the Manager Value within which to either accept such amount or reject such amount, in writing. If the Involuntary Transferee or Redeemed Member (hereafter referred to as a "Seller"), as applicable, either accepts the Manager Value or fails to reject the Manager Value within the ten (10) day time frame, then the Manager Value shall become the final and conclusive Fair Market Value of the Units. If the Seller rejects the Manager Value, then it may either submit its own good faith determination of the Fair Market Value of the Units or, alternatively, may retain a Qualified Appraiser to conduct a business appraisal of the Company ("Seller's Appraiser"). The Seller's Appraiser shall prepare and deliver a good faith determination of the Fair Market Value of the Units within thirty (30) days of being retained by the Seller. Either the Seller's good faith determination of the Fair Market Value of the Units or the Seller's Appraiser's good faith determination of the Fair Market Value of the Units, as the case may be, shall be deemed the "Seller's Value."

(c) If the Seller's Value and the Manager Value are not within 10% as aforesaid, then the two appraisers shall select one Qualified Appraiser ("Final Appraiser"). The Final Appraiser shall conduct its own valuation and appraisal of the Company, but will not prepare a formal report of its findings. Within thirty (30) days of designation, the Final Appraiser, based on its review and evaluation of the Company, shall choose either the Manager Value or the Seller's Value to be the final and conclusive Fair Market Value of the Units.

(d) The Fair Market Value of the Units shall be determined by treating the Company as if it had been sold for its fair market value (as determined by subparagraphs (a)-(c) above) and the proceeds distributed in accordance with the provisions of this Agreement. The proceeds which would be distributed to the Seller shall be the Fair Market Value of the Units formerly held by the Seller.

(e) The Company shall provide access to all of the books, records, financial data, prior appraisals and access to management personnel of the Company, as reasonably requested by the Seller's Appraiser or the Final Appraiser.

(f) If the Final Appraiser chooses the Manager Value to be the final Fair Market Value of the Units, then the Seller shall be solely responsible for the costs and fees associated with both the Seller's

Appraiser (if applicable) and the Final Appraiser. Alternatively, if the Final Appraiser chooses the Seller's Value to be the final Fair Market Value of the Units, then the Company shall be solely responsible for the costs and fees associated with both the Seller's Appraiser (if applicable) and the Final Appraiser.

11.4 Terms of Payment. When a purchaser becomes obligated to purchase Units of the Company pursuant to Section 6.6 or Section 11.2, the closing of such purchase shall take place within sixty (60) days of the date the Fair Market Value of the Units is determined ("Closing") and the purchaser shall pay the Seller as follows:

(a) The Company shall execute and deliver to the Seller at Closing the Down Payment Note as described below and the Remainder Note as described below (both Notes to be made upon commercially reasonable terms and further described below) payable to the Seller's order in the amounts described below (collectively, the "Notes").

(b) The "Down Payment Note" shall equal ten percent (10%) of the purchase price. The Down Payment Note shall provide that half of the principal balance is due three (3) months from Closing and the remainder is due six (6) months from Closing. The Remainder Note (described below) shall be in the amount of the remainder of the purchase price.

(c) The "Remainder Note" shall be for a term of five (5) years. In either case the Remainder Note shall be paid in quarterly consecutive payments of principal and interest. The Notes shall bear interest at a rate of the prime rate as published in the "Money Rates" column of *The Wall Street Journal* on last business day before the Closing from the date of its execution. The Notes shall be secured by the assets of the Company to the fullest extent allowed by law.

(d) At Closing, the Seller shall deliver to the Company a duly executed assignment of the purchased Units, together with all instruments necessary to accomplish such Transfer including, but not limited to, powers of attorney or letters testamentary. Except as provided in this Agreement, Transfer of such Units shall be made free and clear of all liens, taxes, debts, claims or other encumbrances whatsoever other than those incurred for a Company purpose and approved by the Manager.

11.5 Drag Along. If a Super-Majority Vote consents to the sale by the Company of all or substantially all of the assets of the Company or sale of all or substantially all of the Units then issued and outstanding, then the Board of Managers may consummate the transaction upon substantially the same material terms and conditions as approved by such Super-Majority Vote, and upon written demand from the Board of Managers to the Members (provided in the sole discretion of the Board of Managers), all remaining Members must (i) vote in favor of the transaction (if a vote is required), (ii) take all actions necessary to waive any dissenters, appraisal, or other similar rights, and (iii) consummate the transaction by selling their Units at a price determined on the basis of same terms and conditions as negotiated by the Board of Managers.

11.6 Substitute Members. If the Board of Managers consents to any Transfer of Units pursuant to Section 11.1(a), the transferee of such Units shall become a Member of the Company (a "Substitute Member") upon compliance with the requirements of Section 11.1(b).

**ARTICLE XII
DISSOLUTION AND TERMINATION**

12.1 Dissolution.

(a) The Company shall be dissolved upon the occurrence of any of the following events:

(i) the Majority Vote of the Board of Managers and a Super-Majority Vote to dissolve the Company;

(ii) the determination of the Board of Managers to dissolve after the sale or other disposition of all or substantially all of the assets of the Company;

(iii) any consolidation or merger of the Company with or into any Person following which the Company is not the resulting or surviving entity; or

(iv) as otherwise provided in the Act.

(b) As soon as possible following the occurrence of any of the events specified in this Section 12.1 effecting the dissolution of the Company, the appropriate representative of the Company shall execute and file such documents as required by the Act in connection with dissolution of the Company.

12.2 Effect of Filing of Statement of Dissolution. Upon the filing with the Colorado Secretary of State of a certificate of dissolution, the Company shall cease to carry on its business, except insofar as may be necessary for the winding up of its business, but its separate existence shall continue until completion of the dissolution.

12.3 Winding Up, Liquidation and Distribution of Assets.

(a) Upon dissolution, an accounting shall be made by the Company's independent accountant of the accounts of the Company and of the Company's assets, liabilities and operations, from the date of the last previous accounting until the date of dissolution. The Board of Managers shall immediately proceed to wind up the affairs of the Company.

(b) If the Company is dissolved and its affairs are to be wound up, the Board of Managers shall:

(i) Sell or otherwise liquidate all of the Company's assets as promptly as practicable (except to the extent the Board of Managers may determine to distribute any assets to the Members and Assignees in kind).

(ii) Allocate any Net Profit or Net Loss resulting from such sales (and to the extent necessary individual items of income gain, loss and deduction) in accordance with the terms of this Agreement.

(iii) Discharge all liabilities of the Company, including liabilities to Members and Assignees who are creditors, to the extent otherwise permitted by law, other than liabilities to Members and Assignees for distributions, and establish such Reserves as may be reasonably necessary to provide for contingent liabilities of the Company.

(iv) Distribute the remaining assets, either in cash or in kind, as determined by the Board of Managers (with any assets distributed in kind being valued for this purpose at their fair market value as determined below), to the holders of Units in accordance with Section 10.4 hereof. If any assets of the Company are to be distributed in kind, the net fair market value of such assets as of the date of dissolution shall be determined by independent appraisal or by the Board of Managers. Such assets shall be deemed to have been sold as of the date of dissolution for their fair market value, and the Capital Accounts of the Members and Assignees shall be adjusted pursuant to the provisions of this Agreement to reflect such deemed sale.

(c) Notwithstanding anything to the contrary in this Agreement, upon a liquidation within the meaning of Treas. Reg. § 1.704-1(b)(2)(ii)(g), if any Member or Assignee has a negative Capital Account balance (after giving effect to all contributions, distributions, allocations and other Capital Account adjustments for all taxable years, including the year during which such liquidation occurs), such Member or Assignee shall have no obligation to make any Capital Contribution, and the negative balance of such Member's or Assignee's Capital Account shall not be considered a debt owed by such Member or Assignee to the Company or to any other Person for any purpose whatsoever.

(d) Upon completion of the winding up, liquidation and distribution of the assets, the Company shall be deemed terminated.

(e) The Board of Managers shall comply with any applicable requirements of applicable law pertaining to the winding up of the affairs of the Company and the final distribution of its assets.

(f) The winding up of the affairs of the Company and the distribution of its assets shall be conducted exclusively by the Board of Managers, who are hereby authorized to take all actions necessary to accomplish such distribution, including without limitation, selling any Company assets the Board of Managers deems necessary or appropriate to sell.

12.4 Return of Contribution Nonrecourse to Other Members. Except as provided by law, upon dissolution, each Member shall look solely to the assets of the Company for the return of his or her Capital Contribution. If the Property remaining after the payment or discharge of the debts and liabilities of the Company is insufficient to return the Capital Contribution of each Member, such Member shall have no recourse against any other Member.

**ARTICLE XIII
MISCELLANEOUS PROVISIONS**

13.1 Notices. Any notice, demand, or communication required or permitted to be given by any provision of this Agreement shall be deemed to have been sufficiently given or served for all purposes if delivered personally to the party or to an executive officer of the party to whom the same is directed, or, if sent by overnight carrier, registered or certified mail, postage and charges prepaid, addressed to the Board of Managers', the Member's, the Assignee's, and/or the Company's address as it appears in the Company's records, as appropriate. Except as otherwise provided herein, any such notice shall be deemed to be given on the date personally delivered, the next business day if sent via a national overnight courier, or three business days after the date on which the same was deposited in a regularly maintained receptacle for the deposit of United States mail, addressed and sent as aforesaid.

13.2 Application of Colorado Law. This Agreement, and the application of interpretation hereof, shall be governed exclusively by its terms and by the laws of the State of Colorado, and specifically the Act.

13.3 Amendments. Any amendment to this Agreement shall require a Super-Majority Vote; *provided, however,* that no amendment to this Agreement may remove an economic right of a Member without such Member's consent. Notwithstanding the foregoing, the Board of Managers may amend Exhibit A to reflect Additional Members properly admitted to this Agreement.

13.4 Execution of Additional Instruments. Each Member hereby agrees to execute such other and further statements of interest and holdings, designations, powers of attorney and other instruments necessary to comply with any laws, rules or regulations.

13.5 Construction. Whenever the singular number is used in this Agreement and when required by the context, the same shall include the plural, and the masculine gender shall include the feminine and neuter genders and vice versa.

13.6 Headings. The headings in this Agreement are inserted for convenience only and are in no way intended to describe, interpret, define, or limit the scope, extent or intent of this Agreement or any provision hereof.

13.7 Waivers. The failure of any party to seek redress for violation of or to insist upon the strict performance of any covenant or condition of this Agreement shall not prevent a subsequent act, which would have originally constituted a violation, from having the effect of an original violation.

13.8 Rights and Remedies Cumulative. The rights and remedies provided by this Agreement are cumulative and the use of any one right or remedy by any party shall not preclude or waive the right to use any or all other remedies. Such rights and remedies are given in addition to any other rights and parties may have by law, statute, ordinance or otherwise.

13.9 Severability. If any provision of this Agreement, or the application thereof to any Person or circumstance, shall be invalid, illegal or unenforceable to any extent, the remainder of this Agreement and the application thereof shall not be affected and shall be enforceable to the fullest extent permitted by law.

13.10 Heirs, Successors and Assigns. Each and all of the covenants, terms, provisions and agreements herein contained shall be binding upon and inure to the benefit of the parties hereto and, to the extent permitted by this Agreement, their respective heirs, legal representatives, successors and assigns.

13.11 Creditors. None of the provisions of this Agreement shall be for the benefit of or enforceable by any creditors of the Company.

13.12 Counterparts. This Agreement may be executed in counterparts, and by facsimile signature, each of which shall be deemed an original but all of which shall constitute one and the same instrument.

13.13 Confidentiality. Each Member acknowledges that (a) each Member will have access to proprietary information and trade secrets of and confidential information concerning the Company and its business; and (b) the agreements and covenants contained in this Section 13.13 are essential to protect the Company's business, goodwill, trade secrets, confidential and proprietary information, and other legitimate interests of the Company. Accordingly, each Member agrees as follows:

(a) Each Member recognizes and acknowledges that the trade secrets, know-how, and proprietary processes of the Company and its affiliates as may exist from time to time, as well as confidential business plans, strategies, prospects, and financial data (collectively, the "Confidential Information") of the Company are valuable, special, and unique assets of the Company's business. "Confidential Information" shall also include, but not be limited to, all information related to (i) customers or prospective customers, providers, suppliers, and other business affiliates of the Company; (ii) policies, practices, operating information, intellectual property, and market approaches of the Company; and (iii) other information, techniques, or approaches used by the Company and not generally known in the industry, in any case, regardless of whether such information meets the legal definition of "trade secret." Except as required by law or by interrogatories, requests for information or documents, subpoena, civil investigative demand, or other legal process (a "Required Disclosure"), each Member shall, and shall cause its managers, officers, partners, employees, agents or contractors to, keep secret and confidential all

Confidential Information which is (i) not available to the general public or (ii) not generally known outside of the Company through no breach of any agreement of confidentiality. In the event of a Required Disclosure, the Member of which such request to disclose has been made shall promptly notify the Company in writing prior to making any such disclosure in order to facilitate the Company seeking a protective order or other appropriate remedy from the proper authority. Each Member agrees to cooperate with the Company in seeking such order or other remedy and, if the Company is not successful in precluding the requesting legal body from requiring the disclosure of the Confidential Information, the disclosing Member shall furnish only that portion of the Confidential Information which is legally required and will exercise all reasonable efforts to obtain reliable assurances that confidential treatment will be accorded the remaining Confidential Information; provided that, such Member shall be entitled to rely on the advice of counsel.

(b) The Members hereto agree that their rights under this Section 13.13 are special and unique and that any violation thereof would not be adequately compensated by money damages, and the Company shall have the right to specifically enforce (including injunctive relief where appropriate) the terms of this Section 13.13 as a remedy for any breach or anticipated breach thereof. Any such relief shall be in addition to, and not in lieu of, any appropriate relief in the way of monetary damages.

13.14 Entire Agreement. This Agreement and any Exhibits hereto constitute the sole and only agreement of the parties relating to the matters covered hereby. Any prior or contemporaneous agreements, promises, negotiations or representations not expressly set forth in this Agreement are of no force or effect. This Agreement supersedes any and all existing contracts and agreements by the parties with respect to the subject matter covered herein.

13.15 Jurisdiction and Venue. Each party hereto hereby submits to exclusive personal jurisdiction in the State of Colorado for the enforcement of the provisions of this Agreement and irrevocably waives any and all rights to object to such jurisdiction for the purposes of litigation to enforce or interpret any provision of this Agreement. Each party hereto hereby consents to the jurisdiction of any, and agrees that any action, suit or proceeding involving or initiated by any party to enforce or interpret this Agreement shall be brought exclusively in a state or federal court located in Denver, Colorado. Each party hereto hereby irrevocably waives any objection which it may have to the laying of the exclusive jurisdiction and venue of any such action, suit or proceeding in any such court and hereby further irrevocably waives any claim that any such action, suit or proceeding brought in such a court has been brought in an inconvenient forum. EACH MEMBER AND ASSIGNEE HEREBY WAIVES ANY RIGHT TO JURY TRIAL OF ANY CLAIM, CROSS-CLAIM OR COUNTERCLAIM RELATING TO OR ARISING OUT OF OR IN CONNECTION WITH THIS AGREEMENT.

IN WITNESS WHEREOF, the parties hereto have executed this Agreement to be effective as of the date first set forth above.

IGADI, LTD.,
a Colorado limited liability company

By its Managers:



Phuong Cronin



David Michel



Steven Michel




Joshua Pennington



David Salturelli


Members:




Phuong Cronin, an individual



David Michel, an individual



Steven Michel, an individual



Joshua Pennington, an individual



David Salturelli, an individual

EXHIBIT A

Member	Initial Capital Contribution	Units	Percentage Interest
Phuong Cronin 4891 Independence St., Unit 270 Wheat Ridge, CO 80033	\$347,000.00	200	20%
David Michel 4891 Independence St., Unit 270 Wheat Ridge, CO 80033	\$347,000.00	200	20%
Steven Michel 4891 Independence St., Unit 270 Wheat Ridge, CO 80033	\$347,000.00	200	20%
Joshua Pennington 4891 Independence St., Unit 270 Wheat Ridge, CO 80033	\$347,000.00	200	20%
David Salturelli 4891 Independence St., Unit 270 Wheat Ridge, CO 80033	\$442,000.00	200	20%
Total		1,000	100%

EXHIBIT B

IGADI, LTD.

**OPERATING AGREEMENT
POST-EFFECTIVE EXECUTION PAGE**

By his, her or its signature below, the undersigned hereby consents to and agrees to be bound by the terms and provisions of that certain Amended and Restated Operating Agreement dated effective as of January 1, 2022 among Igadi, Ltd., a Colorado limited liability company (the "Company"), and its Members (as amended from time to time, the "Operating Agreement"), a current copy of which has been obtained by the undersigned from the Company. The undersigned hereby acknowledges that the undersigned has received and reviewed the Operating Agreement. The undersigned hereby further acknowledges and agrees that the undersigned shall have all of the rights and obligations under the Operating Agreement as a "Member" as defined and used therein. The undersigned's execution of this Operating Agreement Post-Effective Execution Page constitutes the undersigned's execution of the Operating Agreement, and this Operating Agreement Post-Effective Execution Page shall constitute an executed counterpart to the Operating Agreement.

IN WITNESS WHEREOF, this Operating Agreement Post-Effective Execution Page has been executed by the undersigned as of the ___ day of _____, 20__.

Signature

Name (please print)

Address: _____

EXHIBIT C

SPECIAL ALLOCATIONS

(i) Notwithstanding any provision in this Agreement, if any Member unexpectedly receives any adjustments, allocations, or distributions described in Treas. Reg. Section 1.704-1(b)(2)(ii)(d)(4), (5) or (6), which reduce such Member's adjusted Capital Account balance to below zero, gross income will be specially allocated to such Member in an amount and manner sufficient to eliminate, to the extent required by the Treasury Regulations, the adjusted Deficit Capital Account of such Member as quickly as possible. For purposes of this paragraph i. and paragraph ii. below, a Member's adjusted Capital Account balance will be the same as the Member's Capital Account balance increased by the sum of (1) amount, if any, which the Member is unconditionally obligated to contribute to the Company and (2) the amount, if any, which the Member is deemed to be obligated to contribute to the Company under Treasury Regulations under Code Section 704(b).

(ii) "Minimum gain chargeback," and "partner nonrecourse debt minimum gain chargeback" provisions, as defined in Treasury Regulations under Code Section 704(b), will be incorporated herein by reference and given effect notwithstanding other provisions to the contrary in this Exhibit C. Deductions attributable to partner nonrecourse liabilities (within the meaning of Treas. Reg. Section 1.704-2(i)(2)) will be allocable to the Member or Members who bear the risk of loss with respect to the nonrecourse liability.

(iii) If any Member would be allocated an item of deduction or loss which would reduce its adjusted capital account balance to below zero, the Member will be allocated only the amount of such item which would reduce its adjusted capital account balance to zero, and any remaining amount of such item will be allocated to the other Members.

(iv) Any allocations made pursuant to paragraphs (i), (ii), and (iii) above will be taken into account in determining allocations among the Members in subsequent periods, so that the net amount reflected in each Member's Capital Account will be the same as if such paragraphs were not taken into account. The Managers will have the discretion to administer this Exhibit C. in any reasonable manner which eliminates, to the extent reasonably feasible, any character discrepancy between the amounts allocated under paragraphs (i), (ii), and (iii), and the corresponding amounts allocated under this paragraph (iv).

(v) The following allocations among the Members shall be made for federal and state income tax purposes in accordance with the principles of Code § 704(c):

(1) In accordance with Code § 704(c) and the Treasury Regulations promulgated thereunder, income, gain, loss, and deduction with respect to any property contributed to the capital of the Company shall, solely for tax purposes, be allocated among the Members so as to take account of any variation between the adjusted basis of such property to the Company for federal income tax purposes and its initial fair market value using the traditional method pursuant to the Treasury Regulations promulgated under Code § 704(c), or under such other method pursuant to such Treasury Regulations as the Managers may determine.

(2) Allocations pursuant to this Exhibit C are solely for purposes of federal, state, and local taxes and shall not affect, or in any way be taken into account in computing, any Member's Capital Account or share of Profits, Losses, other items, or distributions pursuant to any provision of this Agreement.

Plan for Securing Property

IgadI has identified a number of available locations for lease/purchase should it be awarded a license in this lottery. These locations are all west of Broadway Street within a Commercial Zoning District or planned development district. Further, these locations have been confirmed to meet all setback requirements.

IgadI has options to either sign a lease with a landlord, or utilize real estate development partners who will purchase a property and lease it back to IgadI for the purpose of operating a dispensary. IgadI is in active discussions with both landlords and developers who it does not wish to identify in this application, as it could allow other applicants to attempt to secure our identified locations.

Additionally, IgadI's senior management team has extensive experience in Grand County real estate. IgadI's Co-Owner, Phuong Cronin has experience as a real estate broker in Grand County while another owner, David Michel was an active real estate attorney, who has lived in Grand County since 2006 and previously served as Grand Lake's Zoning Enforcement Judge. Our team's familiarity with real estate issues in Grand Lake put them in an advantageous position to secure property for a dispensary if awarded a license.

Business Plan Executive Summary:

IgadI Ltd. (“IgadI”), which has operated a vertically integrated marijuana company in the state of Colorado and Grand County since 2015 and currently operates 22 licenses across the state, will be managed by IgadI’s current executive team who are described in detail throughout this application. IgadI is one of the few companies that can claim it started in Grand County prior to expanding across the state, and knows how to operate successfully in Grand County’s unique environment.

Grand Lake offers extensive opportunities for customer capture. IgadI’s market research indicates that a significant portion of shoppers at its Granby and Tabernash locations are residents of Grand Lake and the surrounding area. Opening a retail storefront in Grand Lake will give these customers quick and convenient access to the products they know, love, and have confidence in their consistency and quality.

IgadI will also target the more than 1 million tourists that visit Grand Lake each year. IgadI has extensive experience targeting these mountain tourist customers at its Central City, Idaho Springs, Granby, Lyons, Nederland, and Tabernash stores, and will leverage this to drive traffic to its store and the surrounding businesses.

IgadI will operate 1 retail location in Grand Lake, selling internally produced products alongside carefully curated 3rd party products. With a team of specialized experts in every area of its organization, IgadI has developed cutting edge processes that allow for the production of high-quality goods for an affordable price. IgadI is also able to leverage its scale to procure well-known 3rd party products for a reasonable cost, and passes its savings directly to its customers.

IgadI anticipates annual revenue to average between \$2M and \$3M, translating to an average of 108 to 161 transactions per day. IgadI will staff the store in kind with a total of 8 employees in Year 1, 10 employees in Year 2, and 12 employees in Year 3 as outlined in its staffing plan. IgadI’s unique products from its vertical integration, outstanding customer service, and consistency will yield excellent results in the proposed new store in Grand Lake.

Finally, IgadI has executed its operations at scale across Colorado for eight years without a single compliance violation on its record. IgadI will continue to promote strict adherence to the rules and regulations of the town and state in its operations in Grand County.

Operational Plan Executive Summary:

IgadI strives to provide best-in-class service while maintaining compliance with State and Local regulations. In this effort, IgadI extensively trains all of its retail employees on key topics of compliance through on-site and digital training to ensure smooth, compliant transactions. In its 8 years of operations IgadI has never committed a compliance infraction and has received thousands of 5 star reviews on Google, Yelp, and other digital search platforms.

Hours of Operation: Monday - Sunday, 8AM - 8PM, but IgadI reserves the right to reduce hours based on seasonality, efficiency, profitability, and staffing.

Opening and Closing Procedures:

- **Opening:** Staff will arrive 30 minutes prior to opening and ensure that the sales floor is stocked and clean, and that all systems including scales, point of sale stations, and entry control systems are operational. Staff will then unlock the doors for customer access at 8AM.
- **Closing:** Staff will lock all exterior doors at 10PM and begin closing procedures. These procedures will include cleaning, restocking, and turning off all lights and equipment that are not required for nighttime security.

Customer Check-In Procedures:

All employees of IgadI - Grand Lake will be trained on compliant customer check-in procedures. Customers will be greeted by a receptionist, who will ask the customer to see their identification. The receptionist will scan the ID with Flowhub's Nug scanner to ensure the customer is of proper age to purchase marijuana. If deemed necessary, the receptionist will further validate the legitimacy of the ID through physical tests of the ID and questions to the customer.

Point of Sale Infrastructure:

IgadI will utilize Flowhub's point of sale software. This software will track inventory, customer purchase limits, verify the buyer's age, and further ensure compliance with both State and Local code for any consumer sales. All sales are uploaded daily into METRC, the State's seed-to-sale inventory traffic as required by state law.

Inventory Control:

All marijuana inventory will be maintained in either secure storage or on the retail sales floor within the limited access area. The secure storage room will only be accessible by a pre-programmed fob which is only provided to shift leads and store managers. Inventory on the sales floor will be kept to the minimum amount necessary to serve forecasted traffic in an efficient manner.

IgadI will utilize Flowhub & METRC (Colorado's seed to sale marijuana tracking system) to ensure compliant receipt, storage, and sale of marijuana inventory. Shift leads, and store managers will be trained how to utilize these systems in order to receive, reconcile, and track inventory in adherence to State and Local regulations.

Compliance Plan Executive Summary:

To ensure staff compliance, all IgadI employees will receive compliance training as part of their onboarding process through the MED approved Responsible Vendor Training program. All employees will additionally receive proprietary training including videos and quizzes, and will be required to shadow existing employees during their onboarding period.

IgadI's retail marijuana store will only permit customers over the age of 21 to enter its restricted access area and purchase marijuana products. In order to gain access to the area where marijuana and marijuana infused products are sold, a potential customer will first have to present legal identification proving that they are over 21 years of age. This identification will be scanned using Flowhub's Nug scanner which utilizes proprietary algorithms to ensure authenticity and spot fake identifications. Staff will be routinely trained on how to spot fake IDs and the forms of identifications that are acceptable under Colorado law.

If an IgadI employee has reasonable cause to believe that a person is under 21 years of age and is exhibiting fraudulent proof of age in an attempt to enter the licensed marijuana business or to obtain and marijuana or marijuana infused product, the employee shall be authorized to confiscate such fraudulent identification. Within 72 hours, any fraudulent identification shall be turned over to the Grand County Sheriff's Department by IgadI.

IgadI will strictly prohibit the consumption of marijuana and marijuana products on its licensed premises. Signage stating, "No Product Beyond This Point" will be posted outside of all bathrooms and signage stating, "No Consumption of Marijuana Allowed" within the bathrooms and on the exterior of the retail facility. If a customer needs to use the restroom after they have completed a purchase, their purchase must remain at the sales counter while they do so. Accordingly, through proper training and oversight IgadI's experienced management team and staff will ensure an atmosphere of zero tolerance for onsite consumption.

In compliance with the state mandated METRC Inventory Tracking System ("METRC"), IgadI will track the marijuana and marijuana infused products in its possession from the moment it enters its retail marijuana store to the moment it is sold to a customer and leaves the store. IgadI is very familiar with this system, and has been utilizing it since 2015 without incident..

Any marijuana that is not sold within its expiration date or that becomes unsaleable for any reason will be disposed of in a compliant manner. The type and amount of marijuana or marijuana infused products will be entered into a waste log maintained physically at the store level and in METRC. These products will be rendered unusable by mixing the marijuana waste with other non-marijuana waste material so that the ratio of marijuana to non-marijuana waste is at a minimum 1:1. The waste will then be disposed of in a secured, locked dumpster before being removed by a certified waste disposal company. There is typically very little marijuana waste from IgadI's retail store operations.

Finally, IgadI's Central Management performs monthly audits of inventory, quarterly audits of all security systems, and bi-annual regulation compliance audits to ensure its operations comply with all state and local laws and regulations.

Security Plan Executive Summary:

IgadI is committed to ensuring the security of its facilities and the management and control of the regulated marijuana that it sells therein. IgadI will employ a number of security systems detailed below to ensure the safe and compliant sale of marijuana products.

Compliance with MED Security Regulations:

All limited access areas will be secured by metal doors and locked with commercial grade locks that can only be operated by pre-programmed fobs specifically programmed for each staff member to give them access to the limited access areas that they are specifically authorized to enter. These doors will be outfitted with state mandated signs indicating that they are limited access areas. The only limited access area that will be secured only by signage and ropes with clips is behind the sales counters on the sales floor, which is continually monitored by staff during IgadI's hours of operation. No one is permitted within these areas that are clearly demarcated except for IgadI's employees or authorized visitors in accordance with CCR 212-3 § 3-205(B).

IgadI will install a video surveillance and a camera recording system in the facility in conformance with the requirements set forth in CCR 212-3 § 3-225. The recording system will record on a DVR in digital format and will retain 60 days of footage at all times. The DVR will be located in IgadI's secure storage room and will only be accessible by IgadI's management team.

IgadI will take additional measures to ensure security including the installation of an alarm system that is monitored by Think Security for burglary, panic, cellular notifications, and other disturbances. Think Security will monitor IgadI's facility during business and non-business hours. This has proven to be an effective tactic for deterring potential break-ins as Think Security is able to use an intercom system to deter undesirable behavior.

Theft & Diversion Prevention:

To ensure security in its cash handling procedures, IgadI has partnered with secure banking institutions, coupled with extensive internal procedures for the safe, compliant, and responsible storage and transfer of cash. All cash will be stored in an onsite safe located in a safe room with walls that are reinforced with steel mesh that can only be accessed by authorized personnel via a pre-programmed fob.

Cash will be counted in the safe room on a daily basis. Managers will pull sales reports from the prior day and check for any discrepancies between the recorded and actual cash balance within

each till. If any discrepancies are identified, the manager will report the discrepancy and work with Igadi's central management team and billings department to identify the source of the discrepancy.

During daily operations, once a till approaches a balance of \$1000, the manager will facilitate a "drop" to remove excess cash from the sales floor for storage in the safe. During this "drop" period, each till is recounted and the amounts are validated within the point-of-sale system. This provides multiple windows to find and account for any discrepancies, while keeping excessive amounts of cash off of the sales floor.

Every week, Igadi will utilize a cash logistics service (Safe Harbor) to facilitate cash deposits to Igadi's financial institution. These deposits are counted and signed off by at least 2 management personnel before the cash leaves Igadi's possession. During these deposits, the cash logistics service will deliver any necessary coinage or needed denominations of cash. Once all outgoing money has been removed, all cash is recounted to provide a new baseline for the following week's cash handling.

In order to prevent the diversion of product, Igadi will utilize a robust point-of-sale system (Flowhub) alongside Colorado's inventory tracking system (METRC) to maintain close alignment of sales and inventory. Igadi actively maintains compliance and alignment between the point-of-sale, inventory tracking system, and physical inventory. Each day, the Store Manager will run reports and perform physical counts to identify discrepancies in inventory. If any discrepancies are found, they will be immediately reported to management, who will work with the Store Manager to identify the source of the discrepancy. Igadi's Central Management also performs monthly inventory audits to ensure that there is no shrinkage or unaccounted inventory,

Igadi will ensure that products are not accessed by unauthorized individuals by storing all products that are not on the sales floor in a secure storage room that can only be accessed via a pre-programmed fob. Access to this storage area will only be given to authorized personnel including Shift Leads, Store Managers, and Central Management.

Staffing Plan Executive Summary:

IgadI is committed to a diverse and inclusive culture. We strive to have our workforce represent the local community and its many different cultures, viewpoints, and backgrounds where everyone can be their authentic selves.

As an equal opportunity employer, we do not discriminate on the basis of race, national origin, gender identity, sexual orientation, protected veteran status, disability, age, or other legally protected status. IgadI believes in empowering its employees by creating opportunities for growth and promoting from within whenever possible.

IgadI plans for 8 new jobs at its proposed Grand Lake retail marijuana business in Year 1, 10 total jobs in Year 2, and 12 jobs in Year 3. The planned recruitment process will include advertising open roles in the SkyHi newspaper, on indeed.com, and other hiring platforms. In addition, should in-person career fairs become available in the town, IgadI will plan to utilize this platform to connect directly with the residents of Grand Lake.

IgadI will offer 401k, dental insurance, disability insurance, Flexible Spending Account, health insurance, Health Savings Account, life insurance, paid time off, and vision insurance benefits to its full-time employees regardless of their level within the organization. IgadI will additionally cover 100% of its salaried employees' health, dental, and vision insurance, and 50% of its full-time employees health, dental, and vision insurance. IgadI has been voted as the best place to work in Grand County (over 20 employees) since 2016.

Community Engagement Plan Executive Summary:

IgadI has a long history of community and neighborhood involvement. We have donated to, sponsored events for, and/or volunteered with the following organizations:

- Colorado Wildfires Recovery Fund
- Troublesome Fest to benefit victims of the East Troublesome Fire in Grand County.
- The Grand Lake Pond Hockey Classic (Grand Lake, CO)
- Louisville Rising Benefit Concert to benefit victims of the Marshall Fire in Louisville, CO.
- Member of the Winter Park Fraser Valley Chamber of Commerce
- Grand County Search & Rescue
- Grand County Pet Pals
- Kicking it to Cancer Kickball (Grand County, CO)
- The Grand Foundation
- Rocky Mountain Warriors (Veterans Group)
- Winter Park Chamber Brew Fest (Grand County, CO)
- Event sponsorship with Partners Credit Union benefiting cancer research.
- Lions Club Foundation
- Michael P. Ginsberg Charitable Endowment
- Mental Health Partners
- Bright Pink (Cancer Research Nonprofit)
- Parker's Platoon (Veterans Group)
- Loaves & Fishes Food Pantry
- American Civil Liberties Union (ACLU)
- Black Lives Matter 5280
- Wreaths Across America
- Frozen Dead Guy Days (Nederland, CO)
- Central City Jazz Festival (Central City, CO)
- Louisville Street Faire (Louisville, CO)
- Lafayette Chamber Brew Fest (Lafayette, CO)
- Rapid Grass Blue Grass Festival (Idaho Springs, CO)
- Conscious Alliance Food Drive (Lafayette, CO)
- Pirate Fest (Northglenn, CO)
- Canines on the Creek (Idaho Springs, CO)
- Moving to End Sexual Assault (MESA) (Lafayette, CO)

There are many other causes to which IgadI has donated money and time over the last eight years. IgadI has also given to private GoFundMe campaigns for individuals in our communities that have experienced medical emergencies, as well as to IgadI employees affected by the Marshall Fire. Further, over the years IgadI has offered to donate to a number of other charities that have been unwilling to accept our donations due to concerns of accepting money from a marijuana company and the effect that it may have in receiving other grants or federal funding, including the Grand County Historical Society, Grand County Rural Health Network, and Mountain Family Center.

Igadi is an active member of the North Metro Chamber of Commerce, Lafayette Chamber of Commerce, and Winter Park Fraser Valley Chamber of Commerce. Additionally, Igadi is an active board member of the Marijuana Industry Group where Mr. David Michel, Igadi's Co-Owner and General Counsel, provides advice and leadership to help shape the legislative landscape in Colorado for the marijuana industry.

Igadi will continue to support the Grand Lake and Grand County community. Further, Igadi has been recognized in Sky Hi News' Best of Grand as the best place to work (over 20 employees) and best dispensary since 2016, and best customer service and best locally made product every year since 2019.

Odor Mitigation Plan Executive Summary:

Igadi currently operates 22 licenses across the state of Colorado, which includes 10 retail locations of which 2 are in Grand County, Granby and Tabernash. Odor has not been a significant issue for Igadi, as its facilities employ sufficient odor mitigation systems that are maintained by qualified technicians to prevent off-site odors.

This retail location, which are typically not associated with detectable odors as is the case with a cultivation, will have a properly designed HVAC system with carbon filtration. Igadi will prevent odor from escaping the facility by working with a mechanical engineer and contractor to ensure the following requirements are met.

1. The HVAC system will be properly balanced at all times.
2. All intake fans will be equipped with UV and insect filters maintained in accordance with manufacturer recommendations.
3. All exhausts will be equipped with a carbon filtration unit that will be active at all times and will be serviced according to manufacturer recommendations, which will include regular cleanings and filter replacements as often as is required.

The on-site Store Manager will be tasked with ensuring that there is no detectable odor outside of the facility. In the event odor is detected by an employee, customer, or neighbor, staff will be trained to immediately report the issue to the facility's maintenance team so that the issue can be addressed without delay. Igadi is committed to taking any additional, necessary, and further steps if its proven systems fail to contain odor within the premises.

Any marijuana waste will be maintained in its own locked dumpster that will be emptied regularly by an authorized waste disposal company. The waste at Igadi's other retail locations generally smells consistent with garbage from non-marijuana retailers. While Igadi does not foresee any waste odor issues that are out of the ordinary, it will promptly address any issues that may arise once operations commence.

Experience Operating a Marijuana Business in Colorado

Igadi is very experienced in operating licensed marijuana businesses in Colorado. We currently hold 22 marijuana business licenses and have previously held 2 other licenses, which have been transferred prior to this application.

Igadi has been in continual operation since May 22, 2015 and has not had a single compliance violation with the state or any other local government to date.

Igadi has spent the last 8+ years fine-tuning its SOPs and operational efficiencies and is confident in its ability to open and operate new stores effectively and efficiently.

Licensee Details

Demographic Information

Name: David Paul Michel

License Information

Type: Owner- SE

Lic #: M148576

Status: Approved

Expiration Date: 12/14/2023

Linked License Information

Licensee: IGADI LTD

License Type: Retail Marijuana Store

License #: [402R-00115](#)

License Status: Approved

Licensee: IGADI LTD

License Type: Retail Marijuana Store

License #: [402R-00354](#)

License Status: Approved

Licensee: IGADI LTD

License Type: Retail Marijuana Store

License #: [402R-00461](#)

License Status: Approved

Licensee: IGADI LTD

License Type: Retail Marijuana Store

License #: [402R-00489](#)

License Status: Approved

Licensee: IGADI LTD

License Type: Retail Marijuana Store

License #: [402R-00529](#)

License Status: Approved

Licensee: IGADI LTD

License Type: Retail Marijuana Store

License #: [402R-00678](#)

License Status: Approved

Licensee: IGADI LTD

License Type: Retail Marijuana Store

License #: [402R-00772](#)

License Status: Approved

Licensee: IGADI LTD
License Type: Retail Marijuana Store
License #: 402R-00827
License Status: Approved
Licensee: IGADI LTD
License Type: Retail Marijuana Store
License #: 402R-00838
License Status: Approved
Licensee: IGADI LTD
License Type: Retail Marijuana Store
License #: 402R-00994
License Status: Approved
Licensee: IGADI LTD
License Type: Retail Marijuana Products Mfg
License #: 404R-00096
License Status: Approved
Licensee: IGADI LTD
License Type: Retail Marijuana Products Mfg
License #: 404R-00525
License Status: Approved
Licensee: IGADI LTD
License Type: Medical Marijuana Store
License #: 402-01251
License Status: Approved
Licensee: IGADI LTD
License Type: Medical Marijuana Store
License #: 402-00989
License Status: Approved
Licensee: IGADI LTD
License Type: Medical Marijuana Cultivation
License #: 403-01893
License Status: Approved
Licensee: IGADI LTD
License Type: Medical Marijuana Cultivation
License #: 403-01558
License Status: Approved
Licensee: IGADI LTD
License Type: Medical Marijuana Product Mfg
License #: 404-00420

License Status: Approved

Section 10, Item D.

Licensee Details

Demographic Information

Name: David Gray Salturelli

License Information

Type: Owner- SE

Lic #: M148575

Status: Approved

Expiration Date: 12/14/2023

Linked License Information

Licensee: IGADI LTD

License Type: Retail Marijuana Store

License #: [402R-00115](#)

License Status: Approved

Licensee: IGADI LTD

License Type: Retail Marijuana Store

License #: [402R-00354](#)

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License #: 403-01558
License Status: Approved
Licensee: IGADI LTD
License Type: Medical Marijuana Product Mfg
License #: 404-00420
License Status: Approved

Licensee Details

Demographic Information

Name: Steven Adam Michel

License Information

Type: Owner- SE

Lic #: M148578

Status: Approved

Expiration Date: 12/14/2023

Linked License Information

Licensee: IGADI LTD

License Type: Retail Marijuana Store

License #: [402R-00115](#)

License Status: Approved

Licensee: IGADI LTD

License Type: Retail Marijuana Store

License #: [402R-00354](#)

License Status: Approved

Licensee: IGADI LTD

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License Type: Retail Marijuana Store

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License Type: Medical Marijuana Product Mfg
License #: 404-00420

License Status: Approved

Section 10, Item D.



1026 Park Avenue
 PO Box 99
 Grand Lake, CO 80447
 970-627-3435
 www.townofgrandlake.com

Town of Grand Lake
 Marijuana
 Lottery Phase
 Application

Section 10, Item D.

Fees
<input checked="" type="checkbox"/> Lottery Phase Application Fee = \$4,000.00 Payable to Town of Grand Lake - Nonrefundable

Applicant Business Information	
Applicant is applying as (attach organizational documents):	
<input type="checkbox"/> Corporation <input checked="" type="checkbox"/> Limited Liability Company <input type="checkbox"/> Individual <input type="checkbox"/> Partnership <input type="checkbox"/> Association	Verts Grand Lake LLC

Applicant Contact Information		
<i>First Name</i>	<i>Middle Name</i>	<i>Last Name</i>
Daniel	Wood	Rowland
<i>Phone Number:</i>		<i>DOB</i>
<i>Applicant Email:</i>		
<i>Trade Name (DBA)</i>		
<i>CO Sales Tax #:</i> 95967108		<i>FEIN:</i> 93-3750775

Applicant Mailing Address			
<i>Street/PO Box:</i>	<i>City:</i>	<i>State:</i>	<i>Zip Code:</i>

Applicant Ownership and Management Structure

The Applicant must provide the name, date of birth, and address of ALL MANAGERS AND CONTROLLING BENEFICIAL OWNERS as defined by State Law. Check if additional information is provided on a separate sheet.

Name	Mailing Address, City, State, Zip	Date of Birth	Title	% Owned
Ashley Close			Member	
Alexander Close			Member	
Daniel Rowland			Member	
On-Site Business Manager:	Ashley Close	Cell Number:		

Bonus Weight

Pursuant to Town Marijuana Code Section 6-5-7(d)(3), bonus weight is not cumulative—the most bonus weight an applicant can receive is 15%

<p>For 15% bonus weight in the Lottery selection process, does Applicant have proof that no less than fifty-one percent (51%) of all Controlling Beneficial Owners associated with the Applicant have continuously resided full-time in the Town, or in Grand County, Colorado, for no less than one (1) full year immediately preceding the date of submission of Applicant’s Lottery Phase Application:</p> <p style="text-align: center;"><input type="checkbox"/> Yes <input checked="" type="checkbox"/> No</p>	<p>For 10% bonus weight in the Lottery selection process, does Applicant have proof that the Applicant is a Social Equity Licensee under the Colorado Marijuana Code:</p> <p style="text-align: center;"><input type="checkbox"/> Yes <input checked="" type="checkbox"/> No</p> <p style="text-align: center;"><i>If Yes, please attach proof</i></p>
--	--

For all of the questions below, answer regarding all individuals named above.

“Yes” answers may require additional or follow-up information:

Do any of the individuals listed above qualify as an “Affiliated Entity” with any other Applicant, as defined in Section 6-5-7(f) of the Town Marijuana Code?	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No
Do any of the individuals listed above qualify as having “substantially the same ownership” with any other Applicant, as defined in Section 6-5-7(f) of the Town Marijuana Code?	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No
Is the Applicant sharing or intending to share, any funding with any other Applicant?	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No
Is the applicant the true applicant not applying on behalf of another person or entity?	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No
Are any of the individuals listed above under 21 years of age?	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No
Have any of the individuals listed above discharged a sentence for a felony conviction within the past five (5) years?	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No
Have any of the individuals listed above, at any time, been convicted of a felony?	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No
Have any of the individuals listed above employed another person at a regulated marijuana business without confirming the employee’s eligibility to work in the business or whose criminal record history check revealed the employee was ineligible to work in the business?	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No
Have any of the individuals listed above made a false, misleading, or fraudulent statement on this application?	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No
Have any of the individuals listed above failed to file any tax return with a taxing agency, stay out of default on a government-issued student loan, pay child support, or remedy outstanding delinquent taxes?	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No
Have any of the individuals listed above held a regulated marijuana business license issued in another Town, Town and County or State that was revoked, or that was subject to any disciplinary action by any governing jurisdiction? <small>See attached Statement of Violations & Penalties</small>	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No
Are any of the individuals listed above a licensed physician making patient recommendations?	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No
Have any of the individuals listed above had their authority to be a primary caregiver revoked by the State Health Agency?	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No

Lottery Phase Application Process Acknowledgment

I have reviewed Article 5 of Chapter Six of the Grand Lake Municipal Code (the "Town Marijuana Code"), regarding Regulated Marijuana Businesses, and I understand the requirements and obligations for Applicants contained therein. I understand that submission of a complete Lottery Phase Application and associated fee is required for entry into the Lottery. I further understand that an incomplete or deficient Lottery Phase Application will be returned to the Applicant with an opportunity to correct any such deficiency(ies), and that failure to correct such deficiency(ies) within the allotted time frame will result in the denial of the Applicant for entry into the Lottery. The outcome of the Lottery will determine which Applicant continues to the Licensing Phase Application process. I understand that multiple Lottery Phase Applications by the same person or entity, or by multiple entities with substantially the same ownership, as defined in Section 6-5-7(f) of the Town Marijuana Code, are prohibited and will be rejected. I verify that I am applying only on behalf of the individual(s) or entity(ies) shown above and for no other person or entity, and I verify that I will not transfer this Application or a resulting Lottery spot, if any, to a third party at any time. By signing below, I acknowledge that I have read and understand the above statements, the Town Marijuana Code, and that the information contained in this Application is true and correct.

I have read and understood the above statement:

Daniel W. Rowland
Signature

3-Nov-2023
Date

Daniel W. Rowland
Printed Name

Member, Verts Grand Lake LLC
Relationship to Applicant (if applicant is an entity, specify role within entity)

State of Colorado
County of Denver

This instrument was acknowledged before me on 11-3-2023
By Daniel Rowland Date

Name(s) of person(s)

[Signature]
Signature of Notary Public

MARK ANDREW COPELAND
NOTARY PUBLIC - STATE OF COLORADO
Notary ID #20234003166
My Commission Expires 1/24/2027

Verts Grand Lake LLC
Attachment A:
Statement of Violations & Penalties

The following is a list of all violations and penalties for any infractions or offenses by the applicant or applicant's controlling beneficial owners, principal officers, managers, agents, or employees relating to any marijuana store in this or any other state.

1.
 - Date: 10/22/2015
 - Licensing Authority: Colorado Marijuana Enforcement Division (MED)
 - Business Name: Verts LLC
 - License Number: 402-00840
 - License Address: 1240 W. Elizabeth St. Unit C, Fort Collins, CO 80521
 - Event: Other Penalties and Sanctions
 - Description of Event: Wrong sized lettering for Limited Access Area sign, missing Restricted Access Area sign, update visitor log, some cannabis products were not tagged properly with the METRC ID, and there was a small amount of waste unaccounted for on a weighing table.
 - Resolution: The MED issued a verbal warning letter. Matter was resolved without punishment.

2.
 - Date: 09/26/2017
 - Licensing Authority: City of Fort Collins
 - Business Name: Verts LLC
 - License Number: 402R-00545
 - License Address: 1240 W. Elizabeth St. Unit C, Fort Collins, CO 80521
 - Event: Order to Show Cause
 - Description of Event: Licensee failed a Fort Collins Police Department underage sting. Licensee allowed a person under the age of 21 onto the licensed premises and sold retail cannabis to that person. In this instance, the underage person came in with a vertical ID. The Verts employee at the front desk was on the phone and was distracted and did not perform a thorough check of the ID and the person's date of birth. The underage person was allowed onto the sales floor and made a purchase. The employee was immediately fired, per company policy.
 - Resolution: City and Licensee agreed on a fine of \$10,130.86 and a one-year probationary period.

3.
 - Date: 09/18/2018
 - Licensing Authority: MED
 - Business Name: Verts LLC
 - License Number: 402-00840, 402R-00545
 - License Address: 1240 W. Elizabeth St. Unit C, Fort Collins, CO 80521
 - Event: Warning Letter
 - Description of Event: Licensee received a warning letter from the MED for inventory and METRC reporting issues.
 - Resolution: Licensee completed a METRC cleanup, reporting any and all missing sales, and sent waste and processing logs to the MED. The investigation was closed 9/20/2018.

Verts Grand Lake LLC
Attachment A:
Statement of Violations & Penalties

4.

- Date: 01/08/2019
- Licensing Authority: MED
- Business Name: Verts LLC
- License Number: 402R-00545
- License Address: 1240 W. Elizabeth St. Unit C, Fort Collins, CO 80521
- Event: Stipulation, Agreement, and Order
- Description of Event: Licensee failed a Fort Collins police underage sting. Licensee allowed someone under the age of 21 onto the licensed premises and sold retail cannabis to that person. Normally, MED and Fort Collins PD underage stings use the real ID of the underage person. However, this time, they allowed the underage volunteer to use an ID that was not their own, but showed the person to be 21. It was a legitimate ID, but it did not belong to the underage person. The person in the picture looked very much like the person presenting the ID. The Verts employee at the front desk allowed the underage person to go on the sales floor and another budtender helped the customer and sold them cannabis. Both employees were fired immediately.
- Resolution: Licensee paid a \$7,500 fine to the MED and completed a responsible vendor program. The licensee also purchased and implemented the Intellicheck age verification system. The system is utilized for every single customer check-in and licensee has not had another underage sale, nor any other type of violation, since.



COLORADO
Department of Revenue
Marijuana Enforcement Division

October 5, 2022

Ashley Louise Close

License Type: Owner- Individual
License # M144191
Expiration Date: 04/05/2024

Dear Ashley Louise Close,

The purpose of this correspondence is to inform you that on Wednesday, October 5, 2022, your requested Owner-Individual application was approved by the Marijuana Enforcement Division (MED).

Please take note of the expiration date of your license, which is listed above. All Owner-Individual licenses will need to be renewed yearly, prior to the expiration date.

Remember, pursuant to Rule 3-205, you “are required to hold and properly display a current Identification Badge issued by the Division at all times. Proper display of the Identification Badge shall consist of wearing the badge in a plainly visible manner, at or above the waist, and with the photo of the Licensee visible.” You must adhere to this requirement when inside the facility in which you hold ownership, regardless of whether or not it contains a photo.

If your badge does not have a photo, it is because the MED did not have a photo to use in the creation of your physical Owner’s badge. If your badge does not contain a photo, you must also possess a valid, government issued identification on your person.

Sincerely,

Dominque Mendiola
Senior Director



COLORADO
Department of Revenue
Specialized Business Group—Marijuana

Marijuana Finding of Suitability Application – Natural Person

Ashley Close

Marijuana Enforcement Division

Colorado Marijuana Enforcement Division

Natural Person – Finding of Suitability Application Instructions

APPLICATION CHECKLIST

1 Application Type

Owner: Any Natural Person who holds 10% interest or more of the Owner's interest of a RMB; Executive Officer, Manager or any other Person or affiliate that is otherwise in a position to execute Control of the RMB.

2 Application Fully Completed

Type or clearly print, in English, an answer to every question. If a question does not apply, indicate with an N/A. If the available space is insufficient, continue on a separate sheet and precede each answer with the appropriate title. Sign and date the application. **Attach a copy of your state issued or Government ID (i.e. passport) or driver's license.**

Notice: You are required by state law to provide your social security number. If you do not have a social security number, you must complete a sworn statement stating you do not have a social security number.

3 Application Contents

- Disclosure Requirements
- Main Application
- Authorization Forms
- Fingerprint Verification Form
- IdentoGo Instructions

The disclosure requirements and the main application must be completed in full by all applicants.

4 All Forms Signed and Attached

The following accompanying forms must be completed, signed and returned with the application:

- Affidavit- Restrictions on Public Benefits
- Affirmation and Consent
- Tax Check Authorization and Request to Release Information
- Investigation Authorization / Authorization to Release Information
- Applicant's Request to Release Information
- Affirmation of Eligibility for Social Equity License

5 Required Disclosures

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

6 Application and License Fees

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

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

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

- Submit complete application packet.
- Cash, checks (in the name of the applicant or applicants attorney's trust account), money orders and major credit cards (subject to service charge).
- Mail-in applications can only be paid by check or money order

7 Application Submittal

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

Marijuana Enforcement Division
1707 Cole Blvd., Suite 300
Lakewood, CO 80401
ATTN: Business Licensing

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

Suitability Required Disclosures

What type of application will this suitability be associated with?

- New Business (All required Findings of Suitability must first be obtained prior to any new business application submission).
- Change of Ownership with license # 402-00251
(Applications for Finding of Suitability associated with Change of Ownership applications must be submitted at the same time).
- Change of Ownership Exemption with license # _____
- Social Equity Program

Provide 180 days of account statements used to acquire ownership or proof of ownership, for 180 days, of other assets being used to secure ownership interest.

Provide a copy of a State issued or Government ID (state issued Driver's License, state issued ID or Government issued passport)

Fingerprint information (see instructions provided in the application)

Glossary of Terms:

RMB - Regulated Marijuana Business

CBO - Controlling Beneficial Owner

PBO - Passive Beneficial Owner

IFIH - Indirect Financial Interest Holder


QII - Qualified Institutional Investor

QPF - Qualified Private Fund

PTC - Publicly Traded Company

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

Affirmation of complete application

Signature 	Printed Name _____	Date 5/23/2022
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Marijuana License Number (Leave blank)

Natural Person Finding of Suitability Application Form

Applicant's Last Name (Please Print) Close		First Name (Please Print) Ashley		Full Middle Name Louise	
Maiden/Married Names Used (Full Name) (Attach separate sheet if necessary) NA			Nicknames, Aliases, Etc. Used (Full Name) (Attach separate sheet if necessary) NA		
Gender <input type="checkbox"/> M <input checked="" type="checkbox"/> F <input type="checkbox"/> X		Race <input type="checkbox"/> Asian <input type="checkbox"/> Mixed Race <input type="checkbox"/> Black <input type="checkbox"/> Native American <input checked="" type="checkbox"/> Caucasian <input type="checkbox"/> Native Hawaiian/Pacific Islander <input type="checkbox"/> Hispanic/Latino <input type="checkbox"/> Undisclosed/Unknown			
Date of Birth	Social Security Number	Government Issued ID & Jurisdiction			
Place of Birth: City			State/Prov	Country	
				Franklin	
Physical Appearance ⇄	Height	Weight	Hair Color		Eye Color
U.S. Citizen <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No		*If "No", List Country of Citizenship			
Physical Address					
Address (include unit or apartment number)		City	County	State/Prov	ZIP
Length of time at this Address:		Home Phone Number	Cell Phone Number	Email Address	
Year(s)	Month(s)				
4	5	NA			
Mailing Address (if different from Physical Address)					
Address (include unit or apartment number)		City	State/Prov	ZIP	
Same as above					
Why are you applying for this application? (Check one of the following):					
<input checked="" type="checkbox"/> CBO		<input type="checkbox"/> PBO		<input type="checkbox"/> Executive Officer	
		<input type="checkbox"/> Social Equity		<input type="checkbox"/> Manager	
				<input type="checkbox"/> Reasonable Cause	
Position Held					
CEO					
Name of Marijuana Business Associated with			Marijuana Business Phone Number	Marijuana Business Contact Name	
Golden Alternative Medicine				Ashley Close	
Marijuana Business Address			City	State	ZIP
511 Orchard St, Level 2			Golden	CO	80401
Applicant's Signature					Date
					5/23/2022

Applicant's Last Name (Please Print) Close	First Name (Please Print) Ashley	Full Middle Name Louise
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NOTICE: The Finding of Suitability Application Form is an official document. If you provide false information on your marijuana license application and/or do not disclose all information the application asks, your license is subject to denial, and you may be subject to criminal prosecution. The Marijuana Enforcement Division will conduct a complete background investigation and will check all sources of information.

1. Have you been convicted of a felony in the 3 years immediately preceding this application? (Unless charge was prior to age 18 and was adjudicated as a juvenile)	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No
2. Are you currently subject to a sentence for a felony conviction, including probation or parole? (Unless charge was prior to age 18 and was adjudicated as a juvenile)	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No
3. Are you currently subject to a deferred judgment? (Unless charge was prior to age 18 and was adjudicated as a juvenile)	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No
4. Have you failed to remedy an outstanding delinquency for any judgments, taxes, interest or penalties due to the Department of Revenue, relating to a Regulated Marijuana Business?	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No
5. Are you a licensed Physician making marijuana patient recommendations? (Medical Only)	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No
6. Have you had your authority to act as a primary caregiver revoked by the State Health Agency? (Medical Only)	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No
7. Are you under 21 years of age at the time of this application?	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No
8. Are you a sheriff, deputy sheriff, police officer, or prosecuting officer, or an officer or employee with the marijuana state licensing authority or a local licensing authority?	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No
9. Are you a Person that is a "Bad Actor" under rule 506(d) promulgated pursuant to the Federal "Securities Act of 1933", as amended and subject to 17CFR230.506(d)?	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No
10. Are you a person that is prohibited from engaging in transactions pursuant to this Article 10, due to its designation on the "Specially Designated Nationals and Block Person" list maintained by the Federal Office of Foreign Assets Control?	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No

I have thoroughly read and understand the questions above, and understand that I **cannot** hold a Colorado Marijuana license if I answered "Yes" to any of the questions above.

Applicant's Signature	Date 5/23/2022
-----------------------	----------------

Applicant's Last Name (Please Print) Close	First Name (Please Print) Ashley	Full Middle Name Louise
Licensing		
<p>1. Provide a list of any privileged or professional licenses, with license numbers, you have held within the last three (3) years prior to the submission of the Finding of Suitability Application. List those that were issued by the Colorado Department of Revenue or the Department of Regulatory Agencies, including all marijuana licenses.</p> <p style="text-align: center;">Attached</p>		<input type="checkbox"/> None
<p>2. Have you or any business entity owned by you, ever owned or applied for a Marijuana license in this or any other jurisdiction, foreign or domestic? If so, have you ever been subject to any of the following actions: (1) denial; (2) surrender; (3) order to show cause; (4) suspension; (5) revocation; (6) stipulation or settlement. If YES, provide details on a separate sheet, including jurisdiction, type of action, and date of action.</p>		<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No
<p>3. Do you now own, have ever owned, or otherwise derive(d) a benefit from assets held outside the United States (other than Canada)?</p>		<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No
<p>4. Has a complaint, judgment, consent decree, settlement or other disposition related to a violation of federal, state or similar foreign security law or regulation ever been filed or entered against you or a business entity? If YES, explain on a separate sheet of paper.</p>		<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No
<p>5. Have you or are you involved in a civil lawsuit in regards to a marijuana business? If YES, provide details on a separate piece of paper.</p>		<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No
<p>6. List any sanctions, penalties, assessments, or cease and desist orders imposed by any securities regulatory agency, other than the United States Securities and Exchange Commission. (Provide on a separate sheet.)</p>		

Applicant's Last Name (Please Print) Close	First Name Ashley	Full Middle Name Louise
Financial History		
If known, please submit all executed agreements or documents that grant you any right to any percent of ownership or percent of income from the Colorado Marijuana business with which you are associated.		
1. Amount to otherwise be invested or loaned in business:	\$	0.00
2. Percentage of ownership this amount represents:		10.00 %
3. Investment will be derived from the following sources: <p style="text-align: center;">Providing services for the company</p>		
4. Has your interest in this Marijuana establishment been assigned, pledged or hypothecated to any person, firm, or corporation, or has any agreement been entered into whereby your interest is to be assigned, pledged or sold, either in part or whole?		<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No
If YES, explain:		

Income		
Annual Income		
Salary (Source):	Verts, LLC	\$
Salary (Source):		\$
Interest (Source):		\$
Interest (Source):		\$
Dividends (Source):		\$
Dividends (Source):		\$
Other (Source):		\$
Other (Source):		\$
	Total	\$ J

Applicant's Initials AC



Affidavit - Restrictions On Public Benefits

I, Ashley Close, swear or affirm under penalty of perjury under the laws of the State of Colorado that **(check one)**:

- I am a United States citizen.
- I am not a United States citizen but I am a Permanent Resident of the United States.
- I am not a United States citizen but I am lawfully present in the United States pursuant to Federal law.
- I am a foreign national not physically present in the United States.

I understand that this sworn statement is required by law because I have applied for a public benefit. I understand that state law requires me to provide proof that I am lawfully present in the United States prior to receipt of this public benefit. I further acknowledge that making a false, fictitious, or fraudulent statement or representation in this sworn affidavit is punishable under the criminal laws of Colorado as perjury in the second degree under Colorado Revised Statute 18-8-503 and it shall constitute a separate criminal offense each time a public benefit is fraudulently received.

Signature

Date (M/DD/YYYY)


S/25/2022

Affirmation & Consent

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

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

Print Full Legal Name of Applicant clearly below:

Last Name of Applicant (Please Print) Close	First Name of Applicant Ashley	Middle Name of Applicant Louise
Signature 		Date 5/23/2022

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Tax Check Authorization and Request To Release Information


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

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

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

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

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

Applicant's Name (Individual/Business) Ashley Close		Social Security Number/Tax Identification Number	
Street Address	City	State	Zip Code
Home Telephone Number	Business/Work Telephone Number NA		
Legal Last Name (Please Print) Close	Legal First Name Ashley	Full Middle Name Louise	
Applicant's Signature 		Date 5/23/2022	

Investigation Authorization/Authorization to Release Information

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

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

Print Full Legal Name of Owner clearly below:

Applicant's Legal Business Name		Trade Name (DBA)	
Last Name of Owner (Please Print) Close	First Name of Owner Ashley	Middle Name of Owner Louise	
Signature			Date 5/23/2022

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Applicant's Request to Release Information

TO: (Leave this Blank)	FROM: (Applicant's Printed Name) Ashley Close
------------------------	---

1. I/We hereby authorize and request all persons to whom this request is presented having information relating to or concerning the above named applicant to furnish such information to a duly appointed agent of the Marijuana Enforcement Division whether or not such information would otherwise be protected from the disclosure by any constitutional, statutory or common law privilege.

2. I/We hereby authorize and request all persons to whom this request is presented having documents relating to or concerning the above named applicant to permit a duly appointed agent of the Marijuana Enforcement Division to review and copy any such documents, whether or not such documents would otherwise be protected from disclosure by any constitutional, statutory, or common law privilege.

3. If the person to whom this request is presented is a brokerage firm, bank, savings and loan, or other financial institution or an officer of the same, I/we hereby authorize and request that a duly appointed agent of the Marijuana Enforcement Division be permitted to review and obtain copies of any and all documents, records or correspondence pertaining to me/us, including but not limited to past loan information, notes co-signed by me/us, checking account records, savings deposit records, safe deposit box records, passbook records, and general ledger folio sheets.

4. I/We do hereby make, constitute, and appoint any duly appointed agent of the Colorado Marijuana Enforcement Division, my/our true and lawful attorney in fact for me/us in my/our name, place, stead, and on my/our behalf and for my/our use and benefit:
 - (a) To request, review, copy sign for, or otherwise act for investigative purposes with respect to documents and information in the possession of the person to whom this request is presented as I/we might;
 - (b) To name the person or entity to whom this request is presented and insert that person's name in the appropriate location in this request;
 - (c) To place the name of the agent presenting this request in the appropriate location on this request.

5. I grant to said attorney in fact full power and authority to do, take, and perform all and every act and thing whatsoever requisite, proper, or necessary to be done, in the exercise of any of the rights and powers herein granted, as fully to all intents and purposes as I/we might or could do if personally present, with full power of substitution or revocation, hereby ratifying and confirming all that said attorney in fact, or his substitute or substitutes, shall lawfully do or cause to be done by virtue of this power of attorney and the rights and powers herein granted.

6. This power of attorney ends twenty-four (24) months from the date of execution.

7. The above named applicant has filed with the Colorado Marijuana Licensing Authority an application for a Marijuana license. Said applicant understands that it is seeking the granting of a privilege and acknowledges that the burden of proving its qualifications for a favorable determination is at all times on the applicant.

8. I/We do, for myself/ourselves, my/our heirs, executors, administrators, successors, and assigns, hereby release, remise, and forever discharge the person to whom this request is presented, and his agents and employees from all and all manner or actions, causes of action, suits, debts, judgments, executions, claims, and demands whatsoever, known or unknown, in law or equity, which the applicant ever had, now has, may have, or claims to have against the person to whom this request is being presented or his agents or employees arising out of or by reason of complying with the request.

9. A reproduction of this request by photocopying or similar process shall be for all intents and purposes as valid as the original.

Applicant's Last Name (Please Print) Close	First Name Ashley	Full Middle Name Louise
Signature		Date 5/23/2022

Affirmation of Eligibility for Social Equity License

Applicant affirms that, prior to submission of this application, he/she was compliant with the following criteria established pursuant to section 44-10-308 (4), C.R.S., and that he/she qualifies to be a social equity licensee.

1. The applicant is a Colorado resident.
 - a. Applicant may demonstrate his/her residency by submitting
 - 1) A current valid Colorado driver's license or Colorado identification card with a current address
 - 2) A government issued photo identification and two (2) of the following documents:
 - Utility or telephone bill
 - Vehicle registration
 - Voter registration card
 - Statement from a major creditor
 - Bank statement
 - Recent County tax notice
 - Recent contract/mortgage statement
2. The applicant has not previously owned a Regulated Marijuana Business that was subject to revocation.
3. The applicant has demonstrated at least one of the following: (Check at least one of the applicable criteria)
 - The applicant resided for at least fifteen (15) years between the years 1980 and 2010 in a census tract designated by the Office of Economic Development and International Trade as an Opportunity Zone, or designated as a Disproportionate Impacted Area. (A Disproportionate Impacted Area is defined as a census tract in the top 15% of the following: (a) unemployment, (b) school dropout rates, (c) poverty, or (d) the number of individuals receiving public assistance.)
 - a. To demonstrate the Applicant residence during the relevant time period he/she may submit:
 - School records, rental or lease agreements, utility bills, mortgage statements, loan documents, bank records, tax returns, or other documents which proves the applicant's residency
 - An affirmation, under penalty of perjury, of the applicant's residence and provide the name(s) and contact information for at least one individual who can verify the applicant's place of residency during the time period at issue.
 - The applicant or applicant's parent, legal guardian, sibling, spouse, child, or minor in their guardianship was, (a) arrested for a marijuana offense, (b) convicted of a marijuana offense, or (c) was subject to civil asset forfeiture related to a marijuana investigation.
 - a. The applicant must provide affirmation of the familial relationship, and court or other documents demonstrating the family member's arrest or conviction or that the family member was subject to asset forfeiture related to a marijuana investigation
 - The applicant's household income in the year prior to application did not exceed fifty percent (50%) of the state median income as measured by the number of people who reside in the Applicant's household.
 - a. The applicant must provide his/her tax return for the prior year
4. The applicant, or collectively one or more social equity proposed licensees, will hold at least fifty-one percent (51%) ownership of the Regulated Marijuana Business.

I, _____, as the applicant for this New Regulated Marijuana Social Equity
Print

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

Signature	Date
-----------	------



Verification of Fingerprints (disregard this form if you are being printed with Identogo)

<p>This form is to be completed by representative taking the applicant's fingerprints. Please print or type all information other than signature.</p>	
<p>Reason for Fingerprinting:</p> <p> <input checked="" type="checkbox"/> Finding of Suitability <input type="checkbox"/> Transporter License <input type="checkbox"/> CBO Renewal <input type="checkbox"/> Operator License </p>	
<p>Name of Applicant <div style="text-align: center; margin-top: 5px;">Ashley Close</div> </p>	<p>MED License Number (If Applicable) <div style="text-align: center; margin-top: 5px;">m120687</div> </p>
<p>Name of Representative Taking Fingerprints</p>	<p>Title</p>
<p>Name of Agency Taking Fingerprints</p>	<p>ORI # (If applicable)</p>
<p>Applicant's Identity Verified By:</p> <p> <input checked="" type="checkbox"/> Driver's License <input type="checkbox"/> State ID Card <input type="checkbox"/> Passport </p>	
<p>Document #</p>	
<p>Signature of Representative Taking Fingerprints</p>	<p>Date</p>

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How to use the Identogo website

(<https://uenroll.identogo.com>)

1	Enter the MED Service Code Code is: 25YGBJ (do not do anything with the options at the bottom of the page or you will be misdirected)
2	Choose Schedule or Manage Appointment
3	Enter the required information on each of the following screens: <ul style="list-style-type: none">• Essential info• Citizenship• Personal questions• Personal info• Address• Documents (what form of ID do you wish to use to confirm Identity)• Location (here is where you will enter your zip code to find a location near you)• Choose the site you wish to go to by clicking on the expand arrow, then click the next button within that section• Date and Time (choose the date and time you want to set for your appointment.), then click submit.
4	At your fingerprint appointment You will be required to pay the \$49.50 fee.
5	Once your fingerprints are scanned, they will be sent directly to CBI If you are out-of-state, you will be REQUIRED to pay an additional fee (\$39.95) to submit the prints to Colorado.
6	Keep your receipt and send a copy of it with your application packet
7	Additional Information <ul style="list-style-type: none">• DO NOT call the site you wish to visit, as they may provide inaccurate information. Stick to the website.• If you have questions or problems, please contact michelle.bauman@state.co.us via email.



COLORADO
Department of Revenue
Marijuana Enforcement Division
1697 Cole Blvd., Suite 200
Lakewood, CO 80401

July 20, 2022

CORDILLERA ADVISORY MANAGEMENT INC

License Type: Owner- Entity
License # OE-000445

Dear CORDILLERA ADVISORY MANAGEMENT INC,

The purpose of this correspondence is to inform you that on July 20, 2022 you were found suitable to be a Controlling Beneficial Interest owner in any business licensed by the Marijuana Enforcement Division (MED). You are now eligible to apply for an ownership interest in a Colorado Regulated Marijuana Business. Per rule 2-235(A)(2) – “For a Controlling Beneficial Owner that is an Entity, the Entity’s request for finding of suitability must include all information necessary for the State Licensing Authority to determine whether its Executive Officers and any Person that indirectly owns ten percent or more of the Owner’s Interest in the Regulated Marijuana Business are suitable.”

To join the ownership of an existing Colorado Regulated Marijuana Business, the owner(s) of the existing establishment/business are required to submit this letter of suitability, a Regulated Marijuana Business License Change of Controlling Beneficial Owner application, supporting documents and applicable fees to the MED for approval. If you wish to open a new Colorado Regulated Marijuana Business, you must submit a complete Regulated Marijuana Business License application, accompanied with all applicable fees and all supporting documents, along with this letter of suitability. This Finding of Suitability is valid for 365 days from the date of approval pursuant to Rule 2-235(H).

Sincerely,

Dominique Mendiola
Senior Director



COLORADO
Department of Revenue
Marijuana Enforcement Division
1697 Cole Blvd., Suite 200
Lakewood, CO 80401

OWNER LICENSE OE-000445

October 5, 2022

CORDILLERA ADVISORY MANAGEMENT INC

Mailing Address:

Email Address:

Dear CORDILLERA ADVISORY MANAGEMENT INC

You are receiving this letter as part of the Division's Implementation of statutory requirements effective November 1, 2019, pursuant to House Bill 19-1090.

CORDILLERA ADVISORY MANAGEMENT INC
License Number: OE-000445
Expiration Date: 04/05/2024

This license is subject to annual renewal. Please keep this letter for your records.

Sincerely,

Dominique Mendiola
Senior Director

Owner Entity - Application Checklist

Colorado Marijuana Enforcement Division

1. Application Type

Owner Entity: Any Entity that holds 10% interest or more of the Owner's interest of an RMB; Executive or Qualified Institutional Investors holding 30% or more of the RMB, or any other Entity or affiliate that is otherwise in a position to execute control of the RMB. (Natural Person Suitability Application must be submitted with the Owner Entity application prior to any new business application submission.)

2. Application Fully Completed

One authorized representative of the entity will be responsible for completing this application. If a question does not apply, type N/A in the box.

3. Application Contents

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

The disclosure requirements and the main application must be completed in full by all applicants.

4. All Forms Signed and Attached

The following accompanying forms must be completed, signed by all CBO's and returned with the application.

- Affirmation & Consent
- Tax Check Authorization
- Investigation Authorization/Authorization to Release Information
- Applicant's Request to Release Information
- Affirmation of Reasonable Care

5. Required Disclosures

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

6. Application and License Fees

See fee schedule on website: [Here](#)

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

- Additional fees may be required by the local jurisdiction. You are responsible for identifying your Local Licensing Authority.

Disqualifying Questions

If you can answer Yes to any of the questions below, you are not currently eligible to obtain an Owner E license.

NOTICE: The Finding of Suitability Application Form is an official document. If you provide false information on this application and/or do not disclose all information the application asks, your application is subject to denial, and you may be subject to criminal prosecution. The Marijuana Enforcement Division will conduct a complete background investigation and will check all sources of information.

Has this Entity or any of its CBOs, (including Executive Officers and Managers), been convicted of a felony in the 3 years preceding this application?

Yes/No : No

Is this Entity or any of its CBOs, (including Executive Officers and Managers), subject to a sentence for a felony conviction, including probation, parole or a deferred judgment?

Yes/No : No

Has this entity or any of its Controlling Beneficial Owners (CBO's), (including Executive Officers or Managers), failed to remedy an outstanding delinquency for any judgments, taxes, interest or penalties due to the Department of Revenue, relating to a Medical or Retail Marijuana Business?

Yes/No : No

Is the applicant a publicly traded entity that does NOT constitute a Publicly Traded Company as defined in Article 10?

Yes/No : No

Does this entity have a CBO, Passive Beneficial Owner or Indirect Financial Interest Holder that is organized or formed under the laws of a country determined by the United States Secretary of State to have repeatedly provided support for acts of international terrorism or is included on the list of "Covered Countries" in Section 1502 of the Federal "Dodd-Frank Wall Street Reform and Consumer Protection Act", Pub.L.111-203?

Yes/No : No

Does this entity have a CBO that is an "Ineligible Issuer" pursuant to section 44-10-103(50)(d)(I)?

Yes/No : No

Does the entity a CBO, Passive Beneficial Owner or Non-objecting Passive Beneficial Owner or Indirect Financial Interest Holder that is a "Bad Actor" under rule 506(d) promulgated pursuant to the Federal Securities Act of 1933, as amended and subject to 17 CFR 230.506(d)?

Yes/No : No

Does this entity have a CBO, Passive Beneficial Owner or Indirect Financial Interest Holder that is prohibited from engaging in transactions pursuant to this Article 10, due to its designation on the "Specially Designated Nationals and Blocked Persons" list maintained by the Federal Office of Foreign Assets Control?

Yes/No : No

I have thoroughly read and understand the questions above, and understand that I cannot hold a Colorado Marijuana license if I answered "Yes" to any of the questions above. :

Entity Information

Legal Entity Name : Cordillera Advisory Management, Inc.

Trade Name (DBA) :

Is this a Private Entity?

Yes/No : Yes

Physical Address

Physical Address : 3

City : Denver

County :

State : Colorado

Zip :

Country : United States

FEIN : 82390808

Contact Name : Daniel Rowland

Contact Email Address :

Contact Phone Number

Mailing Address

Mailing Address :

City :

County :

State : Colorado -

Zip Code :

Country : United States

Business Phone Number

Questions

RMB associated with?

Name of licensed Marijuana business you plan to be associated with : Verts-Chill LLC

Does this entity currently possess a Colorado Marijuana license or is it associated with any other type of Colorado Marijuana license?

Yes/No : No

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

List here : None

Has this entity ever owned or applied for a Marijuana license in this or any other jurisdiction, foreign or domestic?

Yes/No : No

Does this entity own, or has it ever owned, or otherwise derive(d) a benefit from assets held outside the United States(other than Canada)?

Yes/No : No

Has a complaint, judgment, consent decree, settlement or other disposition related to a violation of federal, state or similar foreign security law or regulation ever been filed or entered against this business entity?

Yes/No : No

Ownership Structure

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

Owner Information:

Full Name : Daniel Rowland

SSN/FEIN :

DOB :

Title :

Phone Number :

License Number :

Address (Home) :

City :

State :

Zip :

Business Associated with (Parent business or sub-entity) : Cordillera Advisory Management, Inc.

Own. % Entity : 100

RMB Own. % : 10

Upload owner(s) affirmation/release packet(s) here. Include a state issued photo id. (.HEIC extensions NOT supported)

Affirmationreleasepacket:

Dan CO DL.pdf

Financial History

Is this entity currently or has this entity been involved in a civil lawsuit in regards to a marijuana business.

Yes/No : No

List any sanctions, penalties, assessments, or cease and desist orders imposed by any securities regulatory agency other than the United States Securities and Exchange Commission.

List here : None

Upload documents here. (.HEIC extensions NOT supported)

sancdocs:

Financial History

Amount paid for Owners Interest: \$: 0

Amount of Owners Interest held: % : 10

Investment will be derived from the following sources: : The ownership interest is being provided to Cordillera in exchange for professional services rendered. No monetary investment was made.

Has the entities interest in this Marijuana establishment been assigned, pledged or hypothecated to any person, firm, or corporation, or has any agreement been entered into whereby your interest is to be assigned, pledged or sold, either in part or whole?

Yes/No : No

Upload documents here. (.HEIC extensions NOT supported)

interestpledged:

Required Disclosures

Owner Entity Suitability Required Disclosures

What type of application will this suitability be associated with?

New Business (All required Findings of Suitability must first be obtained prior to any new business application submission.):

Change of Ownership with license #:

license #:

Other Required Documents

Provide 180 days of funding account statements used to acquire ownership; or proof of ownership of other assets being used to secure ownership percentage, for 180 days.:

Organizational Chart, including the identity and ownership percentage of all CBOs, if applicable.:

Upload required documents here. (.HEIC extensions NOT supported)
orgchart:

Cordillera org chart.pdf

Certificate of Good Standing from jurisdiction where Entity was formed. (Must be U.S. or country that authorizes the sale of marijuana).:

Upload required documents here. (.HEIC extensions NOT supported)
CertificateGoodStanding:

Cert of Good Standing_Cordillera.pdf

Organizational documents including identity and physical address of the registered agent in Colorado.

Organizational documents (Indicate which document is being provided)

Articles of Incorporation:

By-Laws:

Shareholder agreement:

Operating Agreement for LLC:

Partnership Agreement for partnership:

Upload required documents here. (.HEIC extensions NOT supported)
Organizationaldocuments:

Articles of Incorporation_Cordillera.pdf

Corporate Governance Documents

Required for Publicly Traded Companies :

Permitted, but not required for Privately held companies :

Upload required documents here. (.HEIC extensions NOT supported)

CorporateGovernanceDocuments:

Addendums:

Addendum A - PTC :

Addendum B - QPF :

Addendum C - QII :

Glossary of Terms:

RMB - Regulated Marijuana Business **CBO** - Controlling Beneficial Owner

PBO - Passive Beneficial Owner **IFIH** - Indirect Financial Interest Holder

QII - Qualified Institutional Investor **QPF** - Qualified Private Fund

PTC - Publicly Traded Company **OE** - Owner Entity

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

Affirmation & Consent

I, as a representative for,

Legal Name of Business : Cordillera Advisory Management, Inc.

state under Penalty for offering a false instrument for recording pursuant to 18-5-114 C.R.S. that the entire Suitability Application Form, statements, attachments, and supporting schedules are true and correct to the best of my knowledge and belief, and that this statement is executed with the knowledge that misrepresentation or failure to reveal information requested may be deemed sufficient cause for the refusal to issue a Marijuana license by the State Licensing Authority. Further, I am aware that later discovery of an omission or misrepresentation made in the above statements may be grounds for the denial of the Marijuana application. I am voluntarily submitting this application to the Colorado Marijuana Licensing Authority under oath with full knowledge that I may be charged with perjury or other crimes for intentional omissions and misrepresentations pursuant to Colorado law or for offering a false instrument for recording pursuant to 18-5-114 C.R.S. I further

consent to any background investigation necessary to determine my present and continuing suitability and this consent continues as long as I hold a Colorado Marijuana license.

Electronic Signature Agreement. By selecting the "I Accept" button, I acknowledge that I am signing this document electronically. I understand that my electronic signature has the same legal effect and enforceability as a written signature pursuant to Articles 71 and 71.3 of Title 24, C.R.S. I declare under penalty of perjury in the second degree that the statements made on this document are true and complete to the best of my knowledge.

I Accept :

Legal Last Name : Rowland

Legal First Name : Daniel

Legal Middle Name : Wood

Signature of Authorized Representative : Daniel W. Rowland

Date : 05/20/2022

Tax Check Authorization and Request To Release Information

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

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

Applicant/Licensee agrees to execute a new waiver for each subsequent licensing period in connection with the renewal of any license. Applicant/Licensee requests that the Colorado Department of Revenue and any other state or local taxing authority release the following information and supporting documentation to the Colorado Marijuana Enforcement Division, which is acting as Applicant's/Licensee's duly authorized representative under section 39-21-113(4), C.R.S., solely to obtain the information specified below.

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

Applicant/Licensee authorizes the Colorado Department of Revenue and any other state or local taxing authority to release any additional information or documentation necessary to answer the questions above. Applicant/Licensee authorizes the Colorado Marijuana Enforcement Division and its legal representatives to use the information and documentation obtained from the Colorado Department of Revenue and any other state

or local taxing authority in any administrative action regarding the application or license. To assist the Colorado Department of Revenue and any other state or local taxing authority locate the tax records, Applicant/Licensee is voluntarily providing the following information:

Name, address, phone number, and SSN (previously requested on this application).

I Accept :

Electronic Signature Agreement. By selecting the "I Accept" button, I acknowledge that I am signing this document electronically. I understand that my electronic signature has the same legal effect and enforceability as a written signature pursuant to Articles 71 and 71.3 of Title 24, C.R.S. I declare under penalty of perjury in the second degree that the statements made on this document are true and complete to the best of my knowledge.

I Accept :

Signature of Authorized Representative : Daniel W. Rowland

Date : 05/20/2022

Investigation Authorization/Authorization to Release Information

I hereby authorize the Colorado Marijuana Licensing Authority, the Marijuana Enforcement Division, (hereafter, the Investigatory Agencies) to conduct a complete investigation into the background of the entity applicant, using whatever legal means they deem appropriate. I hereby authorize any person or entity contacted by the Investigatory Agencies to provide any and all such information deemed necessary by the Investigatory Agencies. I hereby waive any rights of confidentiality in this regard. I understand that by signing this authorization, a financial record check may be performed. I authorize any financial institution to surrender to the Investigatory Agencies a complete and accurate record of such transactions that may have occurred with that institution, including, but not limited to, internal banking memoranda, past and present loan applications, financial statements and any other documents relating to my personal or business financial records in whatever form and wherever located. I authorize the release of this type of information, even though such information may be designated as "confidential" or "nonpublic" under the provisions of state or federal laws. I understand that by signing this authorization, a criminal history check will be performed. I authorize the Investigatory Agencies to obtain and use from any source, any information concerning me contained in any type of criminal history record files, wherever located. I understand that the criminal history record files contain records of arrests which may have resulted in a disposition other than a finding of guilt (i.e., dismissed charges, or charges that resulted in a not guilty finding). I understand that the information may contain listings of charges that resulted in suspended imposition of sentence, even though I successfully completed the conditions of said sentence and was discharged pursuant to law. I authorize the release of this type of information, even though this record may be designated as "confidential" or "nonpublic" under the provisions of state or federal laws. The Investigatory Agencies reserve the right to investigate all relevant information and facts to their satisfaction. I understand that the Investigatory Agencies may conduct a complete and comprehensive investigation to determine the accuracy of all information gathered. However, the State of Colorado, Investigatory Agencies, and other agents or employees of the State of Colorado shall not be held liable for the receipt, use, or dissemination of inaccurate information. I, on behalf of the applicant, its legal representatives, and assigns, hereby release, waive, discharge, and agree to hold harmless, and otherwise waive liability as to the State of Colorado, Investigatory Agencies, and other agents or employees of the State of Colorado for any damages resulting from any use, disclosure, or publication in any manner, other than a willfully unlawful disclosure or publication, of any material or information acquired during inquiries, investigations, or hearings, and hereby authorize the lawful use, disclosure, or publication of this material or information. Any information contained within my application, contained within any financial or personnel record, or otherwise found, obtained, or maintained by the Investigatory Agencies, shall be accessible to law enforcement agents of this or any other state, the government of the United States, or any foreign country.

I Accept :

Electronic Signature Agreement. By selecting the "I Accept" button, I acknowledge that I am signing this document electronically. I understand that my electronic signature has the same legal effect and enforceability

as a written signature pursuant to Articles 71 and 71.3 of Title 24, C.R.S. I declare under penalty of perjury second degree that the statements made on this document are true and complete to the best of my knowledge.

I Accept :

Signature of Authorized Representative : Daniel W. Rowland

Date : 05/20/2022

Applicant's Request to Release Information

1. I hereby authorize and request all persons to whom this request is presented having information relating to or concerning the above named applicant to furnish such information to a duly appointed agent of the Marijuana Enforcement Division whether or not such information would otherwise be protected from the disclosure by any constitutional, statutory or common law privilege.
2. I hereby authorize and request all persons to whom this request is presented having documents relating to or concerning the above named applicant to permit a duly appointed agent of the Marijuana Enforcement Division to review and copy any such documents, whether or not such documents would otherwise be protected from disclosure by any constitutional, statutory, or common law privilege.
3. I hereby authorize and request the Colorado Department of Revenue to permit a duly appointed agent of the Marijuana Enforcement Division to obtain, receive, review, copy, discuss and use any such tax information or documents relating to or concerning the above named applicant, whether or not such information or documents would otherwise be protected from disclosure by any constitutional, statutory, or common law privilege.
4. If the person to whom this request is presented is a brokerage firm, bank, savings and loan, or other financial institution or an officer of the same, I/we hereby authorize and request that a duly appointed agent of the Marijuana Enforcement Division be permitted to review and obtain copies of any and all documents, records or correspondence pertaining to me/us, including but not limited to past loan information, notes co-signed by me/us, checking account records, savings deposit records, safe deposit box records, passbook records, and general ledger folio sheets.
5. I do hereby make, constitute, and appoint any duly appointed agent of the Colorado Marijuana Enforcement Division, my true and lawful attorney in fact for me in my name, place, stead, and on my behalf and for my use and benefit: **(a)** To request, review, copy sign for, or otherwise act for investigative purposes with respect to documents and information in the possession of the person to whom this request is presented as I might; **(b)** To name the person or entity to whom this request is presented and insert that person's name in the appropriate location in this request; **(c)** To place the name of the agent presenting this request in the appropriate location on this request.
6. I grant to said attorney in fact full power and authority to do, take, and perform all and every act and thing whatsoever requisite, proper, or necessary to be done, in the exercise of any of the rights and powers herein granted, as fully to all intents and purposes as I might or could do if personally present, with full power of substitution or revocation, hereby ratifying and confirming all that said attorney in fact, or his substitute or substitutes, shall lawfully do or cause to be done by virtue of this power of attorney and the rights and powers herein granted.
7. This power of attorney ends twenty-four (24) months from the date of execution.
8. The above named applicant has filed with the Colorado Marijuana Licensing Authority an application for a Marijuana license. Said applicant understands that he/she is seeking the granting of a privilege and acknowledges that the burden of proving its qualifications for a favorable determination is at all times on the applicant. Said applicant accepts any risk of adverse public notice, embarrassment, criticism, or other action of financial loss, which may result from action with respect to this application.
9. I do, for myself, my heirs, executors, administrators, successors, and assigns, hereby release, remise, and forever discharge the person to whom this request is presented, and his agents and employees from all and all manner or actions, causes of action, suits, debts, judgments, executions, claims, and demands whatsoever, known or unknown, in law or equity, which the applicant ever had, now has, may have, or claims to have against the person to whom this request is being presented or his agents or employees arising out of or by reason of complying with the request.

10. I agree to indemnify and hold harmless the person to whom this request is presented and his agent, employees from and against all claims, damages, losses, and expenses, including reasonable attorneys' fees arising out of or by reason of complying with this request.

11. A reproduction of this request by photocopying or similar process shall be for all intents and purposes as valid as the original.

Electronic Signature Agreement. By selecting the "I Accept" button, I acknowledge that I am signing this document electronically. I understand that my electronic signature has the same legal effect and enforceability as a written signature pursuant to Articles 71 and 71.3 of Title 24, C.R.S. I declare under penalty of perjury in the second degree that the statements made on this document are true and complete to the best of my knowledge.

I Accept :

Signature of Authorized Representative : Daniel W. Rowland

Date : 05/20/2022

Reasonable Care (Choose one)

AFFIRMATION OF REASONABLE CARE – PRIVATE COMPANY

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

I,

Field 11-2 : Daniel W. Rowland

, as Controlling Beneficial Owner or Manager for

Field 11-5 : Cordillera Advisory Management, Inc.

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

Signature of Authorized Representative : Daniel W. Rowland

Date : 05/20/2022

AFFIRMATION OF REASONABLE CARE – PUBLICLY TRADED CORPORATION

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

to exercise reasonable care is a basis for denial, fine, suspension, revocation or other sanction by the State Licensing Authority.

I,

Field 11-13 :

, as Controlling Beneficial Owner or Manager for

Field 11-15 :

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

Signature of Authorized Representative :

Date :

Affirmation of Complete Application

I affirm that I have submitted a complete application and by selecting the "I Affirm and Accept" button, I acknowledge that I am signing this document electronically. I understand that my electronic signature has the same legal effect and enforceability as a written signature pursuant to Articles 71 and 71.3 of Title 24, C.R.S. I declare under penalty of perjury in the second degree that the statements made on this document are true and complete to the best of my knowledge.

I Affirm and Accept :

Signature of Authorized Representative : Daniel W. Rowland

Date : 05/20/2022



COLORADO
Department of Revenue
Marijuana Enforcement Division

October 5, 2022

Daniel Wood Rowland

License Type: Owner- Individual
License # M144029
Expiration Date: 04/05/2024

Dear Daniel Wood Rowland,

The purpose of this correspondence is to inform you that on Wednesday, October 5, 2022, your requested Owner-Individual application was approved by the Marijuana Enforcement Division (MED).

Please take note of the expiration date of your license, which is listed above. All Owner-Individual licenses will need to be renewed yearly, prior to the expiration date.

Remember, pursuant to Rule 3-205, you “are required to hold and properly display a current Identification Badge issued by the Division at all times. Proper display of the Identification Badge shall consist of wearing the badge in a plainly visible manner, at or above the waist, and with the photo of the Licensee visible.” You must adhere to this requirement when inside the facility in which you hold ownership, regardless of whether or not it contains a photo.

If your badge does not have a photo, it is because the MED did not have a photo to use in the creation of your physical Owner’s badge. If your badge does not contain a photo, you must also possess a valid, government issued identification on your person.

Sincerely,

A handwritten signature in black ink that reads "Dominique Mendiola".

Dominique Mendiola
Senior Director



COLORADO
Department of Revenue
Marijuana Enforcement Division

1697 Cole Blvd., Suite 200
Lakewood, CO 80401

July 20, 2022

Daniel Wood Rowland

License Type: Owner- Individual
License # M144029

Dear Daniel Wood Rowland,

The purpose of this correspondence is to inform you that on July 20, 2022 you were found suitable as an Owner-Individual to be a Controlling Beneficial Owner in any business licensed by the Marijuana Enforcement Division (MED). You are now eligible to apply for an ownership interest or a position of control in a Colorado marijuana establishment.

To join the ownership of an existing Colorado Regulated Marijuana Business, the owner(s) of the existing establishment/business are required to submit this letter of suitability, a Regulated Marijuana Business License Change of Controlling Beneficial Owner application, supporting documents and applicable fees to the MED for approval. If you wish to open and operate a new Colorado Regulated Marijuana Business, you must submit a complete Regulated Marijuana Business License application, accompanied with all applicable fees and all supporting documents, along with this letter of suitability. To assume a position as an Executive officer or Member of a Board of Directors that control a Regulated Marijuana Business, the business must submit a Changes Exempt from a Change of Owner Application Disclosure accompanied with all applicable fees and supporting documents.

Pursuant to Rule 2-235 - Suitability (H), this Finding of Suitability is valid for one year. If more than 365 days passes from the issuance of this Finding of Suitability and you have not applied to become a Controlling Beneficial Owner (including as an Executive Officer or Board of Director member) of a Regulated Marijuana Business pursuant to (1) an initial business license application or (2) a change of owner application, this initial Finding of Suitability will automatically expire without notification.

Sincerely,

Dominique Mendiola
Senior Director

Suitability Application Checklist

1. Application Type

Owner: Any Natural Person who holds 10% interest or more of the Owner's interest of a RMB; Executive Officer, Manager or any other Person or affiliate that is otherwise in a position to execute Control of the RMB.

2. Application Fully Completed

Attach a copy of your state or Government issued ID (i.e. passport) or driver's license. If a question does not apply, type N/A in the box.

Notice: You are required by state law to provide your social security number. If you do not have a social security number, you must complete a sworn statement stating you do not have a social security number.

Application Contents

- Disclosure Requirements
- Main Application
- Authorization Forms

All Forms Signed and Attached

The following accompanying forms must be completed, signed and returned with the application:

- Affidavit- Restrictions on Public Benefits
- Affirmation and Consent
- Tax Check Authorization and Request to Release Information
- Investigation Authorization / Authorization to Release Information
- Applicant's Request to Release Information
- Affirmation of Eligibility for Social Equity License

Required Disclosures

See Required Disclosures (section 7)

Upon request by the Division, an applicant must provide additional information or documents required to process and investigate the application, within seven (7) days of the request.

Please note: This deadline may be extended for a period of time commensurate with the scope of the request.

Document Upload Restrictions

- Documents must have the following file type extensions: .doc .docx .pdf .gif .jpg .png
- Documents without a file type extension cannot be accepted (.HEIC file extension NOT supported).
- Files larger than 3MB **cannot** be accepted.
- If you are providing photos from your smartphone, we advise a lower resolution / medium size photo.
- File names **cannot** be longer than 100 characters (including extension).
- File names **cannot** contain special (non-alphanumeric) characters such as @ ! # % ~

Disqualifier Questions

If you can answer Yes to any of the questions below, you are not currently eligible to obtain an an Owner's license.

NOTICE: The Finding of Suitability Application Form is an official document. If you provide false information on your marijuana license application and/or do not disclose all information the application asks, your license is subject to denial, and you may be subject to criminal prosecution. The Marijuana Enforcement Division will conduct a complete background investigation and will check all sources of information.

Have you been convicted of a felony in the 3 years immediately preceding this application?
(Unless charge was prior to age 18 and was adjudicated as a juvenile)

Yes/No : No

Are you currently subject to a sentence for a felony conviction, including probation or parole?
(Unless charge was prior to age 18 and was adjudicated as a juvenile)

Yes/No : No

Are you currently subject to a deferred judgment?
(Unless charge was prior to age 18 and was adjudicated as a juvenile)

Yes/No : No

Have you failed to remedy an outstanding delinquency for any judgments, taxes, interest or penalties due to the Department of Revenue, relating to a Regulated Marijuana Business?

Yes/No : No

Are you a licensed Physician making marijuana patient recommendations? (Medical Only)

Yes/No : No

Have you had your authority to act as a primary caregiver revoked by the State Health Agency?
(Medical Only)

Yes/No : No

Are you under 21 years of age at the time of this application?

Yes/No : No

Are you a sheriff, deputy sheriff, police officer, or prosecuting officer, or an officer or employee with the marijuana state licensing authority or a local licensing authority?

Yes/No : No

Are you a Person that is a "Bad Actor" under rule 506(d) promulgated pursuant to the Federal "Securities Act of 1933", as amended and subject to 17CFR230.506(d)?

Yes/No : No

Are you a person that is prohibited from engaging in transactions pursuant to this Article 10, due to its designation on the "Specially Designated Nationals and Block Person" list maintained by the Federal Office of Foreign Assets Control?

Yes/No : No

I have thoroughly read and understand the questions above, and understand that I cannot hold a Colorado Marijuana license if I answered "Yes" to any of the questions above. :

Person Information

Natural Person Finding of Suitability Application Form

Last Name : Rowland

First Name : Daniel

Full Middle Name : Wood

Maiden/Married Names Used :

Nicknames, Aliases, Etc. Used :

Gender :

Race

Date of Birth :

Social Security Number :

Government Issued ID Number & Jurisdiction :

Place of Birth: City :

Place of Birth - State : Illinois -

Country :

U.S. Citizen : Yes

Physical Appearance

Height :

Weight :

Hair Color :

Eye Color :

Physical Address

Country : United States

Street Address :

City :

County :

State .

Zip Code :

Length at this address : Seven years

Phone Number

Cell Phone Number :

Email Address :

Personal Mailing Address

Mailing Address (if outside of the US, put entire address here) :

City :

State :

Zip :

County

Country : United States

Why are you applying?

Please choose an option below.

Choose one : CBO

Position Held : Owner

Name of Marijuana Business Associated with : Verts-Chill LLC

Marijuana Business Contact Name : Ashley Close

Marijuana Business Phone Number :

Marijuana Business Physical Address :

City :

State :

Zip :

Additional Questions

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

List here : None

Have you or any business entity owned by you, ever owned or applied for a Marijuana license in this or any other jurisdiction, foreign or domestic? If so, have you ever been subject to any of the following actions: (1) denial; (2) surrender; (3) order to show cause; (4) suspension; (5) revocation; (6) stipulation or settlement.

Yes/No : No

Do you now own, have ever owned, or otherwise derive(d) a benefit from assets held outside the United States (other than Canada)?

Yes/No : No

Has a complaint, judgment, consent decree, settlement or other disposition related to a violation of federal, state or similar foreign security law or regulation ever been filed or entered against you or a business entity?

Yes/No : No

Have you or are you involved in a civil lawsuit in regards to a marijuana business?

Yes/No : No

List any sanctions, penalties, assessments, or cease and desist orders imposed by any securities regulatory agency, other than the United States Securities and Exchange Commission.

List here : None

Upload supporting documents here. (.HEIC extensions NOT supported)

Supporting documentation:

Financial History

If known, please submit all executed agreements or documents that grant you any right to any percent of ownership or percent of income from the Colorado Marijuana business with which you are associated.

Amount to otherwise be invested or loaned in business:

Amount invested : 0

Percentage of ownership this amount represents:

Percentage : 10

Investment will be derived from the following sources:

Investment source(s) : I, Daniel Rowland, am 100 percent owner of Cordillera Advisory Management, Inc. The 10 percent ownership interest in Verts-Chill LLC being provided to Cordillera Advisory Management, Inc. is in exchange for professional services rendered. No monetary investment was made.

Has your interest in this Marijuana establishment been assigned, pledged or hypothecated to any person, firm, or corporation, or has any agreement been entered into whereby your interest is to be assigned, pledged or sold, either in part or whole?

Yes/No : No

Income

Annual Income (add source and amount below). If using salary as your source, please include 6 mos of pay stub from your employer(s).

List all sources of income and the amount.

Annual Income and Source:

Income Source : Other (Source):

Amount of income from this source. (If using salary, please list employer(s) name as well.) : I, Daniel Rowland, am 100 percent owner of Cordillera Advisory Management, Inc. The 10 percent ownership interest in Verts-Chill LLC being provided to Cordillera Advisory Management, Inc. is in exchange for professional services rendered. No monetary investment was made.

Required Disclosures

What type of application will this suitability be associated with? (Select one of the 3 options).

New Business (All required Findings of Suitability must first be obtained prior to any new business application submission). :

Change of Ownership with license number(s)... :

Change of Ownership Exemption with license number(s)... :

Provide 180 days of account statements used to acquire ownership or proof of ownership, for 180 days, of other assets being used to secure ownership interest. :

Upload required documents here. (.HEIC extensions NOT supported)

AccountStatements:

Bank statement_Cordillera.pdf

Provide a copy of a State issued or Government ID (state issued Driver's License (Real ID compliant), state issued ID or Government issued passport) :

Upload a Government issued photo id here (.HEIC file extension NOT supported).

PhotoId:

Dan CO DL.pdf

Glossary of Terms:

RMB - Regulated Marijuana Business **CBO** - Controlling Beneficial Owner

PBO - Passive Beneficial Owner **IFIH** - Indirect Financial Interest Holder

QII - Qualified Institutional Investor **QPF** - Qualified Private Fund

PTC - Publicly Traded Company

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

Fingerprinting Information

Are you in-state or out-of-state?

FingerprintsQuestion : In-State

In-State Options for Fingerprints : Colorado Fingerprinting

The following are instructions for getting your fingerprints processed using **Colorado Fingerprinting**.

1. **Online Registration** - you will register through the online Enrollment Center at <https://abi.complio.com/>.
2. **Convenient Location and Time** - During the enrollment process you will choose a convenient location, day and time for your appointment.
3. **Choose "CBI CABS Fingerprinting" and enter the CBI Unique Code** - Provide the following reason for fingerprinting and CBI Unique Code for MED: **9500MAJI**
4. **Payment** - Select your method of payment.
5. **Confirmation** - You receive your appointment confirmation with your number which is delivered by both text and email.
6. **Fingerprinting** - Go to the fingerprint location at your scheduled time. Provide the Order Number to the enrollment agent along with your government issued photo ID (drivers license, state issued ID, US passport or foreign-issued passport). Your livescan fingerprints, digital photo and digital signature are then captured and submitted to CBI.
7. **Results** - The results are returned automatically to the MED.
8. **Status** - You can login to the Enrollment Center at any time to see the status of your fingerprint submission to CBI.

Contact Colorado Fingerprinting toll free 833-224-2227 or email info@coloradofingerprinting.com, if you have any questions or need assistance.

Affidavit - Restrictions On Public Benefits

I, swear or affirm under penalty of perjury under the laws of the State of Colorado that:

Choose one : I am a United States citizen.

I understand that this sworn statement is required by law because I have applied for a public benefit. I understand that state law requires me to provide proof that I am lawfully present in the United States prior to receipt of this public benefit. I further acknowledge that making a false, fictitious, or fraudulent statement or representation in this sworn affidavit is punishable under the criminal laws of Colorado as perjury in the second degree under

Colorado Revised Statute 18-8-503 and it shall constitute a separate criminal offense each time a public b
is fraudulently received.

I Accept :

Electronic Signature Agreement. By selecting the "I Accept" button, I acknowledge that I am signing this document electronically. I understand that my electronic signature has the same legal effect and enforceability as a written signature pursuant to Articles 71 and 71.3 of Title 24, C.R.S. I declare under penalty of perjury in the second degree that the statements made on this document are true and complete to the best of my knowledge.

I Accept :

Applicant's Signature : Daniel W. Rowland

Date : 05/20/2022

Affirmation & Consent

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

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

I Accept :

Electronic Signature Agreement. By selecting the "I Accept" button, I acknowledge that I am signing this document electronically. I understand that my electronic signature has the same legal effect and enforceability as a written signature pursuant to Articles 71 and 71.3 of Title 24, C.R.S. I declare under penalty of perjury in the second degree that the statements made on this document are true and complete to the best of my knowledge.

I Accept :

Applicant's Signature : Daniel W. Rowland

Date : 05/20/2022

Tax Check Authorization and Request To Release Information

I am signing this waiver on behalf of the "Applicant/Licensee" to permit the Colorado Department of Revenue and any other state or local taxing authority to release information and documents that would otherwise be confidential. If I am signing this waiver for someone other than myself, I certify that I have the authority to execute this waiver on behalf of the Applicant/Licensee. The information and documentation obtained pursuant to this waiver will be used in connection with the Applicant/Licensee's application or licensure with the Colorado Marijuana Enforcement Division, which requires proof of compliance with certain tax obligations pursuant to

several statutory provisions, including sections 44-10-202(1) and 44-10-307(1)(e), C.R.S. This waiver is made pursuant to section 39-21-113(4), C.R.S.; and any other similar law or ordinance concerning the confidentiality of tax returns and return information.

This waiver shall be valid while the application is pending and, if the application is approved, (1) for one year from the date of licensure or; (2) if applying for an employee license under the medical marijuana code, for two years from the date of licensure. If the license is administratively continued pursuant to section 44-10-314, C.R.S., this waiver shall be valid until the state licensing authority takes final action to approve or deny the renewal of the license. Applicant/Licensee agrees to execute a new waiver for each subsequent licensing period in connection with the renewal of any license. Applicant/Licensee requests that the Colorado Department of Revenue and any other state or local taxing authority release the following information and supporting documentation to the Colorado Marijuana Enforcement Division, which is acting as Applicant's/Licensee's duly authorized representative under section 39-21-113(4), C.R.S., solely to obtain the information specified below.

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

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

Name, address, phone number, and SSN (previously requested on this application).

I Accept :

Electronic Signature Agreement. By selecting the "I Accept" button, I acknowledge that I am signing this document electronically. I understand that my electronic signature has the same legal effect and enforceability as a written signature pursuant to Articles 71 and 71.3 of Title 24, C.R.S. I declare under penalty of perjury in the second degree that the statements made on this document are true and complete to the best of my knowledge.

I Accept :

Legal Last Name : Rowland

Legal First Name : Daniel

Legal Middle Name : Wood

Signature : Daniel W. Rowland

Date : 05/20/2022

Investigation Authorization/Authorization to Release Information

I hereby authorize the Colorado Marijuana Licensing Authority, the Marijuana Enforcement Division, (hereinafter referred to as the Investigative Agencies) to conduct a complete investigation into my personal background, using whatever legal means they deem appropriate. I hereby authorize any person or entity contacted by the Investigative Agencies to provide any and all such information deemed necessary by the Investigative Agencies. I hereby waive any rights of confidentiality in this regard. I understand that by signing this authorization, a financial record check may be performed. I authorize any financial institution to surrender to the Investigative Agencies a complete and accurate record of such transactions that may have occurred with that institution, including, but not limited to, internal banking memoranda, past and present loan applications, financial statements and any other documents relating to my personal or business financial records in whatever form and wherever located. I understand that by signing this authorization, a financial record check of my tax filing and tax obligation status may be performed. I authorize the Colorado Department of Revenue to surrender to the Investigative Agencies a complete and accurate record of any and all tax information or records relating to me. I authorize the Investigative Agencies to obtain, receive, review, copy, discuss and use any such tax information or documents relating to me. I authorize the release of this type of information, even though such information may be designated as "confidential" or "nonpublic" under the provisions of state or federal laws. I understand that by signing this authorization, a criminal history check will be performed. I authorize the Investigative Agencies to obtain and use from any source, any information concerning me contained in any type of criminal history record files, wherever located. I understand that the criminal history record files contain records of arrests which may have resulted in a disposition other than a finding of guilt (i.e., dismissed charges, or charges that resulted in a not guilty finding). I understand that the information may contain listings of charges that resulted in suspended imposition of sentence, even though I successfully completed the conditions of said sentence and was discharged pursuant to law. I authorize the release of this type of information, even though this record may be designated as "confidential" or "nonpublic" under the provisions of state or federal laws. The Investigative Agencies reserve the right to investigate all relevant information and facts to their satisfaction. I understand that the Investigative Agencies may conduct a complete and comprehensive investigation to determine the accuracy of all information gathered. However, the State of Colorado, Investigative Agencies, and other agents or employees of the State of Colorado shall not be held liable for the receipt, use, or dissemination of inaccurate information. I, on behalf of the applicant, its legal representatives, and assigns, hereby release, waive, discharge, and agree to hold harmless, and otherwise waive liability as to the State of Colorado, Investigative Agencies, and other agents or employees of the State of Colorado for any damages resulting from any use, disclosure, or publication in any manner, other than a willfully unlawful disclosure or publication, of any material or information acquired during inquiries, investigations, or hearings, and hereby authorize the lawful use, disclosure, or publication of this material or information. Any information contained within my application, contained within any financial or personnel record, or otherwise found, obtained, or maintained by the Investigative Agencies, shall be accessible to law enforcement agents of this or any other state, the government of the United States, or any foreign country.

I Accept :

Electronic Signature Agreement. By selecting the "I Accept" button, I acknowledge that I am signing this document electronically. I understand that my electronic signature has the same legal effect and enforceability as a written signature pursuant to Articles 71 and 71.3 of Title 24, C.R.S. I declare under penalty of perjury in the second degree that the statements made on this document are true and complete to the best of my knowledge.

I Accept :

Applicant's Signature : Daniel W. Rowland

Date : 05/20/2022

Applicant's Request to Release Information

1. I hereby authorize and request all persons to whom this request is presented having information relating to or concerning the above named applicant to furnish such information to a duly appointed agent of the Marijuana Enforcement Division whether or not such information would otherwise be protected from the disclosure by any constitutional, statutory or common law privilege.
2. I hereby authorize and request all persons to whom this request is presented having documents relating to or concerning the above named applicant to permit a duly appointed agent of the Marijuana Enforcement Division

to review and copy any such documents, whether or not such documents would otherwise be protected from disclosure by any constitutional, statutory, or common law privilege.

3. I hereby authorize and request the Colorado Department of Revenue to permit a duly appointed agent of the Marijuana Enforcement Division to obtain, receive, review, copy, discuss and use any such tax information or documents relating to or concerning the above named applicant, whether or not such information or documents would otherwise be protected from disclosure by any constitutional, statutory, or common law privilege.

4. If the person to whom this request is presented is a brokerage firm, bank, savings and loan, or other financial institution or an officer of the same, I/we hereby authorize and request that a duly appointed agent of the Marijuana Enforcement Division be permitted to review and obtain copies of any and all documents, records or correspondence pertaining to me/us, including but not limited to past loan information, notes co-signed by me/us, checking account records, savings deposit records, safe deposit box records, passbook records, and general ledger folio sheets.

5. I do hereby make, constitute, and appoint any duly appointed agent of the Colorado Marijuana Enforcement Division, my true and lawful attorney in fact for me in my name, place, stead, and on my behalf and for my use and benefit:

6. (a) To request, review, copy sign for, or otherwise act for investigative purposes with respect to documents and information in the possession of the person to whom this request is presented as I might;

7. (b) To name the person or entity to whom this request is presented and insert that person's name in the appropriate location in this request:

8. (c) To place the name of the agent presenting this request in the appropriate location on this request.

9. I grant to said attorney in fact full power and authority to do, take, and perform all and every act and thing whatsoever requisite, proper, or necessary to be done, in the exercise of any of the rights and powers herein granted, as fully to all intents and purposes as I might or could do if personally present, with full power of substitution or revocation, hereby ratifying and confirming all that said attorney in fact, or his substitute or substitutes, shall lawfully do or cause to be done by virtue of this power of attorney and the rights and powers herein granted.

10. This power of attorney ends twenty-four (24) months from the date of execution.

11. The above named applicant has filed with the Colorado Marijuana Licensing Authority an application for a Marijuana license. Said applicant understands that he/she is seeking the granting of a privilege and acknowledges that the burden of proving its qualifications for a favorable determination is at all times on the applicant. Said applicant accepts any risk of adverse public notice, embarrassment, criticism, or other action of financial loss, which may result from action with respect to this application.

12. I do, for myself, my heirs, executors, administrators, successors, and assigns, hereby release, remise, and forever discharge the person to whom this request is presented, and his agents and employees from all and all manner or actions, causes of action, suits, debts, judgments, executions, claims, and demands whatsoever, known or unknown, in law or equity, which the applicant ever had, now has, may have, or claims to have against the person to whom this request is being presented or his agents or employees arising out of or by reason of complying with the request.

13. I agree to indemnify and hold harmless the person to whom this request is presented and his agents and employees from and against all claims, damages, losses, and expenses, including reasonable attorneys' fees arising out of or by reason of complying with this request.

14. A reproduction of this request by photocopying or similar process shall be for all intents and purposes as valid as the original.

Electronic Signature Agreement. By selecting the "I Accept" button, I acknowledge that I am signing this document electronically. I understand that my electronic signature has the same legal effect and enforceability as a written signature pursuant to Articles 71 and 71.3 of Title 24, C.R.S. I declare under penalty of perjury in the second degree that the statements made on this document are true and complete to the best of my knowledge.

I Accept :

Applicant's Signature : Daniel W. Rowland

Date : 05/20/2022

Affirmation of Complete Application

I affirm that I have submitted a complete application and by selecting the "I Affirm and Accept" button, I acknowledge that I am signing this document electronically. I understand that my electronic signature has the same legal effect and enforceability as a written signature pursuant to Articles 71 and 71.3 of Title 24, C.R.S. I declare under penalty of perjury in the second degree that the statements made on this document are true and complete to the best of my knowledge.

I Affirm and Accept :

Signature : Daniel W. Rowland

Date : 05/20/2022



COLORADO
Department of Revenue
Marijuana Enforcement Division

1697 Cole Blvd., Suite 200
Lakewood, CO 80401

November 8, 2023

Alexander Michael Close

License Type: Owner- Individual
License # M157720

Dear Alexander Michael Close,

The purpose of this correspondence is to inform you that on November 8, 2023 you were found suitable as an Owner-Individual to be a Controlling Beneficial Owner in any business licensed by the Marijuana Enforcement Division (MED). You are now eligible to apply for an ownership interest or a position of control in a Colorado marijuana establishment.

To join the ownership of an existing Colorado Regulated Marijuana Business, the owner(s) of the existing establishment/business are required to submit this letter of suitability, a Regulated Marijuana Business License Change of Controlling Beneficial Owner application, supporting documents and applicable fees to the MED for approval. If you wish to open and operate a new Colorado Regulated Marijuana Business, you must submit a complete Regulated Marijuana Business License application, accompanied with all applicable fees and all supporting documents, along with this letter of suitability. To assume a position as an Executive officer or Member of a Board of Directors that control a Regulated Marijuana Business, the business must submit a Changes Exempt from a Change of Owner Application Disclosure accompanied with all applicable fees and supporting documents.

Pursuant to Rule 2-235 - Suitability (H), this Finding of Suitability is valid for one year. If more than 365 days passes from the issuance of this Finding of Suitability and you have not applied to become a Controlling Beneficial Owner (including as an Executive Officer or Board of Director member) of a Regulated Marijuana Business pursuant to (1) an initial business license application or (2) a change of owner application, this initial Finding of Suitability will automatically expire without notification.

Sincerely,

Dominique Mendiola
Senior Director

Suitability Application Checklist

1. Application Type

Owner: Any Natural Person who holds 10% interest or more of the Owner's interest of a RMB; Executive Officer, Manager or any other Person or affiliate that is otherwise in a position to execute Control of the RMB.

2. Application Fully Completed

Attach a copy of your Real ID compliant state issued or Government ID (i.e. passport) or driver's license (or see website for additional forms of ID accepted).

If a question does not apply, leave it blank.

Notice: You are required by state law to provide your social security number. If you do not have a social security number, you must complete a sworn statement stating you do not have a social security number.

Application Contents

- Disclosure Requirements
- Main Application
- Authorization Forms

All Forms Signed and Attached

The following accompanying forms must be completed, signed and returned with the application:

- Affidavit- Restrictions on Public Benefits
- Affirmation and Consent
- Tax Check Authorization and Request to Release Information
- Investigation Authorization / Authorization to Release Information
- Applicant's Request to Release Information
- Affirmation of Eligibility for Social Equity License

Required Disclosures

See Required Disclosures (section 8)

Upon request by the Division, an applicant must provide additional information or documents required to process and investigate the application, within seven (7) days of the request.

Please note: This deadline may be extended for a period of time commensurate with the scope of the request.

Document Upload Restrictions

- Documents must have the following file type extensions: .doc .docx .pdf .gif .jpg .png
- Documents without a file type extension cannot be accepted.
- Files larger than 75MB **cannot** be accepted.
- If you are providing photos from your smartphone, we advise a lower resolution / medium size photo.
- File names **cannot** be longer than 100 characters (including extension).
- File names **cannot** contain special (non-alphanumeric) characters such as @ ! # % ~

Disqualifier Questions

If you can answer Yes to any of the questions below, you are not currently eligible to obtain an an Owner's license.

NOTICE: The Finding of Suitability Application Form is an official document. If you provide false information on your marijuana license application and/or do not disclose all information the application asks, your license is subject to denial, and you may be subject to criminal prosecution. The Marijuana Enforcement Division will conduct a complete background investigation and will check all sources of information.

Have you been convicted of a felony in the 3 years immediately preceding this application?
(Unless charge was prior to age 18 and was adjudicated as a juvenile)

Yes/No : No

Are you currently subject to a sentence for a felony conviction, including probation or parole?
(Unless charge was prior to age 18 and was adjudicated as a juvenile)

Yes/No : No

Are you currently subject to a deferred judgment?
(Unless charge was prior to age 18 and was adjudicated as a juvenile)

Yes/No : No

Have you failed to remedy an outstanding delinquency for any judgments, taxes, interest or penalties due to the Department of Revenue, relating to a Regulated Marijuana Business?

Yes/No : No

Are you a licensed Physician making marijuana patient recommendations? (Medical Only)

Yes/No : No

Have you had your authority to act as a primary caregiver revoked by the State Health Agency?
(Medical Only)

Yes/No : No

Are you under 21 years of age at the time of this application?

Yes/No : No

Are you a sheriff, deputy sheriff, police officer, or prosecuting officer, or an officer or employee with the marijuana state licensing authority or a local licensing authority?

Yes/No : No

Are you a Person that is a "Bad Actor" under rule 506(d) promulgated pursuant to the Federal "Securities Act of 1933", as amended and subject to 17CFR230.506(d)?

Yes/No : No

Are you a person that is prohibited from engaging in transactions pursuant to this Article 10, due to its designation on the "Specially Designated Nationals and Block Person" list maintained by the Federal Office of Foreign Assets Control?

Yes/No : No

I have thoroughly read and understand the questions above, and understand that I cannot hold a Colorado Marijuana license if I answered "Yes" to any of the questions above. :

Fingerprinting Information

Below is a guide for being fingerprinted via the third-party vendors. Please arrange to be printed within 7 days after the date of this application.

PLEASE NOTE: When You Click the link, it DOES NOT open a new tab. You will either need to use the browser's back arrows to return to your application or you may copy and paste the link into a new window.

Are you in-state or out-of-state?

FingerprintsQuestion : Out-of-State

Out-of-State Options for Fingerprints : Identogo

The following are instructions for getting your fingerprints processed using **IDENTOGO**. Visit <https://uen-roll.identogo.com> and enter the following service code to get started: **25YGBJ**

Choose *Schedule or Manage Appointment*

Enter the required information on each of the following screens:

Essential info

Citizenship, Personal questions, Personal info, Address, Documents (what form of ID do you wish to use to confirm Identity), Location (here is where you will enter your zip code to find a location near you), Choose the site you wish to go to by clicking on the expand arrow, then click the next button within that section, Date and Time (choose the date and time you want to set for your appt.), then click submit.

- You will be expected to pay the fee at your fingerprint appointment.
- Once your fingerprints are scanned, they will be sent directly to CBI and MED will receive the results automatically. *If you are out-of-state, you will be required to pay an additional fee (\$39.95) to submit the prints to Colorado.*
- Keep your receipt and send a copy of it with your application packet.
- DO NOT call the site you wish to visit, as they may provide inaccurate information. Stick to the website.

Please bring the type of identification you chose during enrollment, to your appointment.

Person Information

Natural Person Finding of Suitability Application Form

Last Name : Close

First Name : Alexander

Full Middle Name : Michael

Maiden/Married Names Used :

Nicknames, Aliases, Etc. Used : Alex

Gender :

Race :

Date of Birth :

Social Security Number :

Government Issued ID Number & Jurisdiction :

Place of Birth: City :

Place of Birth - State :

Country :

U.S. Citizen : Yes

Physical Appearance

Height :

Weight

Hair Color :

Eye Color :

Physical Address

Country : United States

Street Address :

City

County

State

Zip Code

Length at this address : 4 years

Phone Number :

Cell Phone Number :

Email Address :

Personal Mailing Address

Mailing Address (if outside of the US, put entire address here) :

City :

State :

Zip :

County :

Country : United States

Why are you applying?

Please choose an option below.

Choose one : Executive Officer

Position Held : CEO

Name of Marijuana Business Associated with : Verts Neighborhood Dispensaries

Marijuana Business Contact Name : Ashley Close

Marijuana Business Phone Number :

Marijuana Business Physical Address :

City :

State

Zip

Additional Questions

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

List here : My name has not appeared on any Colorado licenses

Have you or any business entity owned by you, ever owned or applied for a Marijuana license in this or any other jurisdiction, foreign or domestic? If so, have you ever been subject to any of the following actions: (1) denial; (2) surrender; (3) order to show cause; (4) suspension; (5) revocation; (6) stipulation or settlement.

Yes/No : No

Do you now own, have ever owned, or otherwise derive(d) a benefit from assets held outside the United States (other than Canada)?

Yes/No : No

Has a complaint, judgment, consent decree, settlement or other disposition related to a violation of federal, state or similar foreign security law or regulation ever been filed or entered against you or a business entity?

Yes/No : No

Have you or are you involved in a civil lawsuit in regards to a marijuana business?

Yes/No : Yes

If Yes, provide details : Currently in a lawsuit in Missouri for a dispute over purchasing ownership

List any sanctions, penalties, assessments, or cease and desist orders imposed by any securities regulatory agency, other than the United States Securities and Exchange Commission.

List here : none

Upload supporting documents here.

Supporting documentation:

PL - ts Complaint Filed.pdf

Plaintiff Counterclaim Defendants' Response to Defendants' Motion to Compel wExs A-B.pdf

Are you delinquent in the payment of any Colorado child support? If so, you must provide an agreement to pay.

Yes/No : No

Financial History

If known, please submit all executed agreements or documents that grant you any right to any percent of ownership or percent of income from the Colorado Marijuana business with which you are associated.

Amount to otherwise be invested or loaned in business:

Amount invested : 0

Percentage of ownership this amount represents:

Percentage : unknown

Investment will be derived from the following sources:

Investment source(s) : Work in opening the business

Has your interest in this Marijuana establishment been assigned, pledged or hypothecated to any person, firm, or corporation, or has any agreement been entered into whereby your interest is to be assigned, pledged or sold, either in part or whole?

Yes/No : No

Income

Annual Income (add source and amount below).

List all sources of income and the amount.

Annual Income and Source:

Income Source : Salary (Source):

Amount of income from this source. (If using salary, please list employer(s) name as well.) : Verts Dispensaries Missouri

Income Source : Dividends (Source):

Amount of income from this source. (If using salary, please list employer(s) name as well.) : Verts Dispensaries Missouri

Required Disclosures

What type of application will this suitability be associated with? (Select one of the 3 options).

New Business (All required Findings of Suitability must first be obtained prior to any new business application submission). :

Change of Ownership with license number(s)... :

Change of Ownership Exemption with license number(s)... :

Provide 180 days of account statements used to acquire ownership or proof of ownership, for 180 days, of other assets being used to secure ownership interest. :

Upload required documents here.

AccountStatements:

20230519-statements-3123-.pdf

20230622-statements-3123-.pdf

20230724-statements-3123-.pdf

20230821-statements-3123-.pdf

20230922-statements-3123-.pdf

20230421-statements-3123-.pdf

Provide a photo of a State issued or Government ID (state issued Driver's License, state issued ID or Government issued passport) :

Upload a Government issued photo id here. (You may upload more than one document; .HEIC file type NOT supported).

Photold:

IMG_4698.HEIC

Glossary of Terms:

RMB - Regulated Marijuana Business **CBO** - Controlling Beneficial Owner

PBO - Passive Beneficial Owner **IFIH** - Indirect Financial Interest Holder

QII - Qualified Institutional Investor **QPF** - Qualified Private Fund

PTC - Publicly Traded Company

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

Affirmation & Consent

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

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

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I Accept :

Applicant's Signature : Alexander Close

Date : 10/05/2023

Tax Check Authorization and Request To Release Information

I am signing this waiver on behalf of the "Applicant/Licensee" to permit the Colorado Department of Revenue and any other state or local taxing authority to release information and documents that would otherwise be confidential. If I am signing this waiver for someone other than myself, I certify that I have the authority to execute this waiver on behalf of the Applicant/Licensee. The information and documentation obtained pursuant to this waiver will be used in connection with the Applicant/Licensee's application or licensure with the Colorado Marijuana Enforcement Division, which requires proof of compliance with certain tax obligations pursuant to

several statutory provisions, including sections 44-10-202(1) and 44-10-307(1)(e), C.R.S. This waiver is not pursuant to section 39-21-113(4), C.R.S.; and any other similar law or ordinance concerning the confidentiality of tax returns and return information.

This waiver shall be valid while the application is pending and, if the application is approved, (1) for one year from the date of licensure or; (2) if applying for an employee license under the medical marijuana code, for two years from the date of licensure. If the license is administratively continued pursuant to section 44-10-314, C.R.S., this waiver shall be valid until the state licensing authority takes final action to approve or deny the renewal of the license. Applicant/Licensee agrees to execute a new waiver for each subsequent licensing period in connection with the renewal of any license. Applicant/Licensee requests that the Colorado Department of Revenue and any other state or local taxing authority release the following information and supporting documentation to the Colorado Marijuana Enforcement Division, which is acting as Applicant's/Licensee's duly authorized representative under section 39-21-113(4), C.R.S., solely to obtain the information specified below.

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

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

Name, address, phone number, and SSN (previously requested on this application).

I Accept :

Electronic Signature Agreement. By selecting the "I Accept" button, I acknowledge that I am signing this document electronically. I understand that my electronic signature has the same legal effect and enforceability as a written signature pursuant to Articles 71 and 71.3 of Title 24, C.R.S. I declare under penalty of perjury in the second degree that the statements made on this document are true and complete to the best of my knowledge.

I Accept :

Legal Last Name : Close

Legal First Name : Alexander

Legal Middle Name : Michael

Signature : Alexander Close

Date : 10/05/2023

Investigation Authorization/Authorization to Release Information

I hereby authorize the Colorado Marijuana Licensing Authority, the Marijuana Enforcement Division, (hereinafter the Investigatory Agencies) to conduct a complete investigation into my personal background, using whatever legal means they deem appropriate. I hereby authorize any person or entity contacted by the Investigatory Agencies to provide any and all such information deemed necessary by the Investigatory Agencies. I hereby waive any rights of confidentiality in this regard. I understand that by signing this authorization, a financial record check may be performed. I authorize any financial institution to surrender to the Investigatory Agencies a complete and accurate record of such transactions that may have occurred with that institution, including, but not limited to, internal banking memoranda, past and present loan applications, financial statements and any other documents relating to my personal or business financial records in whatever form and wherever located. I understand that by signing this authorization, a financial record check of my tax filing and tax obligation status may be performed. I authorize the Colorado Department of Revenue to surrender to the Investigatory Agencies a complete and accurate record of any and all tax information or records relating to me. I authorize the Investigatory Agencies to obtain, receive, review, copy, discuss and use any such tax information or documents relating to me. I authorize the release of this type of information, even though such information may be designated as "confidential" or "nonpublic" under the provisions of state or federal laws. I understand that by signing this authorization, a criminal history check will be performed. I authorize the Investigatory Agencies to obtain and use from any source, any information concerning me contained in any type of criminal history record files, wherever located. I understand that the criminal history record files contain records of arrests which may have resulted in a disposition other than a finding of guilt (i.e., dismissed charges, or charges that resulted in a not guilty finding). I understand that the information may contain listings of charges that resulted in suspended imposition of sentence, even though I successfully completed the conditions of said sentence and was discharged pursuant to law. I authorize the release of this type of information, even though this record may be designated as "confidential" or "nonpublic" under the provisions of state or federal laws. The Investigatory Agencies reserve the right to investigate all relevant information and facts to their satisfaction. I understand that the Investigatory Agencies may conduct a complete and comprehensive investigation to determine the accuracy of all information gathered. However, the State of Colorado, Investigatory Agencies, and other agents or employees of the State of Colorado shall not be held liable for the receipt, use, or dissemination of inaccurate information. I, on behalf of the applicant, its legal representatives, and assigns, hereby release, waive, discharge, and agree to hold harmless, and otherwise waive liability as to the State of Colorado, Investigatory Agencies, and other agents or employees of the State of Colorado for any damages resulting from any use, disclosure, or publication in any manner, other than a willfully unlawful disclosure or publication, of any material or information acquired during inquiries, investigations, or hearings, and hereby authorize the lawful use, disclosure, or publication of this material or information. Any information contained within my application, contained within any financial or personnel record, or otherwise found, obtained, or maintained by the Investigatory Agencies, shall be accessible to law enforcement agents of this or any other state, the government of the United States, or any foreign country.

I Accept :

Electronic Signature Agreement. By selecting the "I Accept" button, I acknowledge that I am signing this document electronically. I understand that my electronic signature has the same legal effect and enforceability as a written signature pursuant to Articles 71 and 71.3 of Title 24, C.R.S. I declare under penalty of perjury in the second degree that the statements made on this document are true and complete to the best of my knowledge.

I Accept :

Applicant's Signature : Alexander Close

Date : 10/05/2023

Applicant's Request to Release Information

1. I hereby authorize and request all persons to whom this request is presented having information relating to or concerning the above named applicant to furnish such information to a duly appointed agent of the Marijuana Enforcement Division whether or not such information would otherwise be protected from the disclosure by any constitutional, statutory or common law privilege.
2. I hereby authorize and request all persons to whom this request is presented having documents relating to or concerning the above named applicant to permit a duly appointed agent of the Marijuana Enforcement Division

to review and copy any such documents, whether or not such documents would otherwise be protected disclosure by any constitutional, statutory, or common law privilege.

3. I hereby authorize and request the Colorado Department of Revenue to permit a duly appointed agent of the Marijuana Enforcement Division to obtain, receive, review, copy, discuss and use any such tax information or documents relating to or concerning the above named applicant, whether or not such information or documents would otherwise be protected from disclosure by any constitutional, statutory, or common law privilege.

4. If the person to whom this request is presented is a brokerage firm, bank, savings and loan, or other financial institution or an officer of the same, I/we hereby authorize and request that a duly appointed agent of the Marijuana Enforcement Division be permitted to review and obtain copies of any and all documents, records or correspondence pertaining to me/us, including but not limited to past loan information, notes co-signed by me/us, checking account records, savings deposit records, safe deposit box records, passbook records, and general ledger folio sheets.

5. I do hereby make, constitute, and appoint any duly appointed agent of the Colorado Marijuana Enforcement Division, my true and lawful attorney in fact for me in my name, place, stead, and on my behalf and for my use and benefit:

6. (a) To request, review, copy sign for, or otherwise act for investigative purposes with respect to documents and information in the possession of the person to whom this request is presented as I might;

7. (b) To name the person or entity to whom this request is presented and insert that person's name in the appropriate location in this request:

8. (c) To place the name of the agent presenting this request in the appropriate location on this request.

9. I grant to said attorney in fact full power and authority to do, take, and perform all and every act and thing whatsoever requisite, proper, or necessary to be done, in the exercise of any of the rights and powers herein granted, as fully to all intents and purposes as I might or could do if personally present, with full power of substitution or revocation, hereby ratifying and confirming all that said attorney in fact, or his substitute or substitutes, shall lawfully do or cause to be done by virtue of this power of attorney and the rights and powers herein granted.

10. This power of attorney ends twenty-four (24) months from the date of execution.

11. The above named applicant has filed with the Colorado Marijuana Licensing Authority an application for a Marijuana license. Said applicant understands that he/she is seeking the granting of a privilege and acknowledges that the burden of proving its qualifications for a favorable determination is at all times on the applicant. Said applicant accepts any risk of adverse public notice, embarrassment, criticism, or other action of financial loss, which may result from action with respect to this application.

12. I do, for myself, my heirs, executors, administrators, successors, and assigns, hereby release, remise, and forever discharge the person to whom this request is presented, and his agents and employees from all and all manner or actions, causes of action, suits, debts, judgments, executions, claims, and demands whatsoever, known or unknown, in law or equity, which the applicant ever had, now has, may have, or claims to have against the person to whom this request is being presented or his agents or employees arising out of or by reason of complying with the request.

13. I agree to indemnify and hold harmless the person to whom this request is presented and his agents and employees from and against all claims, damages, losses, and expenses, including reasonable attorneys' fees arising out of or by reason of complying with this request.

14. A reproduction of this request by photocopying or similar process shall be for all intents and purposes as valid as the original.

Electronic Signature Agreement. By selecting the "I Accept" button, I acknowledge that I am signing this document electronically. I understand that my electronic signature has the same legal effect and enforceability as a written signature pursuant to Articles 71 and 71.3 of Title 24, C.R.S. I declare under penalty of perjury in the second degree that the statements made on this document are true and complete to the best of my knowledge.

I Accept :

Applicant's Signature : Alexander Close

Date : 10/05/2023

Affirmation of Complete Application

I affirm that I have submitted a complete application and by selecting the "I Affirm and Accept" button, I acknowledge that I am signing this document electronically. I understand that my electronic signature has the same legal effect and enforceability as a written signature pursuant to Articles 71 and 71.3 of Title 24, C.R.S. I declare under penalty of perjury in the second degree that the statements made on this document are true and complete to the best of my knowledge.

I Affirm and Accept :

Signature : Alexander Close

Date : 10/05/2023

Customer Survey

We would like to know your experience with this online application process and if you have suggestions on how we can improve it. Please take a few minutes to complete this **voluntary** questionnaire to help us better serve you. (You may skip this survey and still submit your application by clicking the finish button). Thank you.

Please review the options below and tell us why you chose to apply online (please select all that apply):

Convenience :

Faster Service :

Time Savings :

I thought it was the only option :

Other :

Please tell us where you learned about the online application process.

Please tell us where you learned about the online application process. : Co-workers/friend

On a scale of 1-5, with 1 being not convenient and 5 being very convenient, how convenient was the online application for you to complete?

How convenient was the online application for you to complete? : 5- Very Convenient

On a scale of 1-5, with 1 being hard and 5 being very easy, did you find the online application process easy to understand?

Did you find the online application process easy to understand? : 2- Hard to understand

Explain reason for rating (if desired).

Explain : Some things on licensing I am not sure I filled out correctly. Do I need to provide bank statements as well? I'm not sure.

On a scale of 1-5, with 1 being unsatisfied and 5 being very satisfied, rate your overall online application experience.

Please rate your overall online application experience. : 4- Satisfied

Do you have any comments to help us improve the online application process?

Comments : Clearer questions on other licenses held and I do not know my ownership percentage yet. If I answered anything partially please let me know.

Would you like a team member to contact you about your comments?

Want to be contacted : Yes

Please select your contact method below and enter the appropriate information.

Contact Method : Email

Contact Email :

**IN THE UNITED STATES DISTRICT COURT
FOR THE SOUTHERN DISTRICT OF OHIO
EASTERN DIVISION**

STEPHEN CLOSE)
and)
ALEXANDER CLOSE)
Plaintiffs,)
v.)
ELDO ORGANIC, LLC,)
and)
BOTANIC BUSINESS SERVICES, LLC)
and)
BESAME WELLNESS IP, LLC)
and)
JACK R. MITCHELL)
and)
THOMAS J. ELAFROS)
and)
)

CASE NO.:
JUDGE:
MAGISTRATE JUDGE:

BENNY R. BROWER)
)
 and)
)
 DANE B. BROWER)
)
 Defendants.)

**COMPLAINT FOR MONEY DAMAGES, DECLARATORY JUDGMENT, AND
 FOR PRELIMINARY AND PERMANENT INJUNCTIVE RELIEF**

Now come Plaintiffs, STEPHEN CLOSE and ALEXANDER CLOSE, by and through their undersigned counsel and for their Complaint against Defendants state as follows:

THE PARTIES

1. Plaintiff STEPHEN CLOSE is an individual residing in Columbus, Ohio, in this judicial district.

2. Plaintiff ALEXANDER CLOSE is an individual residing in Columbus, Ohio, in this judicial district.

3. Defendant ELDO ORGANIC LLC (“EIDo”) is a limited liability company organized and existing under the laws of the State of Missouri with its principal place of business in El Dorado Springs, Missouri. Upon information and belief, all members of EIDo reside in or are located in Missouri or Kansas.

4. Defendant BOTANIC BUSINESS SERVICES LLC (“BBS”) is a limited liability company organized and existing under the laws of the State of Missouri with its principal place of business in Kansas City, Missouri. Upon information and belief, all members of BBS reside in or are located in Missouri or Kansas.

5. Defendant BESAME WELNESS IP LLC (“BesaMe”) is a limited liability company organized and existing under the laws of the State of Missouri with its principal place of business in Kansas City, Missouri. Upon information and belief, all members of BesaMe reside in or are located in Missouri or Kansas.

6. Defendant JACK R. MITCHELL (“Mitchell”) is an individual residing in Kansas City, Missouri. Upon information and belief, Mitchell is the purported Chief Executive Officer (“CEO”) of EIDo, BBS, and BesaMe. Upon information and belief, Mitchell may claim or own a membership interest in one or more of EIDo, BBS, and BesaMe.

7. Defendant THOMAS J. ELAFROS (“Elafros”) is an individual residing in Overland Park, Kansas. Upon information and belief, Elafros is the purported Chief Financial Officer (“CFO”) of EIDo, BBS, and/or BesaMe. Upon information and belief, Elafros may claim or own a membership interest in one or more of EIDo, BBS, and BesaMe.

8. Defendant BENNY R. BROWER is an individual residing in El Dorado Springs, Missouri. Upon information and belief, Benny Brower may claim or own a membership interest in one or more of EIDo, BBS, and BesaMe.

9. Defendant DANE B. BROWER is an individual residing in Kansas City, Missouri. Upon information and belief, Dane Brower may claim or own a membership interest in one or more of EIDo, BBS, and BesaMe.

JURISDICTION AND VENUE

10. Plaintiffs incorporate all previous Paragraphs as if fully restated herein.

11. This Court has diversity jurisdiction over Plaintiffs’ claims against all Defendants under 28 U.S.C. § 1332(a)(1) because complete diversity exists between Plaintiffs and Defendants, and the amount in controversy exceeds \$75,000.00, exclusive of interest and costs.

12. This court has personal jurisdiction over all Defendants because the facts and circumstances giving rise to Plaintiffs' claims occurred in this judicial district and because all Defendants conducted business in this judicial district, thus giving rise to Plaintiffs' claims herein.

13. Defendants transacted business in Ohio by prosecuting negotiations, carrying on business, and/or otherwise having specific business dealings in the state of Ohio, including but not limited to ongoing business relations with Plaintiffs and engaging in an ongoing series of commercial transactions with Plaintiffs.

14. Venue is proper pursuant to 28 U.S.C. § 1391(b)(2) because a substantial part of the events or omissions giving rise to Plaintiffs' claims occurred in this judicial district. Specifically, Defendants transacted business in this judicial district and caused harm to Plaintiffs in this judicial district.

FACTUAL BACKGROUND

15. Plaintiffs incorporate all previous Paragraphs as if fully restated herein.

16. In or around 2019, Plaintiffs participated in the application process to obtain four (4) medical marijuana dispensary locations in the State of Missouri, which were subsequently awarded to Plaintiffs' group.

17. The membership interest/equity held by Plaintiffs, collectively, in each of the four dispensary locations in Missouri totals 24.99%.

18. Others holding membership interests in each of the four dispensaries are non-parties Ryan White (50.01%) and a group comprised of Thomas Kern, Benjamin Kern, Kristopher Chandler, and Thomas Kendrik (collectively, 25%).

19. Separate operating agreements were created and executed in 2019 for each of the four dispensary locations, with all of the members referenced above being a party to each respective operating agreement.

20. The four dispensaries are set up as separate limited liability companies in the State of Missouri: Astro Farms Alpha, LLC; Red Stag Retail, LLC; Astro Farms Gamma, LLC; and Green Gryphon, LLC (collectively, the “Dispensaries”).

21. For each operating agreement/Dispensary, the Board of Managers is comprised of Plaintiff Stephen Close, Plaintiff Alexander Close, and non-party Thomas Kern.

22. Pursuant to the respective operating agreements, each Dispensary is managed by the Board of Managers.

23. Decisions are made for each Dispensary by a majority of the Board of Managers. Therefore, decisions can be and are made by the two Plaintiffs, representing two-thirds of the Board of Managers.

24. The operating agreement for each Dispensary restricts the transfer of a member’s membership interest (called a member’s “Unit”) and further requires consent from the Board of Managers in order to effect a transfer of a member’s Unit.

25. In addition, the operating agreement for each Dispensary requires that any member’s Unit first be offered to the other members as a condition to transferring said Unit.

26. At some point after the construction of the four Dispensaries (in or around 2020 and/or 2021), certain services were required for the Dispensaries to become operational (i.e., marketing, courier services, ATM services, e-commerce services, payroll services, and accounting).

27. One or more of a combination of BBS, ElDo, and BesaMe were hired by Plaintiffs to perform these various operational services.

28. Upon information and belief, Mitchell, Elafros, Benny Brower, and Dane Brower are and continue to be business partners, associates, members, and/or joint investors in various entities in the marijuana space, including but not limited to BBS, ElDo, and BesaMe.

29. Upon information and belief, BBS claims to have specialized expertise in the management of operations in the marijuana space.

30. The four Dispensaries opened for business at various times throughout 2021, from roughly June to October, 2021.

31. A combination of BBS, ElDo, and BesaMe have been providing operational services to the four Dispensaries since they opened.

32. The relationship between the four Dispensaries and BBS, ElDo, and/or BesaMe is and has always been that of a vendor/vendee relationship. At no point was the relationship ever intended to be more than that of a vendor.

33. There exist no written agreements whatsoever governing this vendor relationship. Rather, the vendor agreement was a verbal agreement, with most of the initial communications occurring between Plaintiffs and Mitchell.

34. In exchange for assisting with operational support, Plaintiffs agreed to pay BBS a monthly "management fee," which originally was calculated as a percentage above cost.

35. Upon information and belief, BBS is the vendor who performed certain tasks like bill pay, payroll, and information technology functions, among others.

36. Upon information and belief, ElDo and BesaMe also took part in some of the operational functions described above.

37. By way of one example, certain operating expenses of the dispensaries, such as payroll, were ran through, or commingled with, the funds or accounts of ElDo on at least one occasion.

38. Upon information and belief, BBS, ElDo, and BesaMe have the same ownership/membership structure as well as the same management structure.

39. For all intents and purposes, BBS, ElDo, and BesaMe are one and the same.

40. Upon information and belief, the operation and/or control of BBS, ElDo, and BesaMe by Mitchell, Elafros, Benny Brower, and Dane Brower constitute nothing other than a shell game with a primary purpose of defrauding Plaintiffs.

41. By way of one example, Defendants continue to commingle funds in the various bank accounts held by the four Dispensaries, and yet Defendants have offered no access to the books and records of the Dispensaries, despite many requests by Plaintiffs thereof.

42. Defendants Mitchell, Elafros, Benny Brower, and Dane Brower operated and continue to operate BBS, ElDo, and BesaMe in such a manner that BBS, ElDo, and BesaMe have no separate mind, will, or existence of their own.

43. After a significant rise in expenditures in recent months, Plaintiffs started performing due diligence concerning the operational expenses of the four Dispensaries, including asking questions surrounding the services allegedly being provided by BBS, ElDo, and/or BesaMe.

44. After months of requesting documentation and clarification on expenditures, Plaintiffs elected to recently terminate the vendor relationship with BBS, ElDo, and BesaMe.

45. When Plaintiffs attempted to terminate the relationship, BBS, ElDo, and BesaMe maintained access to the Dispensaries' bank accounts, while insisting that they wished to continue to perform operational functions.

46. Indeed, Defendants have refused to cede control of the four subject Dispensaries, notwithstanding the fact that Defendants have no ownership or membership whatsoever in any of the Dispensaries.

47. When conducting further investigation into the operating expenses of the Dispensaries, Plaintiffs learned that one or a combination of BBS, ElDo, and BesaMe had misappropriated funds and/or unlawfully transferred funds out of the Dispensaries' bank accounts.

48. By way of one example, an estimated \$180,000 was unlawfully transferred to a bank account of ElDo.

49. Upon information and belief, other funds were transferred unlawfully to one or more accounts of BBS, ElDo, and BesaMe.

50. Upon information and belief, funds were unlawfully transferred to one or more of the personal bank accounts of Mitchell, Elafros, Benny Brower, and Dane Brower.

51. Based upon the individual Defendants' misappropriation of funds, Defendants Mitchell, Elafros, Benny Brower, and Dane Brower are personally liable to Plaintiffs.

52. Elafros has made and continues to make communications with the courier vendor, ATM vendor, and other bank-related services vendors for the purpose of confusing other vendors to the detriment of the four Dispensaries, causing damages to Plaintiffs.

53. Benny Brower and Dane Brower have verbally threatened various members of management at the four Dispensaries.

54. Plaintiffs have also learned that BBS, ElDo, and BesaMe have been significantly overbilling the four Dispensaries for the administrative functions described above, far above and beyond what Plaintiffs had originally agreed under the verbal agreement.

55. Upon information and belief, one or a combination of BBS, ElDo, and BesaMe have paid salaries or other compensation to Mitchell, Elafros, Benny Brower, and Dane Brower.

56. Plaintiffs seek to disgorge those salaries and payments for the reason that Plaintiffs and/or the Board of Managers of the Dispensaries did not approve said payments, nor did any of the four Dispensaries receive any benefit from those salaries paid to the individual Defendants.

57. On or around June 29, 2021, when relations were still amicable between the Parties, Mitchell prepared a document representing a loan made to the four Dispensaries to cover some operating expenses. (See Exhibit A).

58. Through counsel, Mitchell now asserts that the document attached hereto as Exhibit A purports to transfer a membership/ownership interest in the four Dispensaries to ElDo.

59. Specifically, Mitchell has asserted, through counsel, that the attached Exhibit A purports to transfer 21.5% of Plaintiffs' membership interest in the Dispensaries to Eldo.

60. The document attached as Exhibit A does no such thing, as it does not contain any material terms such as a purchase/sale price.

61. In addition, any purported transfer of a membership interest must follow the provisions of the respective operative agreements; this document does not.

62. Plaintiffs therefore seek a declaratory judgment providing that the attached Exhibit A does not convey to, or afford, Defendants any rights or interest in any of the subject Dispensaries.

63. Plaintiffs have standing to bring this action and have suffered a concrete, particularized injury because their membership interests in the subject Dispensaries have now been compromised arising from Defendants' misappropriation of funds and overbilling.

64. In addition, Plaintiffs have suffered a concrete, particularized injury because the Dispensaries are pass-through entities.

65. Plaintiffs are currently working with an accountant and/or a forensic accountant for the purpose of identifying other unlawful conduct on the part of Defendants.

66. Plaintiffs reserve their right to include claims of fraud and claims arising under the Racketeer Influenced and Corrupt Organizations Act (“RICO”).

COUNT ONE: BREACH OF CONTRACT
(ALL DEFENDANTS)

67. Plaintiffs incorporate all previous Paragraphs as if fully restated herein.

68. As described more fully above, Plaintiffs had a verbal agreement with a combination of one or all of the Defendants to perform certain operational functions for the Dispensaries for a management fee.

69. Because the agreement was not in writing, it is unclear as to which Defendants were doing exactly which operational or administrative functions.

70. Defendants maintained complete control over the Dispensaries’ operational functions and refused to provide Plaintiffs with any transparency concerning these functions and particularly concerning the movement of monies into and out of the Dispensaries’ bank accounts.

71. As described more fully above, Defendants breached their agreement with Plaintiffs, including but not limited to one or more of the following ways:

- a. Overbilling Plaintiffs, above and beyond what Plaintiffs originally agreed to pay for Defendants’ operational functions;
- b. Unlawfully transferring funds and/or misappropriating funds from the Dispensaries’ bank accounts;
- c. Paying to Mitchell, Elafros, Benny Brower, and Dane Brower certain salaries or compensation, to which Plaintiffs did not agree and which these Defendants did not earn; and

d. Compromising the operations – and revenue generation – of the four Dispensaries by refusing to cooperate in a transition of operations back to Plaintiffs.

72. Plaintiffs have performed all of their obligations under the agreement with Defendants.

73. As a direct and proximate result of Defendants' breach, Plaintiffs have suffered damages.

COUNT TWO: UNJUST ENRICHMENT
(ALL DEFENDANTS)

74. Plaintiffs incorporate all previous Paragraphs as if fully restated herein.

75. Through Defendants' unlawful mismanagement of operations, Defendants received monies to which they were not entitled.

76. Defendants have therefore been unjustly enriched in a total sum in excess of \$75,000.00.

77. So as to remedy the unjust enrichment conferred upon Defendants, Plaintiffs are entitled to a money judgment against Defendants in an amount in excess of \$75,000.00.

COUNT THREE: REQUEST FOR DECLARATORY JUDGMENT
(ALL DEFENDANTS)

78. Plaintiffs incorporate all previous Paragraphs as if fully restated herein.

79. Pursuant to 28 U.S.C. § 2201, Plaintiffs request that the Court declare the rights and other legal relations of and between Plaintiffs and Defendants, vis-à-vis the document attached hereto as Exhibit A and concerning any claimed membership interest of any Defendant to this action.

80. Pursuant to Ohio Revised Code Section 2721.01, *et seq.*, Plaintiffs request that the Court declare the rights, status, and other legal relations of and between Plaintiffs and Defendants, vis-à-vis the document attached hereto as Exhibit A and concerning any claimed membership interest of any Defendant to this action.

COUNT FOUR: CONVERSION/MISAPPROPRIATION OF FUNDS

81. Plaintiffs incorporate all previous Paragraphs as if fully restated herein.

82. The actions of all Defendants, as outlined above, constitute conversion of property rightfully owned by Plaintiffs.

83. Specifically, as outlined above, Defendants' unlawful transfer of monies from the Dispensaries' bank accounts constitute a conversion of Plaintiffs' property,

84. Upon information and belief, Defendants have now absconded with said funds.

85. Defendants have wrongfully exercised dominion and control over these funds belonging to Plaintiffs.

86. Defendants have refused to return the funds to Plaintiffs, despite repeated requests therefore.

87. As a direct and proximate result of this wrongful conversion, Plaintiffs have suffered damages.

88. Plaintiffs are entitled to punitive damages and attorney fees.

COUNT FIVE: BREACH OF FIDUCIARY DUTY
(ALL DEFENDANTS)

89. Plaintiffs incorporate all previous Paragraphs as if fully restated herein.

90. Plaintiffs had a fiduciary relationship with Defendants by way of entrusting the operations of the Dispensaries, including but not limited to the control of the bank accounts, to Defendants.

91. Entrusting the Dispensaries' bank accounts to Defendants, and entrusting complete control of the Dispensaries to Defendants, Plaintiffs reposed special confidence and trust in the integrity and fidelity of Defendants, resulting in a position of superiority or influence, acquired by virtue of this special trust.

92. By virtue of this fiduciary relationship, Defendants had a duty to act in the best interest of Plaintiffs concerning the operations of the Dispensaries and the flow of funds into and out of the Dispensaries' bank accounts.

93. For the reasons set forth more fully above, including but not limited to the unlawful transfer and misappropriation of funds, Defendants have breached their fiduciary duty owed to Plaintiffs.

94. As a direct and proximate result of the Defendants' breach of their fiduciary duties, Plaintiffs have suffered damages.

95. Plaintiffs are entitled to punitive damages and attorney fees.

COUNT SIX: PRELIMINARY AND PERMANENT INJUNCTIVE RELIEF
(ALL DEFENDANTS)

96. Plaintiffs incorporate all previous Paragraphs as if fully restated herein.

97. As of the filing of this lawsuit, Defendants continue to assert and maintain control over the operations of the four Dispensaries, including control over and access to the Dispensaries' bank accounts.

98. Despite the termination of Defendants' vendor relationship, and despite repeated demands therefore, Defendants have refused to cede control of operations to Plaintiffs, notwithstanding that Defendants have no rights whatsoever to or in the Dispensaries.

99. Plaintiffs therefore request injunctive relief, prohibiting Defendants from conducting any activity whatsoever on behalf of or for the Dispensaries, and further ceding all control to Plaintiffs, who represent two of the three Board of Managers.

100. The public interest will suffer no harm if Plaintiffs are awarded injunctive relief, given that Plaintiffs represent the majority of the Board of Managers of the Dispensaries.

101. To the contrary, the public interest will suffer great harm if Plaintiffs are not awarded injunctive relief to prevent Defendants' ongoing misappropriation of funds.

102. The harm to Plaintiffs in the absence of injunctive relief substantially outweighs the potential harm to Defendants if injunctive relief is ordered. As described more fully above, Defendants do not maintain a valid membership interest in the Dispensaries, and Defendants' vendor relationship with the Dispensaries has been terminated.

103. Given the facts and circumstances described more fully above, Plaintiffs are likely to prevail on the merits of this action.

104. Given Plaintiffs' continued loss of business profits and goodwill, on account of Defendants' actions, Plaintiffs will suffer irreparable injury if a preliminary injunction is not granted.

WHEREFORE, Plaintiffs respectfully request that this Court award relief against Defendants, jointly and severally, as follows:

- (a) Compensatory and consequential damages in an amount in excess of \$75,000, the exact amount to be determined at trial;
- (b) A Judgment declaring the rights and other legal relations of and between Plaintiffs and Defendants;
- (c) Preliminary and permanent injunctive relief;

- (d) An accounting and full inspection of the books and records of the Dispensaries; and
- (e) Reasonable attorney fees under the applicable law, plus any other relief to which Plaintiffs may be entitled at law or in equity.

Respectfully submitted,

/s/ Matthew T. Anderson

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Attorney for Plaintiff

IN THE CIRCUIT COURT OF CLAY COUNTY, MISSOURI

ELDO ORGANIC, LLC,)	
)	
Plaintiff,)	
)	
v.)	Case No. 22CY-CV03887
)	
ASTRO FARMS ALPHA, LLC, <i>et al.</i> ,)	
)	
Defendants.)	
<hr/>		
ASTRO FARMS ALPHA LLC, <i>et al.</i> ,)	
)	
Counterclaim Plaintiffs,)	
)	
v.)	
)	
ELDO ORGANIC, LLC, <i>et al.</i> ,)	
)	
Counterclaim Defendants.)	

**PLAINTIFF/COUNTERCLAIM DEFENDANTS’
RESPONSE TO DEFENDANTS’ MOTION TO COMPEL**

COME NOW Plaintiff/Counterclaim Defendant EIDo Organic, LLC (“EIDo”) and Counterclaim Defendants Botanic Business Services LLC (“BBS”), BesaMe Wellness IP, LLC (“BesaMe IP”), Jack R. Mitchell (“Mitchell”), Thomas J. Elafros (“Elafros”), Benny R. Brower (“Benny”) and Dane B. Brower (“Dane”) (collectively the “EIDo Parties”), by and through undersigned counsel, and file their response to Defendants’ Motion to Compel (“Motion”), respectfully showing the Court as follows:

I. INTRODUCTION

Defendants’ Motion largely reflects failures to (a) meaningfully review the discovery that the EIDo Parties have already provided, and (b) recognize that the EIDo Parties’ discovery responses are reflective of the information they had at the time of the responses and will be

supplemented as more information becomes available through the course of discovery. Indeed, *most* of the financial information that is the subject of Defendants’ Motion has already been produced, and that which has not and is not subject to an express objection, will be produced as it is collected.

Defendants repeatedly complain about the EIDo Parties’ references to documents in their interrogatory responses. But those complaints both ignore that such references are expressly permitted by the Missouri Rules of Civil Procedure (“Rules”), and ring hollow given that Defendants responded to EIDo’s interrogatories in *exactly* the same fashion.¹

Nevertheless, except where the EIDo Parties intend to stand on an objection, they are in the process of—in a spirit of compromise—working to supplement (and in some cases re-produce) in short order the financial information called for by the Motion.

In light of the above, there are only three (3) actual disputes between the parties as to what information the EIDo Parties should be required to produce: (1) information Defendants seek regarding investors (not *members*) of EIDo is irrelevant, unduly burdensome and invasive; (2) Defendants’ request for *every* invoice, bill, receipt, etc., underlying *every* expense of the Dispensaries is unnecessarily burdensome, oppressive, and completely disproportionate to the needs of this case; and (3) Defendants’ requests for information pertaining to the membership or

¹ Similarly, Defendants complain that *some* of their Golden Rule correspondence has gone unaddressed, yet they fail to acknowledge that *they* have ignored EIDo’s Golden Rule correspondence. Indeed, Defendants have failed to provide any substantive response to portions of EIDo’s Golden Rule letters issued on September 14 and September 27 that cover a vast array of relevant documents that Defendants have failed to produce. And as recent depositions have made clear, Defendants have also failed to comply with the provisions of the Consent Order entered by the Court on July 6, 2022. These failures will be the subjects of upcoming motions to be filed by EIDo.

ownership interests of the EIDo Parties other than EIDo (and its members) seek irrelevant confidential information.

For these reasons, as more fully explained below, the EIDo Parties respectfully submit that Defendants' Motion should be denied in full.

II. ARGUMENT & AUTHORITIES²

A. Legal Standards Governing the Motion

Rule 56.01(b)(1) governs the scope of discovery in this case, and provides in relevant part as follows (emphasis added):

Parties may obtain discovery regarding any matter, not privileged, ***that is relevant to the subject matter involved in the pending action***, whether it relates to the claim or defense of the party seeking discovery or to the claim or defense of any other party, . . . ***provided the discovery is proportional to the needs of the case*** considering the totality of the circumstances, including but not limited to, the importance of the issues at stake in the action, the amount in controversy, the parties' relative access to relevant information, the parties' resources, the importance of the discovery in resolving the issues, and whether the burden or expenses of the proposed discovery outweighs its likely benefit. . . . ***The party seeking discovery shall bear the burden of establishing relevance.***

“The boundaries of discovery requests are to be determined by balancing the conflicting interests of the interrogator and the respondent.” *State ex rel. Coffman Group, L.L.C. v. Sweeney*, 219 S.W.3d 763, 766 (Mo. App. 2005) (citing *State ex rel. Anheuser v. Nolan*, 692 S.W.2d 325, 328 (Mo. App. 1985)). “The need of the interrogator to obtain the discovery must be weighed against the respondent’s burden in disclosing it,” and “even though the information is properly discoverable, the trial court should consider whether the information may be obtained in a less burdensome way than that designed by the requesting party.” *Id.* at 766-67.

² For the sake of brevity, relevant factual background is provided below where appropriate to the argument being addressed.

B. The EIDo Parties Have Produced Responsive Information Apart from the Forthcoming Audit.

Defendants first accuse the EIDo Parties of providing “numerous objections and references to the parties’ forthcoming audit *in lieu of* providing complete documents or information.” Motion at 4 (emphasis added). But the EIDo Parties did no such thing. The very first of the EIDo Parties’ discovery responses that Defendants cite is illustrative:

Interrogatory No. 13: Identify any and all payments or funds contributed by you to any of the Dispensaries, in whatever form, including but not limited to the funding efforts described in Paragraphs 50, 51, and 55 of the State Court Petition, by stating the dollar amount, the date funded, and reason for the funding.

Response: [Objections of vagueness, ambiguity, overbreadth, burden, proportionality, confidentiality.] Subject to and without waiving these objections and the General Objections set forth above, all responsive, non-objectionable and non-privileged documents will be timely produced in accordance with the Missouri Rules of Civil Procedure and a mutually agreed-on and ordered audit.³

Eldo: See Respondents’ responses to Defendants’ Requests for Production as well as the results of the forthcoming audit. See also the CapEx table provided to the Closes.

BBS: BBS did not contribute funds to the Dispensaries

BesaMe IP: None.

Benny Brower: See Respondents’ responses to Defendants’ Requests for Production. I made no payments or contributions, on an individual basis, to the Dispensaries. I did, however, provide a lot of services and time and effort into the dispensaries, helping locations, consulting on locations, visiting with city officials,

³ For context, it should be recognized that on the date of this Interrogatory Response, July 7, 2022, this Court had just entered the Consent Order the day before (on July 6) calling for an independent audit to be completed within 30 days of the Consent Order or as soon thereafter as reasonably practicable. As shown herein, the EIDo Parties were already producing many financial documents in discovery. It would have been unduly burdensome, duplicative, and unnecessary for the EIDo Parties to continue to produce in separate discovery the same financial documents they would be producing for the audit, especially when the audit process was beginning (or was supposed to be beginning). Since then, the parties have worked together on the audit process, and though it has taken longer than anticipated to find and agree on an independent CPA firm, a joint engagement letter is now being entered with the firm, and financial information is being shared through that process.

attending city council and zoning meetings, searching for properties, working on leases, and more, all with an understanding of a promise of an equity interest in the dispensaries.

Dane Brower – See Respondents’ responses to Defendants’ Requests for Production. I made no payments or contributions, on an individual basis, to the Dispensaries. I did, however, provide a lot of services and time and effort into the dispensaries, including, performing work to assist in the development, opening and operations of the Dispensaries. I hosted weekly meetings to keep things on track regarding the construction, preparation, and opening of the Dispensaries. I helped locate sites for Green Gryphon and Astro Farms Alpha. I was a main focal point of contact between the Dispensaries [and] the DHSS and managed the commencement and inspection process with the Dispensaries [as they] were preparing to open. I advised and helped the Dispensaries implement systems and processes to launch the businesses and keep them operational in Missouri. Other services I provided for the Dispensaries are discussed in the affidavits I’ve submitted in this litigation.

Jack Mitchell: No payments or funds contributed to the Dispensaries.

Tom Elafros: No payments or funds contributed to the Dispensaries.

As illustrated in this and the EIDo Parties’ other responses, each of the entities and individuals responded in detail to the interrogatories. EIDo responded by first identifying a particular produced document (*i.e.*, “the CapEx table provided to the Closes”) in which can be found the total amount EIDo invested in cash into the Dispensaries—*i.e.*, \$2,751,270.88. *See Exhibit A* (E-mail with attached CapEx table) at PL000614. EIDo then referred to its document production—in which was contained a detailed general ledger identifying each particular transaction that was made on behalf of the Dispensaries, months of sales and inventory data, capital expenditure spreadsheets (both consolidated and by location), and detailed profit and loss statements.⁴ Finally,

⁴ Non-exhaustive examples of such documents can be found at the following bates ranges of the EIDo Parties’ document productions: PL002072-2248 (2021 General Ledger), PL002314-16 (January 2022 General Ledger), PL002261-2312 (General Ledger Reports), PL002495 (spreadsheet showing sales by location), PL007919 (CapEx spreadsheets), PL002052-64 (profit and loss statements), PL002068-71 (same), PL003617-20 (same), PL004052-58 (same), PL004603-07 (same), PL004629-43 (same), PL004655-60 (same), PL006754-57 (same). The

because the general ledger is over-inclusive (*i.e.*, there were transactions shown from EIDo's individual bank account for non-Dispensary business), EIDo also referred to documents that are currently being created for, and will be produced in connection with, the audit that will remove the over-inclusiveness and more accurately show each investment EIDo made for the benefit of the Dispensaries. Accordingly, each of the EIDo Parties' responses were complete and accurate as of the time the interrogatory responses were due, and the EIDo Parties will supplement those responses as additional information and documents become available.⁵

Defendants' complaints regarding the EIDo Parties' references to their document production are misplaced for two reasons. First, where "the answer to an interrogatory may be derived or ascertained from . . . the business records of the party upon whom the interrogatory has been served," Rule 57.01(c)(4) expressly allows that "it is a sufficient answer to such interrogatory to specify the records from which the answer may be derived or ascertained and to afford the party serving the interrogatory reasonable opportunity to examine . . . such records." Second, Defendants have effectively waived any such objection by doing exactly the same thing in many of their interrogatory responses. *See Exhibit B* (AF Alpha Interrogatory Responses) at Nos. 1-3.⁶ Thus, to the extent the EIDo Parties could be required to specifically identify particular documents within their productions, they would respectfully submit that such obligation should be mutual.

EIDo Parties merely reference such documents here rather than attach them as exhibits to this response due to their voluminous nature.

⁵ The accounting process involved in breaking out a long, detailed general ledger that encompassed activities relating to five different bank accounts and entities (*i.e.*, the four Dispensaries and EIDo) into one that "trues up" assets, liabilities, and equity by entity is a long and painstaking process that takes significant time; meanwhile, for both sides of this litigation, day-to-day business continues.

⁶ Each of the Dispensaries' corresponding interrogatory responses was materially identical. Defendant Alex Close's responses to the first five (5) interrogatories directed to him refer generally to Defendants' document production, as does Defendant Steve Close's first five (5) interrogatory responses.

C. While EIDo Will Produce All Relevant Bank Statements, Personal Information of EIDo’s Investors Is Not Relevant to This Action and Should Not Be Produced.

In Part III.B of the Motion, Defendants correctly state that “[o]ne of the major claims that EIDo makes is that it contributed substantial sums of money to the Dispensaries.” Motion at 5 (underscore added). But Defendants then engage in a glaring *non sequitur* by arguing that they are entitled to “information and documents regarding EIDo’s investors and the funds they purportedly contributed to the Dispensaries.” *Id.* (underscore added). Among the information sought is “[i]dentification of all private investors, including the names of any private investors in EIDo.” *Id.*

To be clear, the EIDo Parties do not object to production of information concerning EIDo’s investments of capital into, or on behalf of, the Dispensaries. Indeed, those are the only “investments” at issue in this case. Thus, EIDo has produced a general ledger showing each and every investment of capital EIDo made into or on behalf of the Dispensaries, and it is in the process of creating and producing (as described in Part II.B above) a *detailed* breakdown of the general ledger that shows all funds expended by or on behalf of the Dispensaries. It is also in the process of producing EIDo’s bank statements that will show all deposits made into the Dispensaries’ bank accounts and all expenses paid directly by EIDo on the Dispensaries’ behalf.

But that is all Defendants are entitled to. The identity of each of EIDo’s investors (not members, but *investors*), their personally identifiable information, the timing or amounts of their investments into EIDo, and similar information has no bearing whatsoever on the outcome of this litigation. The only possible purpose for Defendants’ request for such information is to harass and

oppress persons who have, at most, a highly tangential connection to this lawsuit.⁷ Accordingly, Defendants' request for such information should be denied.

D. Defendants Already Have Virtually All of the Information Concerning the Dispensaries' Finances That They Purport to Seek.

In Part III.C of the Motion, Defendants assert that the EIDo Parties have failed to produce a litany of “financial records” that “are not only relevant to the claims and counterclaims in this case, but they also rightfully belong to the Dispensaries.” Motion at 6-8. Such assertion is largely untrue, in that the EIDo Parties already produced most of the forms of documents that Defendants identify—usually as attachments to e-mails that were originally sent to Defendants before litigation even began.⁸ Other documents are entirely within Defendants own control, such as “Bank Statements for all Partner Colorado Credit Union accounts and Blue Ridge accounts associated with the Dispensaries from origination”—as Defendants have direct access to each of those accounts. Motion at 7. Other of Defendants' categories—*i.e.*, “*Accurate* Sales Reports” and “*Accurate* Capital Expenditure (CapEx) Reports” (emphasis added)—simply reflect Defendants' dissatisfaction with the contents of documents that were produced, as if the EIDo Parties are obliged to *create* documents that support Defendants' “wish-it-were-true” view of the case.

⁷ That said, the EIDo Parties already produced to Defendants a spreadsheet list of EIDo's investors, bates labeled PL000610, as Defendants admit in footnote 7 on page 8 of the Motion—thereby exposing Defendants' allegation of EIDo's refusal to produce such information as entirely disingenuous.

⁸ Again, a non-exhaustive list of the categories of documents bullet-pointed on page 7 of the Motion can be found at the following bates ranges of the EIDo Parties' document productions: (a) 2022 Financial Statements and General Ledger – PL002314-16, PL000678, PL000832, PL000758, PL002334; (b) Monthly Profit and Loss Statements – PL002052-64, PL002068-71, PL003617-20, PL004052-58, PL004603-07, PL004629-43, PL004655-60, PL006754-57; (c) Bank Statements – PL003092-3155; (d) Sales Reports – PL002495, PL002874, PL000678, PL000832, PL000758; (e) CapEx Reports – PL000655, PL007919, PL000614.

Nonetheless, the EIDo Parties are endeavoring to supplement (and in many instances *re-produce*) the financial documents that Defendants identify, by category, for ease of reference both for the forthcoming audit and for the purpose of ameliorating Defendants' professed concern. This will include all of the bank statements that the EIDo Parties possess for each of the Dispensaries, as well as for EIDo's bank account from which deposits into the Dispensary were made and expenses paid.

Of the categories Defendants list, however, there is one to which the EIDo Parties do object on grounds of burden, relevance, and proportionality—*i.e.*, what Defendants refer to as “the source data for all expenses in the general ledger” for the Dispensaries. *See* Motion at 7. The search for and production of every invoice, every bill of lading, every receipt, etc., is entirely unnecessary to the resolution of this matter, unduly burdensome, and disproportionate to the needs of the case. *See* Rule 56.01(b)(1) (requiring that requested discovery be both (a) relevant to the subject matter, and (b) “proportional to the needs of the case”). Indeed, the firm conducting the upcoming audit of the Dispensaries has expressly exhorted the parties to agree to the scope of items in dispute, because auditing the source documents for every single inventory purchase or shipment (the vast majority of which there is no dispute over) would substantially increase the time and expense of the audit yet get the parties no closer to resolution. The same is true of discovery, and in the absence of both a stated need for “source data” and *particular* Dispensary expenses for which such need would apply, Defendants' request should be denied.

E. Defendants Are Not Entitled to Discovery of Membership or Ownership Interests Held by Any Party Other Than EIDo and Its Members, Nor Are They Entitled to Discovery of “Investor” Information.

Defendants seek “information regarding the current and historic membership interests in BBS, BesaMe [IP], and EIDo as well as information regarding any other medical marijuana businesses in which any of the EIDo Parties (or their individual owners or investors) have an

ownership or membership interest.” Motion at 8. They further seek “the identification of any individual investors in EIDo as well as relevant communications with, or background information about, such investors.” *Id.* Defendants’ purported need for such information is that “there are certain regulations in Missouri regarding the number of marijuana licenses which can be possessed by individuals or companies,” such that “[i]f EIDo, or any of its individual owners or investors have interests in other marijuana dispensaries, it could be barred from investing in additional marijuana businesses.” *Id.* at 9. Defendants’ requests are overly broad, almost entirely irrelevant, and meant only to harass.⁹

First, only EIDo has ever claimed a right to an ownership interest in the Dispensaries, so the membership interests that BBS or BesaMe IP may or may not have in other marijuana dispensaries is entirely irrelevant. Indeed, the *only* ownership interests that are germane to Defendants’ purported discovery need are those of EIDo—and Defendants acknowledge that the EIDo Parties identified Benny Brower and Dane Brower as the *only* members of EIDo. Motion at 8. Thus, Defendants’ request for the ownership interests that BBS, BesaMe IP, Jack Mitchell, and/or Thomas Elafros may have in other dispensaries seeks purely irrelevant information.

Second, the word “investor” simply does not appear in the regulation that Defendants cite as the basis for their purported need, 19 CSR 30-95.040(3). For example, the provision of the regulation that Defendants point to which addresses the number of marijuana licenses that can be possessed reads as follows:

(C) No more than three (3) cultivation, nor more than three (3) manufacturing, and no more than five (5) dispensary licenses shall be issued *to any entity* under

⁹ The purported justification for these invasive requests is also insincere because the June 29, 2021 letter memorializing the promise and contract for EIDo to purchase a 46.5% interest in the Dispensaries already specifies that DHSS would have to approve of the transfers described therein. *See* 6/29/2021 Letter, attach. B to Ex. 2, Aff. of Benny R. Brower in Supp. of TRO & Prelim. Inj. (Apr. 15, 2022). Thus, the parties already addressed Defendants’ purported concern.

substantially common control, ownership, or management. *Any entity* under substantially common control, ownership, or management that has applied for more than three (3) cultivation, three (3) manufacturing, or five (5) dispensary licenses shall contact the department at the time of application submission to identify for the department the applications associated *with that entity*. The department will use this information, once application scoring is complete pursuant to 19 CSR 30-95.025(4), solely for determining how many licenses the department may issue any particular entity.

19 CSR 30-95.040(3)(C) (emphasis added). And the broadest category of persons addressed in the regulation appears in subsection (3)(A), which states that “[c]ultivation, infused products manufacturing, dispensary, testing, and transportation facilities shall not be owned by, in whole or in part, or have as an officer, director, board member, manager, or employee, any individual with a disqualifying felony offense.” Again, nowhere in the regulation does the term “investor” appear. Thus, Defendants are simply not entitled to information regarding ownership interests that EIDo’s “investors” may have.

EIDo, Benny Brower, and Dane Brower will each amend their interrogatory responses to identify all other membership/ownership interests they have had in other marijuana dispensaries, if any. The remainder of Defendants’ requested discovery should be denied.

F. The EIDo Parties Produced All Responsive Communications of Which They Are Aware, Unlike Defendants.

Defendants accuse the EIDo Parties of failing to produce certain forms of communications pertaining to the Dispensaries—*e.g.*, internal e-mails or text messages, e-mails with vendors, and meeting minutes. Motion at 9-10. On the contrary, the EIDo Parties have included within their document productions of well over 8,400 pages all communications of which they are currently aware that pertain specifically to the Dispensaries. To the extent additional documents are located that are responsive, the EIDo Parties will supplement their production in accordance with their obligations under the Missouri Rules.

Notably, Defendants’ productions—which currently number 1,710 pages in volume—are far more egregiously underinclusive, and provably so. For example, the vast majority of the documents produced by the EIDo Parties (again, over 8,400 pages) consisted of e-mail communications that Defendants were included on, and somehow very few of those communications made it into Defendants’ production. Similarly, EIDo produced the attachments to e-mails. Defendants did not. Defendants produced virtually no internal e-mail communications, nor did they produce text messages. Each of these issues and more will be the subjects of a forthcoming motion to compel filed by EIDo.

G. EIDo’s Damages Calculation Is a Work-in-Progress, Which Is Reflected by Its Discovery Responses to Date.

Finally, Defendants fault EIDo for failing to provide a comprehensive accounting of its damages. *See* Motion at 10. Once again, EIDo is not refusing to provide relevant discovery. Instead, it provided the information it had within its possession at the time its original responses were due—*e.g.*, the “CapEx table provided to the Closes,” months of sales data, and the general ledger containing all amounts spent by EIDo on behalf of the Dispensaries. *See* discussion *supra*, at Part II.B. And EIDo is currently engaged in providing a more accurate accounting (in conjunction with providing information for the ongoing audit) of amounts it invested in or spent on behalf of each of the Dispensaries. Further, some portion of EIDo’s damages may be the subject of expert analysis and opinion. Accordingly, as EIDo obtains more information pertinent to its damages, it will supplement its discovery responses in compliance with the Missouri Rules and any scheduling order entered by this Court.

III. CONCLUSION

For all the foregoing reasons, as well as those stated at any hearing on this matter, the EIDo Parties respectfully request that the Court issue an order denying Defendants' Motion and awarding the EIDo Parties all such other relief to which the Court deems them justly entitled.

Respectfully submitted,
MCN Law LLC

By: /s/ M. Cory Nelson
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CERTIFICATE OF SERVICE

I hereby certify that on this, the 19th day of December 2022, a copy of the foregoing document was filed with the Court's electronic filing system, which will automatically send notice thereof to all counsel of record.

By: /s/ M. Cory Nelson
Attorney for Plaintiff

Exhibit A

From: Tom Elafros
Sent: Mon, 24 Jan 2022 15:55:13 +0000
To: jack mitchell; Stevepclose; Alexander Close
Cc: Dane Brower
Subject: RE: Mo Accounting
Attachments: Close, Missouri allocation - 12.31.2021.xlsx

Updated expense allocation attached with adjustments.

Thomas J. Elafros
 Botanic Business Services, LLC

From: jack mitchell <jackmitchell@jms.com>
Sent: Monday, January 24, 2022 9:44 AM
To: Stevepclose <stevepclose@jms.com>; Alexander Close <alexander.close@jms.com>
Cc: Tom Elafros <tom@jms.com>; Dane Brower <dane@jms.com>
Subject: Re: Mo Accounting

Dane said there's 40 or \$50,000 of expenses which should not have been allocated here and were unique to our entity so we'll get another version out to you today which will show the reduction of those amounts.

Jack

Get [Outlook for Android](#)

From: jack mitchell
Sent: Monday, January 24, 2022 9:25:40 AM
To: Stevepclose <stevepclose@jms.com>; Alexander Close <alexander.close@jms.com>
Cc: Tom Elafros <tom@jms.com>; Dane Brower <dane@jms.com>; jack mitchell <jackmitchell@jms.com>
Subject: Mo Accounting

Steve and Alex,

Tom prepared the attached. Let me know when we can discuss and answer any questions. We are getting closer each month to break even, but it will not really swing big until it goes Rec. We either have to accrue Alex and Dane wages or contribute additional cash. Tom will have to weigh in whether he has their monthly covered in the negative cash flow.

Let's get this agreed and apply this week for ownership transition. Tom Kern has a simple form that works.

Tom E can provide any detail you want to audit.

Best Jack

Jack R Mitchell
Attorney at law

Name: Close, Missouri allocation - 12.31.2021.xlsx

Comments: Unsupported OR Excluded OR Password Protected File

Eldo Organic, LLC				
Capital and License Summary				
Jan-22				
License Purchase Agreement:		Eldo Organic, LLC	Close Family	Total
Close	\$ 645,000.00			
Kerns	\$ 750,000.00			
Total	\$ 1,395,000.00			
Prepaid		\$ 35,940.75		\$ 35,940.75
Inventory		\$ 561,385.48		\$ 561,385.48
CIP - Gallatin		\$ 39,784.94	\$ 281,479.09	\$ 321,264.03
CIP - Joplin		\$ 654,078.19	\$ 781,258.78	\$ 1,435,336.97
CIP - Pacific		\$ 253,122.54		\$ 253,122.54
CIP - Dexter		\$ 450,719.59		\$ 450,719.59
Furniture, Fixtures, Computers		\$ 50,198.99		\$ 50,198.99
				\$ -
Net Cash Losses		\$ 706,040.40	\$ -	\$ 706,040.40
Total Spent to Date		\$ 2,751,270.88	\$ 1,062,737.87	\$ 3,814,008.75
Expected entity share based upon allocation percentage		\$ 1,773,514.07	\$ 2,040,494.68	\$ 3,814,008.75
		46.5%	53.5%	
Payments due to true up allocation - 12/31/2021		\$ (977,756.81)	\$ 977,756.81	\$ -
License Purchase from Close Family		\$ (645,000.00)	\$ 645,000.00	\$ -
Net Due to the business - December 31, 2021		\$ (332,756.81)	\$ 332,756.81	
6 months negative cash flow	\$ 360,000.00	\$ 167,400.00	\$ 192,600.00	
		\$ -	\$ -	
Total Estimated Expense Contribution - Close Family			\$ 525,356.81	

**IN THE CIRCUIT COURT OF CLAY COUNTY
LIBERTY, MISSOURI**

ELDO ORGANIC, LLC,)
a Missouri limited liability company,)
)
Plaintiff,)
)
v.)
)
ASTRO FARMS ALPHA, LLC, *et al.*)
)
Defendants.)

Case No. 22CY-CV03887

**DEFENDANT ASTRO FARMS ALPHA’S RESPONSES AND OBJECTIONS TO
PLAINTIFF ELDO ORGANIC, LLC’S FIRST SET OF INTERROGATORIES**

Defendant Astro Farms Alpha, LLC hereby submits its responses and objections to Plaintiff ELDo Organic’s First Set of Interrogatories.

GENERAL OBJECTIONS

The responses of Defendant to the Discovery Requests of Plaintiff are subject to the General Objections set forth below and all pertinent objections as to the admissibility thereof that may be interposed at the trial of the above-captioned action. These General Objections shall be considered made, to the extent applicable, in response to each Discovery Request as if the General Objections were fully set forth therein.

1. Defendant objects to each Discovery Request to the extent that it seeks to impose duties or obligations upon Defendant that are greater than or inconsistent with those imposed by the Missouri Rules of Civil Procedure or the Court’s Local Rules.
2. Defendant objects to each Discovery Request to the extent that it seeks information and/or documents protected by the attorney-client privilege, the attorney work product doctrine, or any other legally recognized privilege, protection, or immunity. No privilege information or materials will be produced. In the event that privileged information or materials are inadvertently

produced to Plaintiff, any copies or images thereof shall be returned to Defendant's counsel immediately upon discovery thereof. Inadvertent production of any information or materials containing such protected information shall not constitute a waiver of Defendant's right to assert the applicability of any privilege or immunity.

3. Defendant objects to each Discovery Request to the extent that it seeks information and/or documents confidential, proprietary, trade secret or competitively sensitive data and material. Defendant will provide such information or materials only to the extent that Plaintiff agrees that it will be deemed confidential or highly confidential, depending on the content of the information or materials, subject to a protective order entered in this action.

4. Defendant objects to each Discovery Request to the extent that it is vague, ambiguous, and/or not susceptible to a reasoned interpretation.

5. Defendant objects to each Discovery Request to the extent that it is unduly burdensome, overly broad, oppressive, or seeks information or materials neither relevant to the issues presented in this case, nor reasonably calculated to lead to admissible evidence or proportional to the needs of the case.

6. Defendant objects to each Discovery Request to the extent that it does not contain any temporal limitations or limitations as to scope.

7. Defendant objects to each Discovery Request to the extent that it seeks information or materials already within Plaintiff's possession, custody, or control, or information or materials readily available to Plaintiff in the public record.

8. Defendant objects to each Discovery Request to the extent that it calls for Defendant to provide information or materials that are not within Defendant's possession, custody, or control.

9. Defendant objects to each Discovery Request to the extent that it calls for Defendant to create a not already existing document.

10. Defendant objects to each Discovery Request to the extent that it seeks to define terms and/or characterize the evidence in this matter. To the extent that Defendant provides information or materials in response to Plaintiff's Discovery Requests, such responses to Plaintiff's requests are neither an express nor implied agreement or admission as to the meaning of a term or characterization of evidence.

The foregoing General Objections apply to each of the specific Discovery Requests and are hereby incorporated in Defendant's specific responses and objections set forth below. The specific responses and objections are not intended to be, nor shall the same be deemed, a waiver, either in whole or in part, of any of the foregoing General Objections.

Defendant's objections made herein, or lack thereof, shall not be deemed to be an admission of any kind by Defendant, including as to the existence or non-existence of any materials. No statement that Defendant will provide the required materials shall be deemed to be a representation that such materials exist, but rather that Defendant will produce such materials to the extent that they do exist and are in Defendant's possession, custody, and control.

Subject to and limited by these General Objections and all pertinent objections as to the admissibility thereof that may be interposed at the trial or any other disposition of the above-captioned action, Defendant hereby responds to Plaintiff's Discovery Requests as follows:

INTERROGATORIES

INTERROGATORY NO. 1: Identify each communication you have had since January 1, 2020 concerning EIDo's, the EIDo Group's and/or BBS' potential participation in your ownership by stating the date, time, and medium (*e.g.*, telephone, face-to-face, e-mail, text) of the

communication, all person(s) involved in the communication, and the substance of the communication.

RESPONSE:

OBJECTION. This Interrogatory is unduly burdensome and overly broad. Subject to and without waiving said Objection, see Defendant's responses to Plaintiff's Requests for Production.

INTERROGATORY NO. 2: Identify each communication you have had since January 1, 2020 concerning EIDo's, the EIDo Group's and/or BBS' potential participation in your management or operational support by stating the date, time, and medium (*e.g.*, telephone, face-to-face, e-mail, text) of the communication, all person(s) involved in the communication, and the substance of the communication.

RESPONSE:

OBJECTION. This Interrogatory is unduly burdensome and overly broad. Subject to and without waiving said Objection, see Defendant's responses to Plaintiff's Requests for Production.

INTERROGATORY NO. 3: Identify each communication you or someone on your behalf has since January 1, 2020 pertaining to your monetary value, offered purchase price(s), or expected sales price(s) by stating the date, time, and medium (*e.g.*, telephone, face-to-face, e-mail, text) of the communication, all other person(s) involved in the communication, and the substance of the communication.

RESPONSE:

OBJECTION. This Interrogatory is unduly burdensome and overly broad. Subject to and without waiving said Objection, see Defendant’s responses to Plaintiff’s Requests for Production.

INTERROGATORY NO. 4: Identify each person (including name, address, telephone number, e-mail address, and place of employment) whom you believe may have knowledge concerning any of the matters alleged in your Counterclaim, and with respect to each identified person, describe with specificity the knowledge that you believe that person possesses.

RESPONSE:

- Employees, representatives, or members of Astro Farms Alpha, LLC**
- Employees, representatives, or members of Astro Farms Gamma, LLC**
- Employees, representatives, or members of Green Gryphon, LLC**
- Employees, representatives, or members of Red Stag Retail, LLC**
- Alexander Close**
- Stephen Close**
- Ryan White**
- Thomas Kern**
- Benjamin Kern**
- Ty Kendrick**
- Kristopher Chandler**
- Nate Ruby**
- Nicholas Higby**
- Melissa Lee**
- Employees, representatives, or members of EIDo Organic, LLC**
- Employees, representatives, or members of Botanic Business Services, LLC**
- Employees, representatives, or members of BesaMe Wellness IP, LLC**
- Jack Mitchell**
- Tom Elafros**
- Dane Brower**
- Benny Brower**
- All alleged or purported “investors” in the Dispensaries**
- All alleged or purported “investors” in EIDo Organic, LLC**
- Employees, representatives, or members of any vendors of the Dispensaries**
- Employees, representatives, or members of any financial institutions of the Dispensaries**

INTERROGATORY NO. 5: Do you contend that funds deposited by EIDo in your bank accounts and/or were paid by EIDo on your behalf constituted loans? If so, state with specificity the date(s), amount(s), and recipient(s) of each such loan, all material terms (including obligor(s), interest rate(s), and repayment terms) of each such loan, and all payments made to EIDo in repayment of such loan(s).

RESPONSE:

OBJECTION. This Interrogatory is vague and ambiguous. Further objecting, this Interrogatory seeks information in the custody, possession, and control of Plaintiff. Subject to and without waiving said Objection, Defendant states that it cannot fully answer this question because Plaintiff has refused to afford an accounting to Defendant. Plaintiff has also refused to disclose the alleged “investor” names and the alleged “investor” contributions. Based upon the limited information in the possession of Defendant, Defendant states that certain funds allegedly deposited into Defendant’s bank accounts do constitute loans. For example, the alleged amount of “approximately \$513,000” referenced in the June 29, 2021 letter represents a loan to the Dispensaries.

INTERROGATORY NO. 6: Identify each person whom you expect to call as an expert witness at trial by providing each such expert’s name, address, occupation, place of employment and qualifications to give an opinion, and state the general nature of the subject matter on which each such expert is expected to testify and each expert’s hourly deposition fee.

RESPONSE:

OBJECTION. This request is premature. Subject to and without waiving said Objection, Defendant has not yet identified its expert witnesses. Further answering, Defendant reserves

the right to call as an expert witness Clay Kniepmann JD, CPA/CFF, CFE, Senior Manager + Forensic and Litigation, Anders CPA & Advisers.

INTERROGATORY NO. 7: Identify each non-retained expert witness, including parties, whom you expect to call at trial who may provide expert witness opinion testimony by providing each such expert's name, address, and field of expertise.

RESPONSE:

OBJECTION. This request is premature. Subject to and without waiving said Objection, Defendant has not yet identified its expert witnesses. Further answering, Defendant reserves the right to call as an expert witness Clay Kniepmann JD, CPA/CFF, CFE, Senior Manager + Forensic and Litigation, Anders CPA & Advisers.

INTERROGATORY NO. 8: With respect to each affirmative defense stated in your answer to the State Court Petition, identify all facts upon which you rely to support the affirmative defense and all persons with knowledge of the facts upon which you rely.

RESPONSE:

OBJECTION. This Interrogatory is vague and ambiguous. Subject to and without waiving said Objection, Defendant refers Plaintiff to its Counterclaim. Further answering, see Defendant's response to Interrogatory number 4.

INTERROGATORY NO. 9: In paragraphs 171, 172, and 188 of your Counterclaim, you allege that there was a verbal "vendor agreement" or "contract" between the Dispensaries and one or more of "BBS, ElDo, and/or BesaMe." With respect to such verbal "vendor agreement" or

“contract,” state with specificity all parties to the agreement and the date the agreement was entered into, all material terms of the agreement, and all persons who were present when the verbal agreement was made.

RESPONSE:

OBJECTION. This Interrogatory is vague and ambiguous. Subject to and without waiving said Objection, to the best of Defendant’s recollection, there was a verbal agreement between the Dispensaries and Botanic Business Services LLC (“BBS”) to provide certain operational functions to the Dispensaries, such as marketing, hiring, and e-commerce. The verbal agreement was discussed sometime in early 2021 between Stephen Close and Tom Elafros and Jack Mitchell. Alexander Close also has some knowledge of the verbal discussions. As a fee for its services, BBS was to receive its costs plus five percent (5.0%).

INTERROGATORY NO. 10: With respect to any indemnification you are providing to any person in connection with this lawsuit and/or the federal lawsuit in which the Federal Complaint was filed, identify the expenses and amounts for which you have paid indemnification and the sources of funds used to provide the indemnification.

RESPONSE:

OBJECTION. This Interrogatory seeks information protected by the attorney-client privilege. Subject to and without waiving said Objection, see Section 6.5 of each Dispensary’s Operating Agreement, providing for indemnification. To the extent any such indemnification occurs, it would be paid as an operating expense of the Dispensaries.

INTERROGATORY NO. 11: Describe your ownership structure by identifying all

persons/entities that have ever had an equity interest in you, the percentages of each such equity interest, and all changes thereto since your formation.

RESPONSE:

Alexander Close – 1.00%
Stephen Close – 23.99%
Ryan White – 50.01%
Thomas Kern – 7.75%
Benjamin Kern – 5.75%
Ty Kendrick – 5.75%
Kristopher Chandler – 5.75%

INTERROGATORY NO. 12: Identify all branding and/or trade names under which you have operated your dispensary since March 1, 2022.

RESPONSE:

OBJECTION. This Interrogatory seeks information not relevant to this action and is not reasonably calculated to lead to discoverable information. Subject to and without waiving said Objection, Verts Neighborhood Dispensary.

INTERROGATORY NO. 13: Identify each member/owner capital contributions to you by stating the amount, date, and member/owner who provided the contribution.

RESPONSE:

OBJECTION. This Interrogatory seeks information in the custody, possession, and control of Plaintiff. Subject to and without waiving said Objection, Defendant states that Plaintiff has refused to afford an accounting to Defendant. Further answering, Defendant states that members Stephen Close and Alexander Close made capital contributions to Defendant. In addition, Alexander Close made contributions of working capital to Defendant. Defendants

are further researching the dates and amounts of their capital contributions and will supplement this response as necessary.

INTERROGATORY NO. 14: Identify all other contributions and/or loans to you from any other non-owner/member by stating the amount(s), date(s), and persons/entities who provided the contribution.

RESPONSE:

OBJECTION. This Interrogatory seeks information in the custody, possession, and control of Plaintiff. Subject to and without waiving said Objection, Defendant states that it cannot fully answer this question because Plaintiff has refused to afford an accounting to Defendant. Plaintiff has also refused to disclose the alleged “investor” names and the alleged “investor” contributions. Defendant does not possess the information to provide any purported “contributions” or “loans” to Defendant.

Respectfully submitted,



Matthew T. Anderson
Admitted Pro Hac Vice
Luper Neidenthal & Logan, LPA
1160 Dublin Road, Suite 400
Columbus, Ohio 43215-1052
(614) 221-7663 Fax: (866) 345-4948
E-mail: manderson@LNLattorneys.com
Attorney for Defendants

VERIFICATION

I, the below-signed, (hereinafter "affiant"), being duly sworn, state that I have verified the interrogatory answers (hereinafter "Answers") of Astro Farms Alpha, LLC, and that I am duly authorized to do so, that I have read the forgoing Answers thereto and know the contents thereof, and that these Answers were prepared with the assistance of employees of and/or counsel for Defendant upon which I have relied, and these Responses, subject to inadvertent and undiscovered error, are based upon, and necessarily limited by, the records and information still in existence, presently recollected and thus far discovered in the course of preparation of such Answers. Further, I reserve the right to make any changes in the Answers if it appears at any time that omissions or errors have been made therein or that more accurate information is available. Subject to the limitations set forth herein, such Answers are true and correct to the best of my knowledge, information and belief.

By: 
Signature

Printed Name: ALEX CLOSE

Subscribed and sworn to before me this 22 day of June, 2022.


NOTARY PUBLIC

My Commission Expires: N/A



Erik Mikkelsen, Attorney At Law
NOTARY PUBLIC - STATE OF OHIO
My commission has no expiration date
Sec. 147.03 R.C.

CERTIFICATE OF SERVICE

The undersigned hereby certifies that a true and exact copy of the above and foregoing has been served by electronic mail only, this 23rd day of June, 2022, upon the following:

Kevin R. Corlew
PathGuide Law LLC
Kevin.corlew@pathguidelaw.com

M. Cory Nelson
MCN Law LLC
mcorynelson@mcnlawllc.com



Matthew T. Anderson

ASHLEY CLOSE

JOB TITLE

**Golden Alternative
Medicine**
CEO and Co-Founder

**Verts Neighborhood
Dispensary**
CEO and Co-Founder

CONTACT

Phone:

Email:

WORK EXPERIENCE

Golden Alternative Medicine – CEO and Co-Founder
Golden, CO
2020 – current

Responsible for staffing, finances, budgeting, marketing, HR, payroll, licensing, compliance, community engagement, professional development of team members, among other items.

Verts Neighborhood Dispensary – CEO and Co-Founder
Fort Collins, CO
2013 – current

Responsible for staffing, finances, budgeting, marketing, HR, payroll, licensing, compliance, community engagement, professional development of team members, among other items.

Rocky Mountain Organic Medicine – CEO and Owner
2016 – 2020

Manage operations for a Medical Cannabis Dispensary in Golden, Colorado. Sold the business but stayed on with new ownership.

EDUCATION

Ohio State University
2006 - 2011 | Economics Degree

Hilliard Davidson High School
2002 - 2006 | Highschool Diploma

SKILLS

Extremely organized, decision making, problem solving, team leader, results oriented, optimistic, motivated, adaptable, conflict resolution.



Dispensaries. Investing. Management.

Profile

Alex Close is the chief executive officer of Verts Neighborhood Dispensaries, which is a chain of cannabis dispensaries located in Colorado, Michigan and Missouri. He is also the chief investment officer of Sugar Factory Cannabis Company, which is a cannabis cultivation located in Owosso, MI and President of Midwest Wellness, a CBD store located in Columbus, OH. Alex began his career in cannabis in 2014 in Colorado and has since expanded the company to seven locations. He is graduate of Ohio University in 2010 where he studied finance.

Education

Ohio University – Athens, Ohio
B.B.A – Major in Finance, Minor in Spanish (May '10)
Real Estate License (May '10)

Experience

Verts Neighborhood Dispensaries – Nationwide

Chief Executive Officer (August '19 - Current)

- Oversee diversified portfolio of dispensaries and perform management activities; includes building and developing a plan to open and operate a top tier dispensary.
- Prepared budget forecasts for dispensaries in both matured and new markets
- Experience handling and developing intuitive marketing strategies.

All Star Growers – Columbus, OH

Chief Financial Officer (August '20 – Current)

- Specialty in high-end real estate in the Columbus area and surrounding markets. Averaging \$5 million in sales per year.

HD5 Investments LLC – Columbus, Ohio

Portfolio Manager (September '11-Current)

- Building an investment property company that currently specializes in Class C and rentals. Currently managing 170 rental properties in the Columbus area

DANIEL ROWLAND

Uniquely qualified public policy and regulatory affairs professional, helping businesses, governments and communities thrive in emerging and rapidly changing industries.

PROFESSIONAL EXPERIENCE

2018 – PRESENT

PRESIDENT & PRINCIPAL CONSULTANT, CORDILLERA ADVISORY MANAGEMENT

- Secured important policy reforms and legislative and campaign victories while directing federal, state and local government relations for a vertically integrated, multi-state cannabis company.
- Represent clients in industry trade associations and state lobbying efforts.
- Help develop legislation, regulations and market analysis for state, provincial and local governments that are implementing cannabis legalization and commercialization.
- Successfully assisted in strategic planning, education, licensing and compliance for new businesses in the United States, Canada and United Kingdom.
- Orchestrated the application process on behalf of clients to successfully secure licenses in multiple jurisdictions, including in competitive processes where a limited number of permits were awarded.
- Helped with startup operations, secured approved locations and directed government relations for a Canadian retail brand and operator that has grown to 40 locations.

2020 – PRESENT

CHIEF REGULATORY OFFICER, PEREGRINE PRECISION SYSTEMS

- Direct federal, state and local government relations for a multinational developer of cannabis production technologies, hemp-derived ingredients, and synthetic cannabinoid production.
- Oversee all strategic, corporate, government, internal and external communications, including media, public and investor relations.
- Coordinate closely with COO on all marketing initiatives.
- Direct licensing strategy and process at federal, state/provincial and local levels; work closely with COO, Scientific Advisor and Legal team to oversee all testing, filings, product registrations, facility/equipment/process approvals, clinical trials, and applications for new foods, cosmetics, dietary ingredients and drugs.
- Advising on new product development and bringing those products to emerging markets across the globe.

2022 – PRESENT

PRINCIPAL, PRAIRIE GRASS CONSULTING

- Direct federal, state and local government relations for an independent company in an emerging market; secured important policy reforms and legislative victories.
- Successfully secured a license in a competitive process and helped with retail startup business planning and operations.

- Directing government relations, licensing, and fundraising for a startup analytical testing lab.
- Directing government relations, business planning, research and fundraising for a startup hemp processing facility.

2019 – PRESENT

CANNABIS & POLICY ADVISOR, GIBSON'S GOODOLOGY

- Helped with startup operations of a U.K.-based fast-moving consumer goods company that focuses on premium, CBD-infused beverages.
- Direct government relations and communications initiatives with industry stakeholders, government agencies and regulatory authorities.
- Oversaw Novel Food application process and secured inclusion on the U.K. register of approved CBD products.
- Vetting and sourcing supply chain vendors, manufacturing partners and analytical testing providers.
- Representing company in industry lobbying efforts and overseeing regulatory affairs to ensure new products are brought to market in strict compliance with emerging and changing regulations.

2020 – PRESENT

FACULTY MEMBER, OAKSTERDAM UNIVERSITY

- Teach courses on cannabis policy and economics of the cannabis industry.

2014 – 2018

DIRECTOR OF PUBLIC AFFAIRS, CITY AND COUNTY OF DENVER

- Promoted to direct all communications, marketing, media relations and public affairs for the city's Office of Marijuana Policy and Department of Excise & Licenses.
- Critical member of Denver's marijuana policy team; coordinated messaging to and lobbying of local and state elected officials; represented Denver's interests at the state capitol and on state working groups and advisory boards; directed communications for the city's business licensing efforts and implementation of regulations for Colorado's burgeoning cannabis industry.
- Point of contact for and opened lines of communication with hundreds of cannabis companies that held more than 1,100 licenses in the city.
- Critical part of the city's effort to work with licensees on understanding and complying with a rapidly growing and evolving set of regulations being implemented for the industry.
- Coordinated the work of multiple public agencies responsible for the regulation of cannabis in Denver and Colorado, and frequently consulted on the implementation of legalized cannabis for governments and other public stakeholders around the world.
- Other accomplishments included development of a \$1.3 million youth marijuana education campaign, management of hundreds of media interviews and inquiries annually, and spearheading and coordinating intergovernmental and interagency communications.

2012 – 2014

ASSISTANT DIRECTOR OF MARKETING & COMMUNICATIONS, CITY AND COUNTY OF DENVER

- Public affairs and media relations manager for Denver Arts & Venues, the city agency that oversees Denver's publicly owned venues such as Red Rocks Amphitheatre, the Denver Performing Arts Complex, Colorado Convention Center, Denver Coliseum and McNichols Civic Center Building.

2009 – 2012

PUBLIC INFORMATION OFFICER, BOULDER COUNTY COMMISSIONERS’ OFFICE

- Directed marketing, communications and media relations for the Board of County Commissioners and several county departments, including Transportation.
- Duties included marketing county programs and events, acting as spokesperson for elected officials, and coordinating interviews, public events and both internal and external communications.
- Critical member of the county’s Policy Team; developed and communicated policy position for state lobbying efforts and government relations activities at the state capitol.

2003 – 2009

MANAGER, MARKETING & PUBLIC RELATIONS, KROENKE SPORTS & ENTERTAINMENT

- Promoted to oversee multi-million-dollar marketing and communication function for National Hockey League’s Colorado Avalanche.
- Duties included managing three employees, advertising creation, strategic marketing, team branding, media relations, promotions development, media buying and placement, and social networking.
- Supported local government relations initiatives to help secure stadium development.

2002 – 2003

SPORTS WRITER & EDITORIAL ASSISTANT, THE DENVER POST

- Youngest writer on staff, given a steadily increasing amount of responsibility and assignments, particularly for coverage of Denver Broncos, Denver Nuggets, human-interest stories, and local colleges and high schools.

EDUCATION

2013-2014

MASTER OF PUBLIC ADMINISTRATION, UNIVERSITY OF COLORADO DENVER

- Graduated from School of Public Affairs Executive MPA program with a 3.98 grade point average.
- Awarded Gates Family Foundation scholarship for Rocky Mountain Leadership Program.

1997-2001

BACHELOR OF ARTS, ARIZONA STATE UNIVERSITY

- Graduated Magna Cum Laude from Walter Cronkite School of Journalism & Mass Communication with a 3.65 grade point average.
- Awarded W.P. Rankin academic scholarship.
- Five-time Dean’s List selection.

H.

OFFICE OF THE SECRETARY OF STATE
OF THE STATE OF COLORADO

CERTIFICATE OF FACT OF GOOD STANDING

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

Verts Grand Lake LLC

is a

Limited Liability Company

formed or registered on 09/28/2023 under the law of Colorado, has complied with all applicable requirements of this office, and is in good standing with this office. This entity has been assigned entity identification number 20238011800 .

This certificate reflects facts established or disclosed by documents delivered to this office on paper through 10/03/2023 that have been posted, and by documents delivered to this office electronically through 10/04/2023 @ 14:10:17 .

I have affixed hereto the Great Seal of the State of Colorado and duly generated, executed, and issued this official certificate at Denver, Colorado on 10/04/2023 @ 14:10:17 in accordance with applicable law. This certificate is assigned Confirmation Number 15375983 .



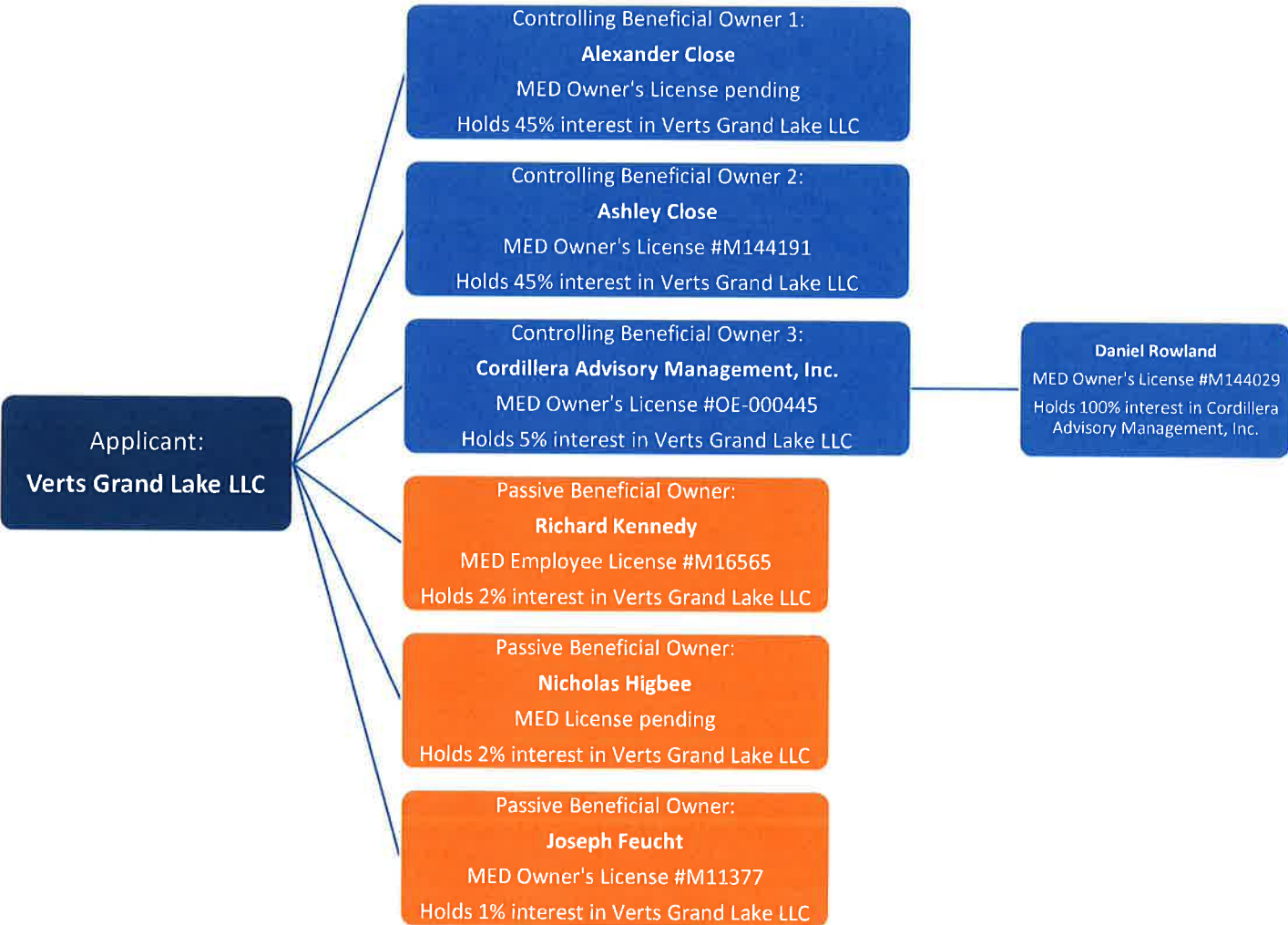
Jena Griswold

Secretary of State of the State of Colorado

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

Verts Grand Lake LLC

I. Organizational Chart





Articles of Organization for a Limited Liability Company

filed pursuant to § 7-90-301 and § 7-80-204 of the Colorado Revised Statutes (C.R.S.)

The domestic entity name of the limited liability company is Verts Grand Lake LLC

The principal office street address is 3915 W 25th Ave
Denver CO 80212
US

The principal office mailing address is 3915 W 25th Ave
Denver CO 80212
US

The name of the registered agent is Cordillera Advisory Management

The registered agent's street address is 3915 W 25th Ave
Denver CO 80212
US

The registered agent's mailing address is 3915 W 25th Ave
Denver CO 80212
US

The person above has agreed to be appointed as the registered agent for this entity.

The management of the limited liability company is vested in Members

There is at least one member of the limited liability company.

Person(s) forming the limited liability company

Cordillera Advisory Management
3915 W 25th Ave
Denver CO 80212
US

Causing this document to be delivered to the Secretary of State for filing shall constitute the affirmation or acknowledgment of each individual causing such delivery, under penalties of perjury, that the document is the individual's act and deed, or that the individual in good faith believes the document is the act and deed of the person on whose behalf the individual is causing the document to be delivered for filing, taken in conformity with the requirements of part 3 of article 90 of title 7, C.R.S., and, if applicable, the constituent documents, and the organic statutes, and that the individual in good faith believes the facts stated in the document are true and the document complies with the requirements of that Part, the constituent documents, and the organic statutes.

This perjury notice applies to each individual who causes this document to be delivered to the Secretary of State, whether or not such individual is named in the document as one who has caused it to be delivered.

Name(s) and address(es) of the individual(s) causing the document to be delivered for filing

Daniel Rowland
3915 W 25th Ave
Denver CO 80212
US

K.

OPERATING AGREEMENT

among

VERTS GRAND LAKE LLC

and

THE MEMBERS NAMED HEREIN

October 31, 2023

THE UNITS REPRESENTED BY THIS AGREEMENT HAVE NOT BEEN REGISTERED WITH THE SECURITIES AND EXCHANGE COMMISSION UNDER THE SECURITIES ACT OF 1933, AS AMENDED, OR UNDER THE SECURITIES ACTS OR LAWS OF ANY STATE IN RELIANCE UPON EXEMPTIONS UNDER THOSE ACTS AND LAWS. THE SALE OR OTHER DISPOSITION OF SUCH UNITS IS RESTRICTED AS STATED IN THIS AGREEMENT, AND IN ANY EVENT IS PROHIBITED UNLESS THE COMPANY RECEIVES AN OPINION OF COUNSEL SATISFACTORY TO IT AND ITS COUNSEL THAT SUCH SALE OR OTHER DISPOSITION CAN BE MADE WITHOUT REGISTRATION UNDER THE SECURITIES ACT OF 1933, AS AMENDED, AND ANY APPLICABLE STATE SECURITIES ACTS AND LAWS. BY ACQUIRING UNITS REPRESENTED BY THIS AGREEMENT, EACH MEMBER REPRESENTS THAT IT WILL NOT SELL OR OTHERWISE DISPOSE OF ITS UNITS WITHOUT COMPLIANCE WITH THE PROVISIONS OF THIS AGREEMENT AND REGISTRATION OR OTHER COMPLIANCE WITH THE AFORESAID ACTS AND LAWS AND THE RULES AND REGULATIONS ISSUED THEREUNDER.

OPERATING AGREEMENT

THIS OPERATING AGREEMENT (this “Agreement”) of **Verts Grand Lake LLC**, a Colorado limited liability company (the “Company”), is effective as of the 31st day of October, 2023, by and among the Company and each person and entity who from time-to-time is admitted as a member of the Company in accordance with the terms of this Agreement (each individually a “Member,” and collectively, the “Members”) and is listed as a member on Schedule A attached hereto (the “Members Schedule”). Capitalized terms used herein shall have the meanings set forth in Annex 1 attached hereto.

RECITALS

WHEREAS, the Company was formed as a limited liability company under the Colorado Limited Liability Company Act, C.R.S. §§ 7-80-101, *et seq.* (as amended from time to time, the “LLC Act”) by the filing of the Company’s Articles of Organization (the “Articles of Organization”) with the Secretary of the State of Colorado on September 28, 2023;

WHEREAS, the Members agree that the membership in and management of the Company shall be governed by the terms set forth herein.

NOW, THEREFORE, the parties hereto agree as follows:

**Article I
ORGANIZATION**

Section I.01 Formation.

(a) The Company was formed on September 28, 2023 upon the filing of the Articles of Organization with the Secretary of the State of Colorado.

(b) This Agreement shall constitute the “operating agreement” (as that term is used in the LLC Act) of the Company. The rights, powers, duties, obligations, and liabilities of the Members shall be determined pursuant to this Agreement and the LLC Act. To the extent such rights, powers, duties, obligations and liabilities are different by reason of any provision of this Agreement than they would be under the LLC Act, in the absence of such provision, this Agreement shall, to the extent permitted by the LLC Act, control.

Section I.02 Name. The name of the Company is “Verts Grand Lake LLC” or such other name or names as the Board may from time-to-time designate in accordance with the LLC Act. The Board shall give prompt notice to each of the Members of any change to the name of the Company.

Section I.03 Principal Office. The principal office of the Company will be at such a place as may from time to time be determined by the Board. The Board shall give prompt notice of any such change to each of the Members.

Section I.04 Registered Office; Registered Agent.

(a) The street and mailing address of the registered office of the Company shall be the office of the initial registered agent named in the Articles of Organization or such other office (which need not be a place of business of the Company) as the Board may designate from time to time in the manner provided by Applicable Law.

(b) The registered agent of the Company for service of process in the State of Colorado shall be as set forth in the Articles of Organization or any subsequent filing with the Secretary of the State of Colorado.

(c) In the event of a change in the registered office or agent of the Company by the Board, the Company shall promptly file a statement of change with the Secretary of State of Colorado in the manner provided by the LLC Act.

Section I.05 Purpose; Powers.

(a) The purpose of the Company is to engage in any activity within the purposes for which a limited liability company may be formed under the LLC Act and to engage in any and all activities necessary or incidental thereto.

(b) The Company shall have all the powers necessary or convenient to carry out the purposes for which it is formed, including the powers granted by the LLC Act.

Section I.06 Term. The term of the Company commenced on the date the Articles of Organization were filed with the Secretary of State of Colorado and shall continue in existence perpetually until the Company is dissolved in accordance with the provisions of this Agreement or the LLC Act.

Section I.07 No State-Law Partnership. The Members intend that the Company shall be treated as a partnership for federal and, if applicable, state and local income tax purposes, and, to the extent permissible, the Company shall elect to be treated as a partnership for such purposes. The Company and each Member shall file all tax returns and shall otherwise take all tax and financial reporting positions in a manner consistent with such treatment and no Member shall take any action inconsistent with such treatment. The Members intend that the Company shall not be a state law partnership (including, without limitation, a limited partnership) or joint venture, and that no Member, Manager or Officer of the Company shall be a partner or joint venture of any other Member, Manager or Officer of the Company, for any purpose other than as set forth in the first sentence of this Section 1.07.

Section I.08 Regulatory Licenses. The Members intend that the Company or Company Subsidiaries shall hold Regulatory Licenses pursuant to applicable Regulatory Laws. The Company shall not engage in any Regulated Activity without the applicable Regulatory Licenses. In connection with the foregoing, the Board and each Member shall take all actions reasonably necessary in connection with any application for such Regulatory Licenses and shall not otherwise take or fail to take any action that would reasonably be expected to have a material adverse effect on such applications. Without limiting the foregoing, the Members and the Board acknowledge and agree that this Agreement must comply with Regulatory Laws and may be subject to review or approval by Regulatory Authorities. In the event that a Regulatory Authority determines, or the

Board or Members otherwise reasonably determine, that this Agreement does not comply with Regulatory Laws (including pursuant to a change in Regulatory Laws or direction by Regulatory Authorities) the parties hereto shall negotiate in good faith to modify this Agreement so as to effect the original intent of the parties as closely as possible in a mutually acceptable manner in order that the transactions contemplated hereby be consummated as originally contemplated to the greatest extent possible.

Section I.09 Marijuana Activities. ACQUISITION OF THE UNITS OR SERVICES TO THE COMPANY INVOLVES DIRECT AND/OR INDIRECT INTERESTS IN MARIJUANA. THE CULTIVATION, HARVESTING, MANUFACTURING, PRODUCTION, MARKETING, COMMERCIALIZATION, DISTRIBUTION, TRANSFER, SALE AND/OR POSSESSION OF MARIJUANA IS ILLEGAL UNDER U.S. FEDERAL LAW. NO PARTY HERETO, NOR ANY ATTORNEYS FOR SUCH PARTY, HAVE MADE ANY REPRESENTATION TO THE CONTRARY. EACH MEMBER, MANAGER AND OFFICER ASSUMES ALL RISKS ASSOCIATED WITH ACQUISITION OF THE UNITS OR SERVICES TO THE COMPANY, INCLUDING THE RISK OF CRIMINAL PROSECUTION, AND HEREBY REPRESENTS AND WARRANTS THAT IT ACKNOWLEDGES AND UNDERSTANDS SUCH RISKS AND THAT ITS ACQUISITION OF THE UNITS OR SERVICES TO THE COMPANY DOES NOT VIOLATE THE LAWS OF THE JURISDICTIONS UNDER WHICH IT RESIDES OR IS DOMICILED AND, AS APPLICABLE, IS FORMED OR ORGANIZED (OTHER THAN FEDERAL MARIJUANA LAWS).

**Article II
UNITS**

Section II.01 Units Generally. The Membership Interests shall be represented by issued and outstanding Units, which may be divided into one (1) or more types, classes, or series. Each type, class, or series of Units shall have the privileges, preference, distribution priorities, duties, liabilities, obligations and rights, including voting rights, if any, set forth in this Agreement. The Units shall not be certificated. The Board shall maintain the Members Schedule to include the number of Units, including types, classes and series, held by each Member and shall update the Members Schedule upon the issuance or Transfer of any Units to any new or existing Member as permitted hereunder.

Section II.02 Authorization and Issuance of Common Units. Subject to compliance with the terms of this Agreement, the Company is hereby authorized to issue a class of Units designated as Common Units.

Section II.03 Other Issuances. In addition to the Common Units, the Company is hereby authorized, subject to compliance with the provisions of this Agreement, to authorize and issue or sell to any Person any of the following (collectively, “New Interests”): (a) any new type, class or series of Units not otherwise described in this Agreement, which Units may be designated as classes or series of the Common Units but having different rights; and (b) Unit Equivalents.

Section II.04 Regulatory Compliance. Notwithstanding anything else contained herein, any authorization, issuance, or sale of additional Units, Unit Equivalents or New Interests shall be

permitted only if such authorization, issuance or sale (a) is conducted in compliance with the requirements of all Regulatory Laws (including the applicable Regulatory Authority), including that such authorization, issuance or sale may be subject to the prior approval of the Regulatory Authorities and (b) such authorization, issuance or sale not be reasonably expected to preclude or materially delay, jeopardize, impede or impair, or impose materially burdensome terms and conditions on, the ability of the Company or any of its subsidiaries to conduct any Regulated Activities or to obtain, retain, renew or reinstate any Regulatory License. Any purported authorization, issuance, or sale of any Units, Unit Equivalents or New Interests in violation of this Section 2.04 shall be null and void.

**Article III
MEMBERS**

Section III.01 Admission of New Members.

(a) Notwithstanding anything else contained herein, a Person not already a Member of the Company shall be admitted into the Company as a Member only if: (i) such Person is suitable, eligible or otherwise qualified pursuant to any Regulatory Laws (including by the applicable Regulatory Authority) to be a Member and to own or control the applicable Units, (ii) such admission is conducted in compliance with the Regulatory Laws, including that such admission may be subject to the prior approval of the Regulatory Authorities, (iii) such admission may not reasonably be expected to preclude or materially delay, jeopardize, impede or impair, or impose materially burdensome terms and conditions on, the ability of the Company or any of its subsidiaries to conduct any Regulated Activities or to obtain, retain, renew or reinstate any Regulatory License. Any admission or attempted admission of a Person as a Member in violation of this Section 3.01(a) shall be null and void and of no effect for all purposes of this Agreement.

(b) Any Person not already a Member of the Company may be admitted as a Member from time to time with approval from a majority of the Members: (i) in connection with an issuance of Units by the Company; and (ii) in connection with a Transfer of Units, in each case, subject to compliance with the provisions of this Agreement.

(c) In order for any Person not already a Member of the Company to be admitted as a Member, whether pursuant to an issuance or Transfer of Units, (i) Section 3.01(a) shall be complied with and (ii) such Person shall have executed and delivered to the Company a written undertaking substantially in the form of the Joinder Agreement attached hereto. Upon the amendment of the Members Schedule by the Board and the satisfaction of any other applicable conditions, such Person shall be admitted as a Member and deemed listed as such on the books and records of the Company and thereupon shall be issued his, her or its Units.

Section III.02 Representations and Warranties of Members. By execution and delivery of this Agreement or a Joinder Agreement, as applicable, each Member, whether admitted as of the date hereof or pursuant to Section 3.01, represents and warrants to the Company and acknowledges that:

(a) The Units have not been registered under the Securities Act or the securities laws of any other jurisdiction, are issued in reliance upon federal and state exemptions for transactions not involving a public offering and cannot be disposed of unless: (i) they are subsequently registered or exempted from registration under the Securities Act; and (ii) the provisions of this Agreement have been complied with;

(b) Such Member's Units are being acquired for its own account solely for investment and not with a view to resale or distribution thereof;

(c) Such Member, with the assistance of its advisor (if any): (i) has conducted its own independent review and analysis of the business, operations, assets, liabilities, results of operations, financial condition and prospects of the Company; (ii) has made its own evaluation of the legal, tax, accounting, financial and other merits and risks of an investment in the Company; and (iii) acknowledges that it and its advisors (if any) have been provided adequate access to the personnel, properties, premises and records of the Company and Company Subsidiaries for such purpose;

(d) Such Member, with the assistance of its own professional advisors, to the extent such Member has deemed appropriate, has such knowledge and experience in financial and business matters and is capable of evaluating the merits and risks of an investment in the Company and making an informed decision with respect thereto;

(e) Such Member is able to bear the economic and financial risk of an investment in the Company for an indefinite period of time;

(f) The execution, delivery and performance of this Agreement have been duly authorized by such Member and, except for requisite approvals of Regulatory Authorities, do not require such Member to obtain any consent or approval that has not been obtained and do not contravene or result in a default in any material respect under any provision of any law or regulation applicable to such Member or other governing documents or any agreement or instrument to which such Member is a party or by which such Member is bound;

(g) This Agreement is valid, binding and enforceable against such Member in accordance with its terms, except as may be limited by bankruptcy, insolvency, reorganization, moratorium and other similar laws of general applicability relating to or affecting creditors' rights or general equity principles (regardless of whether considered at law or in equity);

(h) Neither the issuance of any Units to any Member nor any provision contained herein will entitle the Member to remain in the employment of the Company or any Company Subsidiary or affect the right of the Company or any Company Subsidiary to terminate the Member's employment at any time for any reason, other than as otherwise provided in such Member's employment agreement or other similar agreement with the Company or Company Subsidiary;

(i) Such Member is suitable, eligible or otherwise qualified pursuant to any Regulatory Laws (including by the applicable Regulatory Authority) to be a Member and to own or control the applicable Units;

(j) Such Member's acquisition of the Units does not violate the laws of the jurisdictions under which such Member resides or is domiciled and, as applicable, is formed or organized (other than U.S. Federal Marijuana Laws);

(k) SUCH MEMBER UNDERSTANDS AND ACKNOWLEDGES THAT THE COMPANY INTENDS TO ENGAGE, DIRECTLY OR INDIRECTLY, IN MARIJUANA RELATED ACTIVITIES AND THAT SUCH MEMBER HAS REVIEWED AND CONSIDERED THE RISKS RELATED TO AN INVESTMENT IN THE COMPANY AND ADDITIONAL RISK FACTORS THAT MAY AFFECT AN INVESTMENT IN THE COMPANY, INCLUDING WITHOUT LIMITATION THE FOLLOWING:

(i) MARIJUANA IS CLASSIFIED UNDER FEDERAL LAW AS A SCHEDULE I CONTROLLED SUBSTANCE. UNDER SUPREME COURT PRECEDENT, FEDERAL LAW CRIMINALIZING THE USE OF MARIJUANA IS NOT PREEMPTED BY STATE LAW THAT LEGALIZES ITS USE. THUS, IRRESPECTIVE OF ANY STATE LAW OR OTHER REGULATORY LAW, THE FEDERAL GOVERNMENT COULD AT ANY TIME CHOOSE TO PROSECUTE THE COMPANY AND ITS OWNERS, INCLUDING ITS MEMBERS;

(ii) Because marijuana is illegal under federal law, many banking institutions take the position that they cannot accept for deposit funds from the marijuana trade, and therefore cannot do business with participants in the marijuana industry, such as the Company; and

(iii) Certain taxable deductions may be barred under 26 U.S.C. § 280E, which states that a business engaging in the trafficking of a Schedule I or II controlled substance (e.g. marijuana) is barred from taking certain "necessary and ordinary" expenses as deductions. As such, the Members may experience "phantom income," where they are taxed on the allocated profits of the Company in excess of the profits of the Company which are actually distributed to them hereunder.

Section III.03 No Personal Liability. Except as otherwise expressly provided in this Agreement, no Member will be obligated personally for any debt, obligation or liability of the Company or of any Company Subsidiary or other Members, whether arising in contract, tort or otherwise, solely by reason of being a Member. The liability of each Member shall be limited to the amount of Capital Contributions made by such Member in accordance with the provisions of this Agreement.

Section III.04 Death. The death of any Member shall not cause the dissolution of the Company. In such event, the Company and its business shall be continued by the remaining Member or Members and the Units owned by the deceased Member shall, subject to compliance with the provisions of this Agreement, be Transferred to such Member's heirs; provided, however, that (i) prior to such transfer, the applicable heir(s) shall be found suitable by the Regulatory Authorities to hold an ownership interest in the Company, and (ii) within a reasonable time after such Transfer, the applicable heirs shall sign a written undertaking substantially in the form of the Joinder Agreement.

Section III.05 Voting. Except as otherwise provided by this Agreement or as otherwise required by Applicable Law, each Member shall be entitled to one (1) vote per Common Unit on all matters upon which the Members have the right to vote under this Agreement.

Section III.06 No Interest in Company Property. No real or personal property of the Company shall be deemed to be owned by any Member individually, but shall be owned by, and title shall be vested solely in, the Company. Without limiting the foregoing, each Member hereby irrevocably waives during the term of the Company any right that such Member may have to maintain any action for partition with respect to the property of the Company.

Article IV
CAPITAL CONTRIBUTIONS; CAPITAL ACCOUNTS

Section IV.01 Initial Capital Contributions. Each Member as of the date hereof agrees to contribute to the Company such initial Capital Contributions in the aggregate amount set forth on the Members Schedule (with respect to each such Member, such Member's "Capital Commitment") as consideration for the number, type, series and class of Units in the amounts set forth opposite such Member's name on the Members Schedule as in effect on the date hereof. Capital Contributions shall be credited to the contributing Member's Capital Account at the time of such contribution to the Company.

Section IV.02 Additional Capital Contributions.

(a) No Member shall be required to make any additional Capital Contributions to the Company. Any future Capital Contributions made by any Member shall only be made with the consent of the Board and in connection with an issuance of Units made in compliance with Article VIII.

(b) No Member shall be required to lend any funds to the Company and no Member shall have any personal liability for the payment or repayment of any Capital Contribution by or to any other Member. If one or more Members lend funds to the Company in order to fund operating expenses or working capital needs of the Company, such loan will be on such other terms as determined by the Board and the lending Member.

Section IV.03 Maintenance of Capital Accounts. The Company shall establish and maintain for each Member a separate capital account (a "Capital Account") on its books and records in accordance with this Section 4.03 and other provisions of this Article IV. Each Capital Account shall be established and maintained in accordance with the following provisions:

- (a) Each Member's Capital Account shall be increased by the amount of:
 - (i) such Member's Capital Contributions, including such Member's initial Capital Contribution;
 - (ii) any Net Income or other item of income or gain allocated to such Member pursuant to Article V; and

(iii) any liabilities of the Company that are assumed by such Member or secured by any property owned by such Member.

(b) Each Member's Capital Account shall be decreased by:

(i) the cash amount or Book Value of any property Distributed to such Member pursuant to Article VI and Section 11.03(c);

(ii) the amount of any Net Loss or other item of loss or deduction allocated to such Member pursuant to Article V; and

(iii) the amount of any liabilities of such Member assumed by the Company or which are secured by any property owned by such Member.

(c) The Rules of Treasury Regulations § 1.704-1(b)(2)(iv)(d) (with respect to the maintenance of capital accounts in connection with the exercise of a noncompensatory option) shall be incorporated by reference and shall be given effect in the maintenance of the Capital Accounts.

Section IV.04 Succession Upon Transfer. In the event that any Units are Transferred in accordance with the terms of this Agreement, the Transferee shall succeed to the Capital Account of the Transferor to the extent it relates to the Transferred Units and shall receive allocations and Distributions pursuant to Article V and Article VI in respect of such Units.

Section IV.05 Negative Capital Accounts. In the event that any Member shall have a deficit balance in his, her or its Capital Account, such Member shall have no obligation, during the term of the Company or upon dissolution or liquidation thereof, to restore such negative balance or make any Capital Contributions to the Company by reason thereof, except as may be required by Applicable Law or in respect of any negative balance resulting from a withdrawal of capital or dissolution in contravention of this Agreement.

Section IV.06 No Withdrawal. No Member shall be entitled to withdraw any part of his, her or its Capital Account or to receive any Distribution from the Company, except as provided in this Agreement. No Member shall receive any interest, salary or drawing with respect to its Capital Contributions or its Capital Account, except as otherwise provided in this Agreement. The Capital Accounts are maintained for the sole purpose of allocating items of income, gain, loss and deduction among the Members and shall have no effect on the amount of any Distributions to any Members, in liquidation or otherwise.

Section IV.07 Treatment of Loans from Members. Loans by any Member to the Company shall not be considered Capital Contributions and shall not affect the maintenance of such Member's Capital Account, other than to the extent provided in Section 4.03(a)(iii), if applicable.

Section IV.08 Intent and Modifications. The foregoing provisions and the other provisions of this Agreement relating to the maintenance of Capital Accounts are intended to comply with and shall be interpreted and applied in a manner consistent with applicable Treasury Regulations. If the Board determines that it is prudent to modify the manner in which the Capital

Accounts, or any increases or decreases to the Capital Accounts, are computed in order to comply with such Treasury Regulations, the Board may authorize such modifications.

**Article V
ALLOCATIONS**

Section V.01 Allocation of Net Income and Net Loss. For each Fiscal Year (or portion thereof), except as otherwise provided in this Agreement, Net Income and Net Loss (and, to the extent necessary, individual and/or gross items of income, gain, loss or deduction) of the Company shall be allocated among the Members pursuant to all Applicable Laws and in a manner such that, after adjusting each Member's Capital Account for all Capital Contributions and Distributions made during such Fiscal Year (or portion thereof) and after giving effect to the special allocations set forth in Section 5.02, the Target Capital Account balance of each Member (which may be either a positive or negative balance), immediately after making such adjustments and allocations, is, as nearly as possible, equal to the Distributions that would be made to such Member pursuant to Section 11.03(c) if the Company were dissolved, its affairs wound up and its assets sold for cash equal to their Book Value, all Company liabilities were satisfied (limited with respect to each Nonrecourse Liability to the Book Value of the assets securing such liability), and the net assets of the Company were Distributed, in accordance with Section 11.03(c).

Section V.02 Tax Allocations.

(a) All income, gains, losses, and deductions of the Company shall be allocated, for federal, state, and local income tax purposes, among the Members pursuant to the Code and all Applicable Laws, and in accordance with the allocation of such income, gains, losses, and deductions among the Members for computing their Capital Accounts, except that if any such allocation for tax purposes is not permitted by the Code or other Applicable Law, the Company's subsequent income, gains, losses, and deductions shall be allocated among the Members for tax purposes, to the extent permitted by the Code and other Applicable Law, so as to reflect as nearly as possible the allocation set forth herein in computing their Capital Accounts.

(b) Allocations pursuant to this Section 5.02 are solely for purposes of federal, state, and local taxes and shall not affect, or in any way be taken into account in computing, any Member's Capital Account or share of Net Income, Net Losses, Distributions, or other items pursuant to any provisions of this Agreement.

**Article VI
DISTRIBUTIONS**

Section VI.01 General.

(a) Subject to Section 6.01(b), Section 6.02, and Section 6.03, the Company shall make distributions to the Members annually; provided, however, that the Board shall have sole discretion to change the amounts and timing of Distributions to Members, including to decide to forego payment of Distributions in order to provide for the retention and establishment of reserves of, or payment to third parties of, such funds as it deems necessary with respect to the reasonable business needs of the Company (which needs may include the payment or the making

of provision for the payment when due of the Company's obligations, including, but not limited to, present and anticipated debts and obligations to third parties and Members (as applicable), capital needs and expenses, the payment of any management or administrative fees and expenses, and reasonable reserves for contingencies).

(b) Notwithstanding any provision to the contrary contained in this Agreement, the Company shall not make any Distribution to Members if such Distribution would violate the LLC Act or Applicable Law.

Section VI.02 Priority of Distributions. After making all Distributions required for a given Fiscal Year under Section 6.03, and subject to the priority of Distributions pursuant to Section 11.03(c), if applicable, all Distributions determined to be made by the Board pursuant to this Section 6.02 shall be made to the Members holding Units (subject to Section 6.04) pro rata in proportion to their aggregate holdings of Units treated as one class of Units.

Section VI.03 Distributions in Kind. The Board is hereby authorized, in its sole discretion and with the prior written consent of the applicable Member(s), to make Distributions to the Members in the form of securities or other property held by the Company. In any non-cash Distribution, the securities or property so Distributed will be Distributed among the Members in the same proportion and priority as cash equal to the Fair Market Value of such securities or property would be Distributed among the Members pursuant to Section 6.02.

Section VI.04 Distribution Upon Deemed Liquidation Event. In the event of a Deemed Liquidation Event, the Board shall distribute the proceeds of such Deemed Liquidation Event in the manner provided in Section 11.03(c).

**Article VII
MANAGEMENT**

Section VII.01 Establishment of the Board; Standard of Care; Signature Authority. A board of managers of the Company (the "Board") is hereby established and shall be comprised of natural Persons (each such Person, a "Manager") who shall be appointed in accordance with the provisions of this Article VII. The business and affairs of the Company shall be managed, operated and controlled by or under the direction of the Board, and the Board shall have, and is hereby granted, the full and complete power, authority, and discretion for, on behalf of and in the name of the Company, to take such actions as it may in its sole discretion deem necessary or advisable to carry out any and all of the objectives and purposes of the Company, subject only to the terms of this Agreement and Applicable Law. Each Manager owes a fiduciary duty to the Company and the Members, including the duty of loyalty and the duty of care, in the same manner officers owe such duties to a corporation under Applicable Law.

(a) **Board Composition; Vacancies.** The Company and the Members shall take such actions as may be required to ensure that the number of Managers of the Company constituting the Board is at all times at least three (3), unless the number and members of the Board are otherwise modified by a vote of the members holding more than fifty percent (50%) of the

Units. As of the date hereof, the Board shall consist of the following three (3) Managers: Ashley Close, Alexander Close and Daniel Rowland.

(b) If required by Regulatory Laws, any elected or appointed Manager shall not be deemed duly elected, appointed or qualified and shall not exercise any powers of the position to which such Person has been elected or appointed until such Person has been found suitable, eligible or otherwise qualified to hold such position pursuant to any Regulatory Laws (including by the applicable Regulatory Authority). Each such elected or appointed Manager, by virtue of such election or appointment of such Person, consents to (i) the performance of any personal background investigation that may be required by any Regulatory Authorities or Regulatory Laws and (ii) the disclosure by the Company of any information regarding such Manager required by Regulatory Authorities or Regulatory Laws without the need to obtain approval from such Manager.

(c) Each Manager, by virtue of holding such position, agrees to the following:

(i) Such Manager shall comply with all Regulatory Laws including (i) filing required applications for Regulatory Licenses, if any, (ii) providing all information regarding such Manager as may be requested or required by Regulatory Authorities, and (iii) responding to written or oral questions or inquiries from any Regulatory Authorities.

(ii) In the event that such Manager (i) has experienced an event or circumstance, or otherwise reasonably believes, that such Manager may meet any condition to be deemed an Affected Person or (ii) has knowledge that any Member or any other Person elected or appointed as a Manager or Officer of the Company or any other current Manager or Officer of the Company has experienced an event or circumstance, or otherwise may meet any condition to be deemed an Affected Person, then, in all cases, such Manager shall promptly notify the Company of the relevant details.

(iii) Upon receipt of a notice that a Manager may meet any condition to be deemed an Affected Person, the Disinterested Managers, or if there are no Disinterested Managers, the Disinterested Members may, but are not obligated to, permit the applicable Person a specified period of time (as determined by the Disinterested Manager or the Disinterested Members, as applicable, to the extent permitted by any Regulatory Laws (including by the applicable Regulatory Authority)) to take all actions, at such Person's costs, to cure such condition.

(iv) Upon the expiration of such period of time (if any) or otherwise, the Disinterested Managers, or if there are no Disinterested Managers, the Disinterested Members, shall promptly make a determination regarding such Manager as an Affected Person. If the Disinterested Managers or the Disinterested Members, as applicable, determine that such Manager is an Affected Person, the Company shall, and the Board shall cause the Company to, remove such Manager as promptly as possible or as otherwise directed by the applicable Regulatory Authority. If the Disinterested Managers or the Disinterested Members determine that such Manager is a not Affected Person, such Manager shall continue to hold office until such Manager's successor is designated by the

Member assigning such Manager or until such Manager's earlier death, resignation or removal.

(d) The removal of a Manager shall not affect the Manager's rights as a Member, if applicable, and shall not constitute a withdrawal by such Member from the Company. Upon the removal or resignation of a Manager, the Manager shall cooperate with the Company to perform all actions required by Applicable Law or by Regulatory Authorities as related to such removal or resignation.

Section VII.02 Meetings of the Board; Quorum; Manner of Acting.

(a) Quorum. The presence of a Manager(s) holding more than fifty percent (50%) of the Common Units of the Company, shall constitute a quorum for the transaction of business of the Board. At all times when the Board is conducting business at a meeting of the Board, a quorum of the Board must be present at such meeting. If a quorum shall not be present at any meeting of the Board, then the Managers present at the meeting may adjourn the meeting from time to time, without notice other than announcement at the meeting, until a quorum shall be present.

(b) Participation. Any Manager may participate in a meeting of the Board by means of telephone or video conference or other communications device that permits all Managers participating in the meeting to hear each other, and participation in a meeting by such means shall constitute presence in person at such meeting. A Manager may vote or be present at a meeting either in person or by proxy, and such proxy may be granted in writing, by means of Electronic Transmission or as otherwise permitted by Applicable Law.

(c) Binding Act. Each Manager shall be entitled to vote on all matters submitted to the Board or any committee thereof. Except as otherwise provided in this Agreement, with respect to any matter before the Board, the act of Manager(s) holding more than fifty percent (50%) of the Common Units of the Company shall be the act of the Board.

Section VII.03 Actions Requiring Approval of the Board. Subject to any contrary provision herein, the Company shall not enter into any commitment, without the written approval of the Managers holding more than fifty percent (50%) of the Common Units to:

(a) Amend, modify or waive any provisions of the Articles of Organization or this Agreement, in whole or in part; provided, however, that a Manager may, without the consent of the other Members, amend the (i) the Articles of Organization in accordance with the provisions of this Agreement or (ii) the Members Schedule following any new issuance, redemption, repurchase or Transfer of Membership Interests in accordance with this Agreement; and, provided further, that any amendment of this Agreement which adversely and disproportionately affects any Member will require the prior written consent of such Member;

(b) Issue additional Membership Interests, equity securities, or other securities or, except in connection with a Transfer of Membership Interests that complies with the applicable provisions of this Agreement, admit additional Members to the Company;

(c) Incur any indebtedness, pledge or grant liens on any assets or guarantee, assume, endorse or otherwise become responsible for the obligations of any other Person in excess of \$50,000 in a single transaction or series of related transactions, or in excess of \$100,000 in the aggregate at any time outstanding; provided, however, that indebtedness incurred in the Company's ordinary course of business for inventory, the full amount of which is due in sixty (60) days or fewer, shall not require the approval specified in this Section 7.03.

(d) Make any loan or advance to or a Capital Contribution or investment in, any Person, in excess of \$25,000;

(e) Enter into or effect any transaction or series of related transactions involving the purchase, lease, license, exchange or other acquisition (including by merger, consolidation, sale of stock or acquisition of assets) by the Company of any assets and/or equity interests of any Person, other than in the ordinary course of business; provided, however, that any Transfer of Membership Interests from a Member to a Family Member pursuant to Section 8.02 of this Agreement shall not require the approval of the Board or Members.

(f) Enter into or effect any transaction or series of related transactions involving the sale, lease, license, exchange or other disposition (including by merger, consolidation, sale of stock or sale of assets) by the Company of any assets or equity interests, other than sales of inventory in the ordinary course of business consistent with past practice;

(g) Convert from a limited liability company to a corporation or change tax status;

(h) Settle any lawsuit, action, dispute or other proceeding or otherwise assume any liability with a value in excess of \$100,000 or agree to the provision of any equitable relief by the Company; or

(i) Dissolve, wind up or liquidate the Company or initiate a bankruptcy or state insolvency or receivership proceeding involving the Company.

Section VII.04 Meetings of the Members.

(a) Generally. The Members shall meet at such time and at such place as the Members may designate. Meetings of the Members may be held either in person or by means of telephone or video conference or other communications device that permits all Members participating in the meeting to hear each other, at the offices of the Company or such other place (either within or outside the State of Colorado) as may be determined from time to time by the Members. Written notice of each meeting of the Members shall be given to each Member at least forty-eight (48) hours prior to each such meeting.

(b) Attendance and Waiver of Notice. Attendance of a Member at any meeting shall constitute a waiver of notice of such meeting, except where a Member attends a meeting for the express purpose of objecting to the transaction of any business on the ground that the meeting

is not lawfully called or convened. Neither the business to be transacted at, nor the purpose of, any regular or special meeting of the Members need be specified in the notice or waiver of notice of such meeting.

(c) Quorum. Members holding at least 50% of the Common Units shall constitute a quorum for the transaction of business of the Company. At all times when the Members are conducting business at a meeting, a quorum of the Members must be present at such meeting. If a quorum shall not be present at any meeting of the Members, then the Members present at the meeting may adjourn the meeting from time to time, without notice other than announcement at the meeting, until a quorum shall be present.

(d) Participation. Any Member holding Common Units may participate in a meeting of the Members by means of telephone or video conference or other communications device that permits all Members participating in the meeting to hear each other, and participation in a meeting by such means shall constitute presence in person at such meeting. A Member may vote or be present at a meeting either in person or by proxy, and such proxy may be granted in writing, by means of Electronic Transmission or as otherwise permitted by Applicable Law.

(e) Binding Act. Each Member shall be entitled to vote on all matters submitted to the Members. With respect to any matter before the Members, the act of Member(s) holding more than fifty percent (50%) of the Common Units of the Company shall be the act of the Member.

(f) Action by Written Consent. Notwithstanding anything herein to the contrary, any action of the Members (or any committee) may be taken without a meeting if either: (a) a written consent of the Members holding a majority of the Common Units shall approve such action; provided, however that prior written notice of such action is provided to all Members at least one (1) day before such action is taken; or (b) a written consent constituting all of the Members (or committee) shall approve such action. Such consent shall have the same force and effect as a vote at a meeting where a quorum was present and may be stated as such in any document or instrument filed with the Secretary of State of Colorado.

Section VII.05 Compensation; No Employment.

(a) A Manager shall be reimbursed for reasonable out-of-pocket expenses incurred in the performance of such Manager's duties as a Manager, pursuant to such policies as from time to time established by the Company. Nothing contained in this Section 7.05 shall be construed to preclude any Manager from serving the Company in any other capacity and receiving reasonable compensation for such services.

(b) This Agreement does not, and is not intended to, confer upon any Manager any rights with respect to continued employment by the Company, and nothing herein should be construed to have created any employment agreement with any Manager.

Section VII.06 No Personal Liability. By Applicable Law or expressly in this Agreement, no Manager will be obligated personally for any debt, obligation or liability of the Company, whether arising in contract, tort or otherwise, solely by reason of being a Manager.

Section VII.07 No Exclusive Duty. No Manager shall be required to manage the Company as such Manager's sole and exclusive occupation and a Manager may have other business interests and may engage in other investments, occupations and activities in addition to those relating to the Company. Neither the Company nor any Member shall have any right, by virtue of this Agreement, to share or participate in such other investments or activities of any Manager or to the income or proceeds derived therefrom. Although a business opportunity of the sort engaged in by the Company may come to the attention of a Manager, such Manager shall not be under duty, express or implied, to first offer such opportunity to the Company or to the other Members of the Company before the Manager may, personally or on behalf of another entity with which the Manager is affiliated, take advantage of such opportunity, and the members personally and the Company as an entity, hereby discharge and release each Manager of and from any duty to the contrary which may be owed by any Manager, directly or indirectly, from the doctrine generally referred to as the "corporate opportunity doctrine."

Section VII.08 Officers.

(a) The Board may appoint individuals as officers of the Company (the "Officers") as it deems necessary or desirable to carry on the business of the Company and the Board may delegate to such Officers such power and authority as the Board deems advisable. No Officer need be a Member. Notwithstanding the previous sentence, the Board shall appoint a Chief Executive Officer, who may also appoint additional Officers of the Company, provided, however, that the Board shall have final approval of such appointments and salaries related thereto. An individual may hold two (2) or more offices of the Company. Each Officer shall hold office until such Officer's successor is designated by the Board or Chief Executive Officer, or until such Officer's earlier death, resignation or removal. Any Officer may resign at any time upon written notice to the Board or Chief Executive Officer. Any Officer may be removed by the Board or Chief Executive Officer with or without cause at any time, provided, however, that a removal by the Chief Executive Officer shall require the approval of the Board. A vacancy in any office occurring because of death, resignation, removal or otherwise, may, but need not, be filled by the Board or Chief Executive Officer, provided, however, that the Board shall have final approval of such appointments and salaries related thereto. The initial Chief Executive Officer shall be Ashley Close.

(b) If required by Regulatory Laws, any newly elected or appointed Officer shall not be deemed duly elected, appointed or qualified and shall not exercise any powers of the position to which such individual has been elected or appointed until such individual has been found suitable, eligible or otherwise qualified to hold such position pursuant to any Regulatory Laws (including by the applicable Regulatory Authority). Each such newly elected or appointed Officer, by virtue of such election or appointment of such individual, consents to (i) the performance of any personal background investigation that may be required by any Regulatory Authorities or Regulatory Laws and (ii) the disclosure by the Company of any information regarding such officer required by Regulatory Authorities or Regulatory Laws without the need to obtain approval from such officer.

(c) Each Officer, by virtue of holding such position, agrees to the following:

(i) Such Officer shall comply with all Regulatory Laws including (i) filing required applications for Regulatory Licenses, if any, (ii) providing all information regarding such Officer as may be requested or required by Regulatory Authorities (including in connection with any application for a Regulatory License), and (iii) responding to written or oral questions or inquiries from any Regulatory Authorities.

(ii) In the event that such Officer (i) has experienced an event or circumstance, or otherwise reasonably believes, that such Officer may meet any condition to be deemed an Affected Person or (ii) has knowledge that any Member or any other individual elected or appointed as a director or Officer of the Company or any other current director or Officer of the Company has experienced an event or circumstance, or otherwise may meet any condition to be deemed an Affected Person, then, in all cases, such Officer shall promptly notify the Company of the relevant details.

(iii) Upon receipt of a notice that an Officer may meet any condition to be deemed an Affected Person, the Board may, but is not obligated to, permit the applicable individual a specified period of time (as determined by the Board and to the extent permitted by any Regulatory Laws (including by the applicable Regulatory Authority)) to take all actions, at such individual's costs, to cure such condition.

(iv) Upon the expiration of such period of time (if any) or otherwise, the Board shall promptly make a determination regarding such Officer as an Affected Person. If the Board determines that such Officer is an Affected Person, the Company shall, and the Board shall cause the Company to, remove such Officer as promptly as possible or as otherwise directed by the applicable Regulatory Authority. If the Board determines that such Officer is a not Affected Person, such Officer shall continue to hold office until such Officer's successor, if any, is designated by the Board or Chief Executive Officer, or until such Officer's earlier death, resignation or removal.

**Article VIII
TRANSFER**

Section VIII.01 General Restrictions on Transfer.

(a) Transfer Restrictions. Each Member acknowledges and agrees that each Member (or any Permitted Transferee of such Member) shall not Transfer any Units or Unit Equivalents except as permitted pursuant to Section 8.02, or in strict accordance with the restriction, conditions and procedures described in the other provisions of Article VIII.

(b) Other Transfer Restrictions. Notwithstanding any other provision of this Agreement (including Section 8.02), each Member agrees that it will not, directly or indirectly, Transfer any of its Units or Unit Equivalents, and the Company agrees that it shall not issue any New Interests:

(i) except as permitted under the Securities Act and other applicable federal or state securities or blue-sky laws;

- (ii) to a Person not already a Member of the Company until the prospective Transferee is admitted as a Member of the Company;
- (iii) if such Transfer or issuance would affect the Company's existence or qualification as a limited liability company under the LLC Act;
- (iv) if such Transfer or issuance would violate the Applicable Laws including that the perspective Transferee is an Affected Person;
- (v) if such Transfer or issuance would be reasonably likely to preclude or materially delay, jeopardize, impede or impair, or impose materially burdensome terms and conditions on, the ability of the Company or any Company Subsidiary to conduct any Regulated Activities or to obtain, retain, renew or reinstate any Regulatory License;

(c) **Joinder Agreement.** Except with respect to any Transfer pursuant to a Drag-Along Sale, no Transfer of Units or Unit Equivalents pursuant to any provision of this Agreement shall be deemed completed until (i) Section 3.01(a) shall be complied with and (ii) the Transferee shall have entered into a Joinder Agreement.

(d) **Transfers in Violation of this Agreement.** Any Transfer or attempted Transfer of any Units or Unit Equivalents in violation of this Agreement, including any failure of a Transferee, as applicable, to comply with Section 3.01(a) or enter into a Joinder Agreement pursuant to Section 8.01(c) above, shall be null and void, no such Transfer shall be recorded on the Company's books, and the purported Transferee in any such Transfer shall not be treated (and the Member proposing to make any such Transfer shall continue to be treated) as the owner of such Units or Unit Equivalents for all purposes of this Agreement. For the avoidance of doubt, any Transfer of a Membership Interest permitted by this Agreement shall be deemed a sale, transfer, assignment, or other disposal of such Membership Interest in its entirety as intended by the parties to such Transfer, and shall not be deemed a sale, transfer, assignment, or other disposal of any less than all of the rights and benefits described in the definition of the term "Membership Interest," unless otherwise explicitly agreed to by the parties, in writing, to such Transfer.

Section VIII.02 Permitted Transfers. Subject to Section 8.01 above, permitted Transfers include: (a) a corporation, partnership or limited liability company, the stockholders, partners or members of which are only such Member; (b) for bona fide estate planning purposes, either by will, trust, or by the laws of intestate succession, to such Member's executors, administrator, testamentary trustees, legatees or beneficiaries; or (c) a Transfer by a Member to such Member's Affiliates, or the Family Members of a Member or a Member's Affiliate (each a "Permitted Transfer"). Except for Permitted Transfers and transfers approved by the Board, the Members may not transfer the Units.

Section VIII.03 Drag-Along Rights.

- (a) **Participation.** If one or more Members (together with their respective Permitted Transferees) holding no less than a majority of all the Common Units (such Member or Members, the "Dragging Member"), proposes to consummate, in one transaction or a series of related transactions, a Change of Control of such Member(s), or a Change of Control of the Company not

including a sale of all or substantially all of Company's assets (a "Drag-along Sale"), provided that such Drag-along Sale is for Fair Market Value or higher, the Dragging Member shall have the right, after delivering the Drag-along Notice in accordance with Section 8.03(c) and subject to compliance with Section 8.03(d), to require that each other Member (each, a "Drag-along Member") participate in such sale (including, if necessary, by converting their Unit Equivalents into the Units to be sold in the Drag-along Sale) in the manner set forth in Section 8.03(b).

(b) Sale of Units. Subject to compliance with Section 8.03(d):

(i) If the Drag-along Sale is structured as a sale resulting in a majority of the Common Units of the Company on a Fully Diluted Basis being held by a Third Party Purchaser, then each Drag-along Member shall sell, with respect to each class or series of Units proposed by the Dragging Member to be included in the Drag-along Sale, the number of Units and/or Unit Equivalents of such class or series equal to the product obtained by multiplying: (a) the number of applicable Units on a Fully Diluted Basis held by such Drag-along Member by; (b) a fraction: (x) the numerator of which is equal to the number of applicable Units on a Fully Diluted Basis that the Dragging Member proposes to sell in the Drag-along Sale; and (y) the denominator of which is equal to the number of applicable Units on a Fully Diluted Basis held by the Dragging Member at such time; and

(ii) If the Drag-along Sale is structured as a sale of all or substantially all of the consolidated assets of the Company or as a merger, consolidation, recapitalization or reorganization of the Company or other transaction requiring the consent or approval of the Members, then notwithstanding anything to the contrary in this Agreement (including Section 3.06), each Drag-along Member shall vote in favor of the transaction and otherwise consent to and raise no objection to such transaction, and shall take all actions to waive any dissenters', appraisal or other similar rights that it may have in connection with such transaction. The Distribution of the aggregate consideration of such transaction shall be made in accordance with Section 11.03(c).

(c) Sale Notice. The Dragging Member shall exercise its rights pursuant to this Article VIII by delivering a written notice (the "Drag-along Notice") to the Company and each Drag-along Member no more than ten (10) Business Days after the execution and delivery by all of the parties thereto of the definitive agreement entered into with respect to the Drag-along Sale and, in any event, no later than twenty (20) Business Days prior to the closing date of such Drag-along Sale. The Drag-along Notice shall make reference to the Dragging Members' rights and obligations hereunder and shall describe in reasonable detail:

- (i) The name of the person or entity to whom such Units are proposed to be sold;
- (ii) The proposed date, time and location of the closing of the sale;

(iii) The number of each class or series of Units to be sold by the Dragging Member, the proposed amount of consideration for the Drag-along Sale and the other material terms and conditions of the Drag-along Sale, including a description of any non-cash consideration in sufficient detail to permit the valuation thereof and including, if available, the purchase price per Unit of each applicable class or series (which may take into account the Profits Interest Hurdle of any Profits Interest Units to be sold); and

(iv) A copy of any form of agreement proposed to be executed in connection therewith.

(d) Conditions of Sale. The obligations of the Drag-along Members in respect of a Drag-along Sale under this Section 8.03 are subject to the satisfaction of the following conditions:

- (i) The consideration to be received by each Drag-along Member shall be the same form and amount of consideration to be received by the Dragging Member per Unit of each applicable class or series (the Distribution of which shall be made in accordance with Section 8.03(b)) and the terms and conditions of such sale shall, except as otherwise provided in Section 8.03(d)(iii), be the same as those upon which the Dragging Member sells its Units;
- (ii) If the Dragging Member or any Drag-along Member is given an option as to the form and amount of consideration to be received, the same option shall be given to all Drag-along Members;
- (iii) Each Drag-along Member shall execute the applicable purchase agreement, if applicable, and make or provide the same representations, warranties, covenants, indemnities and agreements as the Dragging Member makes or provides in connection with the Drag-along Sale; provided, however, that each Drag-along Member shall only be obligated to make individual representations and warranties with respect to its title to and ownership of the applicable Units, authorization, execution and delivery of relevant documents, enforceability of such documents against the Drag-along Member, and other matters relating to such Drag-along Member, but not with respect to any of the foregoing with respect to any other Members or their Units; provided, further, that all representations, warranties, covenants and indemnities shall be made by the Dragging Member and each Drag-along Member severally and not jointly and any indemnification obligation

shall be pro rata based on the consideration received by the Dragging Member and each Drag-along Member, in each case in an amount not to exceed the aggregate proceeds received by the Dragging Member and each such Drag-along Member in connection with the Drag-along Sale; and

(iv) The Drag-along Sale is for Fair Market Value or higher.

(e) Cooperation. Each Drag-along Member shall take all actions as may be reasonably necessary to consummate the Drag-along Sale, including, without limitation, entering into agreements and delivering certificates and instruments, in each case, consistent with the agreements being entered into and the certificates being delivered by the Dragging Member, but subject to Section 8.03(d)(iii).

(f) Expenses. The fees and expenses of the Dragging Member incurred in connection with a Drag-along Sale and for the benefit of all Drag-along Members (it being understood that costs incurred by or on behalf of a Dragging Member for its sole benefit will not be considered to be for the benefit of all Drag-along Members), to the extent not paid or reimbursed by the Company or the Third Party Purchaser, shall be shared by the Dragging Member and all the Drag-along Members on a pro rata basis, based on the consideration received by each such Member; provided, however, that no Drag-along Member shall be obligated to make any out-of-pocket expenditure prior to the consummation and closing of the Drag-along Sale.

(g) Consummation of Sale. The Dragging Member shall have ninety (90) days following the date of the Drag-along Notice in which to consummate the Drag-along Sale, on the terms set forth in the Drag-along Notice (which ninety 90-day period may be extended for a reasonable time not to exceed one-hundred and fifty (150) days to the extent reasonably necessary to obtain required approvals or consents from any Governmental Authority). If at the end of such period the Dragging Member has not completed the Drag-along Sale, the Dragging Member may not then exercise its rights under this Section 8.03 without again fully complying with the provisions of this Section 8.03.

a. Section 8.04 Regulatory Redemption.

(b) The provisions of Section 8.01 and Section 8.03 shall not apply to any Transfer or redemption of any Unit or Unit Equivalents pursuant to this Section 8.04. Upon receipt of a notice that a Member may meet any condition to be deemed an Affected Person, the Disinterested Managers, or if there are no Disinterested Managers, the Disinterested Members, shall allow the Member alleged to be an Affected Person a minimum of 10 days, to the extent permitted by any Regulatory Laws (including by the applicable Regulatory Authority)) to take all actions, at such Member's costs, to cure such condition. Upon the expiration of such period of time (if any) or otherwise, the Disinterested Managers or the Disinterested Members shall promptly make a determination regarding such Member as an Affected Person. Notwithstanding anything to the contrary herein, no Member alleged to be an Affected Person may be subject to a cure period

if such cure period is reasonably expected to jeopardize any licenses held by the Company or its subsidiaries.

(c) Upon any determination that a Member is an Affected Person, the Disinterested Managers, or if there are no Disinterested Managers, the Disinterested Members, may determine that the Affected Person is permitted to Transfer its Units and Unit Equivalents to an individual or entity approved by the Disinterested Managers or the Disinterested Members, as applicable (provided, however, that such Transfer is permitted by any Regulatory Laws) and such Transfer otherwise complies with the provisions of this Agreement. If the Disinterested Managers or the Disinterested Members determine that such Affected Person shall not be permitted to Transfer its Units and Unit Equivalents, such applicable Units and Unit Equivalents shall be subject to redemption in accordance with Sections 8.04(c); provided, however, that notwithstanding any determination of the Disinterested Managers or Disinterested Members to the contrary, the Affected Person may Transfer its Units and Unit Equivalents to an Affiliate or to the Family Members of an Affiliate, if such Transfer is permitted by the Regulatory Laws.

(d) The Units and Unit Equivalents owned or controlled by an Affected Person shall be redeemable by the Company, subject to applicable law, as directed by a Regulatory Authority and, if not so directed, as and to the extent deemed necessary or advisable by the Disinterested Managers, or if there are no Disinterested Managers, the Disinterested Members, in which event the Company shall deliver a Regulatory Redemption Notice to the Affected Person.

Article IX COVENANTS

Section IX.01 Confidentiality.

(a) In pursuit of the Company's business (the "Authorized Use"), certain trade secrets and business information proprietary to each Member and which each Member considers to be Confidential Information (as hereinafter defined) may be provided to one Member or the Company, and its affiliates ("Receiving Party") by another Member, and its affiliates ("Disclosing Party"). This Section 9.01 is intended to allow the parties to have open discussions regarding the Confidential Information, while still affording complete protection of the Disclosing Party's Confidential Information against disclosure or unauthorized use.

(b) "Confidential Information" means any Disclosing Party confidential or proprietary information, whether marked as confidential or not, in the form of notes, documents, materials, correspondence, or any other form, and anything derived from the foregoing, relating to: (i) the Disclosing Party's proprietary technology and products, including without limitation, technical data, trade secrets, know-how, research, product plans, ideas or concepts, products services, software, inventions, patent applications, techniques, processes, developments, algorithms, formulas, technology, designs, schematics, drawings, engineering, and hardware configuration information; (ii) proprietary information relating to the Disclosing Party's operations and business or financial plans or strategies, including but not limited to customers, customer lists,

markets, financial statements and projections, standard operating procedures (SOP's) product pricing and marketing, financial or other strategic business plans or information, disclosed to Receiving Party by the Disclosing Party, either directly or indirectly, in writing, orally or by drawings or inspection of samples, equipment or facilities; (iii) information received by the Disclosing Party from third parties under confidential conditions which information is identified by the Disclosing Party as being subject to such conditions; and (iv) the Disclosing Party's "Trade Secrets" which means information which derives economic value, actual or potential, from not being generally known to, or readily ascertainable by proper means by, other persons who can obtain economic value from its disclosure or use, and which is the subject of efforts that are reasonable under the circumstances to maintain its secrecy. "Confidential Information" shall not include any information that: (i) is or subsequently becomes publicly available without the Receiving Party's breach of any obligation owed the Disclosing Party; (ii) became known to the Receiving Party prior to the Disclosing Party's disclosure of such information to the Receiving Party; (iii) became known to the Receiving Party from a source other than the Disclosing Party or its affiliates or advisors other than by the breach of an obligation of confidentiality owed to the Disclosing Party; or (iv) is independently developed by the Receiving Party without violating any of its obligations under this Agreement.

(c) Non-Disclosure of Confidential Information. Other than with respect to disclosures by the Company to a Regulatory Authority in connection with the pursuit of the Company's business, the Receiving Party will keep all Confidential Information of the Disclosing Party confidential and will not, directly or indirectly, commercially exploit the Confidential Information of the Disclosing Party or use same for any other purpose, except for the Authorized Purpose. The Receiving Party shall take all reasonable action and shall take at least the same commercially reasonable precautions as it takes to prevent the disclosure of its own Confidential Information, to prevent the disclosure to third parties of the Confidential Information of the Disclosing Party. The Receiving Party shall only have the right to disclose the Confidential Information to its employees, agents, consultants and professional advisers on a "need to know" basis for the Authorized Purpose. The Receiving Party shall, prior to disclosing any Confidential Information to any such person, issue appropriate instructions to them and obtain all necessary undertakings to ensure that such persons comply with the confidentiality and use obligations and restrictions contained in this Agreement with respect to the Confidential Information of the Disclosing Party. Each Party shall specifically inform each of its representatives, employees and agents who receive any Confidential Information of the other Party hereunder of the obligations created by this Agreement and obtain the written acknowledgment from each such person or entity, who shall be bound to accept the non-disclosure obligations of the Receiving Party. Each Party and its officers (personally, under joint and several liability) shall be liable for any breach hereof by any of its employees, agents or representatives.

(d) Ownership of Confidential Information. Notwithstanding anything else contained herein, unless otherwise provided in a separate agreement all Confidential Information shall remain the property of the Disclosing Party and shall be held in trust by the Receiving Party for the Disclosing Party unless otherwise provided in a separate agreement. Nothing in this Agreement shall be construed as granting any rights to Receiving Party under any patent or

copyright, nor shall this Agreement be construed to grant the Receiving Party any rights in or to the Disclosing Party's Confidential Information, except the limited right to review such Confidential Information solely for the Authorized Purpose.

(e) Required Disclosure. Other than with respect to disclosures to a Regulatory Authority in connection with the pursuit of the Company's business, if the Receiving Party becomes legally required to disclose any Confidential Information, the Receiving Party will, to the extent permitted by Applicable Law, give the Disclosing Party prompt notice of such fact so that the Disclosing Party may obtain a protective order or other appropriate remedy concerning any such disclosure and/or waive compliance with the non-disclosure provisions of this Agreement. The Receiving Party will fully cooperate with the Disclosing Party in connection with the Disclosing Party's efforts to obtain any such order or other remedy. If any such order or other remedy does not fully preclude disclosure or the Disclosing Party waives such compliance, the Receiving Party will make such disclosure only to the extent that such disclosure is legally required and will use its best efforts to have confidential treatment accorded to the disclosed Confidential Information.

(f) Return of Confidential Information. The Receiving Party shall, immediately upon the earlier of: (i) the Disclosing Party or Receiving Party no longer being a Member of the Company; or (ii) the dissolution of the Company, discontinue use of the Confidential Information of the Disclosing Party and return within ten (10) days of receipt of notice from the Disclosing Party requesting the return of the Disclosing Party's Confidential Information all tangible forms of such Confidential Information, and all copies thereof, which may be or have been in the Receiving Party's possession. Except as otherwise required by law, the Receiving Party shall promptly redeliver or destroy all material containing or reflecting any information contained in the Confidential Information and will not retain any copies, extracts, or other reproductions of such written material. Subject to the foregoing exceptions, all documents, memoranda, notes, or other writings whatsoever, prepared and based on the information contained in the Confidential Information shall be returned or destroyed. If Confidential Information is destroyed, the Receiving Party will provide written certification signed by one of its senior officers that such Confidential Information has been destroyed.

(g) Term. The restrictions on use and disclosure of Confidential Information shall continue with respect to any Member while such Member is a Member of the Company and for a period of three (3) years following the date upon which such Member ceases to be a Member of the Company for any reason, and shall otherwise survive the termination of this Agreement for any reason.

(h) Injunctive Relief. The Receiving Party acknowledges and agrees that the breach by it of any of the Receiving Party's confidentiality obligations hereunder may cause serious and irreparable harm to the Disclosing Party which could not adequately be compensated for in damages. Each of the Parties therefore consents to an order specifically enforcing the provisions of this Agreement, or an order of injunction being issued against it restraining it from any further breach of such provisions and agrees that such injunction may be issued against it without the necessity of an undertaking as to damages by the other Party. The provisions of this

section shall not derogate from any other remedy which a Party may have in the event of such a breach.

(i) **Indemnification.** The Receiving Party shall indemnify the Disclosing Party the officers, members, employees, agents, successors and assigns of the Disclosing Party for any and all damages incurred as a result of any breach hereof by the receiving party and/or any employee or agent of the Receiving Party.

Section IX.02 Regulatory Covenants of the Members. Each member covenants to the Company as follows:

(a) all Units and Unit Equivalents held by such Member shall be held subject to the restrictions and requirements of all Regulatory Laws;

(b) such Member shall comply with all Regulatory Laws including timely (i) filing required applications and documents for Regulatory Licenses, as applicable, (ii) providing all information regarding such Member as may be requested or required by Regulatory Authorities (including in connection with any application for a Regulatory License), and (iii) responding to written or oral questions or inquiries from any Regulatory Authorities;

(c) such Member consents to (i) the performance of any personal or Affiliate background investigation that may be required by any Regulatory Authorities or Regulatory Laws and (ii) the disclosure by the Company of any information regarding such Member required by Regulatory Authorities or Regulatory Laws without the need to obtain approval from such Member;

(d) any Transfer of Units or Units Equivalents held by such Member shall be subject to the requirements of all Regulatory Laws, including that such Transfer may be subject to the prior approval of the Regulatory Authorities, and any purported Transfer thereof in violation of such requirements shall be void and of no effect; and

(e) in the event that such Member (i) has experienced an event or circumstance, or otherwise reasonably believes, that such Member may meet any condition to be deemed an Affected Person or (ii) has knowledge that any other Member or any other individual elected or appointed as a director or officer of the Company or any current director or officer of the Company has experienced an event or circumstance, or otherwise may meet any condition to be deemed an Affected Person, then, in all cases, such Member shall promptly notify the Company of the relevant details

**Article X
TAX MATTERS**

Section X.01 Tax Returns; Tax Elections.

(a) At the expense of the Company, the Board (or any Officer that it may designate pursuant to Section 7.08) shall endeavor to cause the preparation and timely filing (including extensions) of all tax returns required to be filed by the Company pursuant to the Code

as well as all other required tax returns in each jurisdiction in which the Company owns property or does business.

(b) The Board shall make any and all elections for federal, state, local, or foreign tax purposes.

Section X.02 Company Funds. All funds of the Company shall be deposited in its name, or in such name as may be designated by the Board, in such checking, savings or other accounts, or held in its name in the form of such other investments as shall be designated by the Board. The funds of the Company shall not be commingled with the funds of any other Person. All withdrawals of such deposits or liquidations of such investments by the Company shall be made exclusively upon the signature or signatures of the Board or such Officer or Officers as the Board may designate.

**Article XI
DISSOLUTION AND LIQUIDATION**

Section XI.01 Events of Dissolution. The Company shall be dissolved and its affairs wound up only upon the occurrence of any of the following events:

(a) The determination of no less than fifty-one percent (51%) of the Members holding Common Units to dissolve the Company;

(b) The sale, exchange, involuntary conversion, or other disposition or Transfer of all or substantially all the assets of the Company; or

(c) The entry of a decree of judicial dissolution under the LLC Act.

Section XI.02 Effectiveness of Dissolution. Dissolution of the Company shall be effective on the day on which any event described in Section 11.01 occurs, but the Company shall not terminate until the winding up of the Company has been completed, the assets of the Company have been distributed as provided in Section 11.03 and the Articles of Organization shall have been canceled as provided in Section 11.04.

Section XI.03 Liquidation. If the Company is dissolved pursuant to Section 11.01, the Company shall be liquidated and its business and affairs wound up in accordance with the LLC Act and the following provisions:

(a) Liquidator. The Board, or, if the Board is unable to do so, a Person selected by the holders of a majority of the Common Units, shall act as liquidator to wind up the Company (the "Liquidator"). The Liquidator shall have full power and authority to sell, assign and encumber any or all of the Company's assets and to wind up and liquidate the affairs of the Company in an orderly and business-like manner.

(b) Accounting. As promptly as possible after dissolution and again after final liquidation, the Liquidator shall cause a proper accounting to be made by a recognized firm of certified public accountants of the Company's assets, liabilities and operations through the last day

of the calendar month in which the dissolution occurs or the final liquidation is completed, as applicable, and shall promptly deliver a copy of such accounting to all Members.

(c) **Distribution of Proceeds.** The Liquidator shall liquidate the assets of the Company and Distribute the proceeds of such liquidation in the following order of priority, unless otherwise required by mandatory provisions of Applicable Law:

(i) First, to the payment of all of the Company's debts and liabilities (including debts and liabilities (other than distributions) owed to Members who are creditors, if applicable) and the expenses of liquidation (including sales commissions incident to any sales of assets of the Company);

(ii) Second, to the establishment of and additions to reserves that are determined by the Board in its sole discretion to be reasonably necessary for any contingent unforeseen liabilities or obligations of the Company;

(iii) third, to Members and former Members in satisfaction of liabilities for distributions;

(iv) fourth, to the Members, on a pro rata basis, in accordance with the positive balances in their respective Capital Accounts, as determined after taking into account all Capital Account adjustments for the taxable year of the Company during which the liquidation of the Company occurs; and

(v) fifth, to the Members in proportion to their aggregate holdings of vested Units treated as one class of Units.

Section XI.04 Cancellation of Articles. Upon completion of the Distribution of the assets of the Company as provided in Section 11.03(c) hereof, the Company shall be terminated and the Liquidator shall cause the cancellation of the Articles of Organization in the State of Colorado and of all qualifications and registrations of the Company as a foreign limited liability company in jurisdictions other than the State of Colorado and shall take such other actions as may be necessary to terminate the Company.

Section XI.05 Survival of Rights, Duties and Obligations. Dissolution, liquidation, winding up or termination of the Company for any reason shall not release any party from any Loss which at the time of such dissolution, liquidation, winding up or termination already had accrued to any other party or which thereafter may accrue in respect of any act or omission prior to such dissolution, liquidation, winding up or termination. For the avoidance of doubt, none of the foregoing shall replace, diminish or otherwise adversely affect any Member's right to indemnification pursuant to Section 12.02.

Section XI.06 Resource for Claims. Each Member shall look solely to the assets of the Company for all Distributions with respect to the Company, such Member's Capital Account, and such Member's share of Net Income, Net Loss and other items of income, gain, loss and deduction, and shall have no recourse therefor (upon dissolution or otherwise) against the Board, the Liquidator or any other Member.

Article XII
EXCULPATION AND INDEMNIFICATION

Section XII.01 Exculpation of Covered Persons.

(a) Covered Persons. As used herein, the term “Covered Person” shall mean: (i) each Member; (ii) each officer, director, shareholder, partner, member, controlling Affiliate, employee, agent or representative of each Member, and each of their controlling Affiliates; and (iii) each Manager, Officer, employee, agent or Representative of the Company.

(b) Standard of Care. No Covered Person shall be liable to the Company or any other Covered Person for any loss, damage or claim incurred by reason of any action taken or omitted to be taken by such Covered Person in good-faith reliance on the provisions of this Agreement, so long as such action or omission does not constitute fraud or willful misconduct by such Covered Person.

(c) Good Faith Reliance. A Covered Person shall be fully protected in relying in good faith upon the records of the Company and upon such information, opinions, reports or statements (including financial statements and information, opinions, reports or statements as to the value or amount of the assets, liabilities, Net Income or Net Losses of the Company or any facts pertinent to the existence and amount of assets from which Distributions might properly be paid) of the following Persons or groups: (i) another Manager; (ii) one (1) or more Officers or employees of the Company; (iii) any attorney, independent accountant, appraiser or other expert or professional employed or engaged by or on behalf of the Company; or (iv) any other Person selected in good faith by or on behalf of the Company, in each case as to matters that such relying Person reasonably believes to be within such other Person’s professional or expert competence.

Section XII.02 Indemnification.

(a) Indemnification. to the fullest extent permitted under the LLC Act (after waiving all the LLC Act restrictions on indemnification other than those which cannot be eliminated under the LLC Act), as the same now exists or may hereafter be amended, substituted or replaced the Company shall indemnify, hold harmless, defend, pay and reimburse any Covered Person against any and all losses, claims, damages, judgments, fines or liabilities, including reasonable legal fees or other expenses incurred in investigating or defending against such losses, claims, damages, judgments, fines or liabilities, and any amounts expended in settlement of any claims (collectively, “Losses”) to which such Covered Person may become subject by reason of:

(i) Any act or omission, or alleged act or omission, performed, or omitted to be performed, on behalf of the Company, any Member or any direct or indirect Subsidiary of the foregoing in connection with the business of the Company; or

(ii) The fact that such Covered Person is or was acting in connection with the business of the Company as a partner, Member, stockholder, controlling Affiliate, Manager, director, Officer, employee or agent of the Company, any Member, or any of their respective controlling Affiliates, or that such Covered Person is or was serving at the request

of the Company as a partner, member, manager, director, officer, employee or agent of any Person including the Company;

provided, however, that such Loss did not arise from: (A) the Covered Person's conduct involving bad faith, willful or intentional misconduct, or a knowing violation of law (other than U.S. Federal Marijuana Law); (B) an action by such Covered Person in violation of such Covered Person's duties under this Agreement; (C) a circumstance under which the liability provisions for improper distributions of the LLC Act are applicable, or (D) a breach of such Covered Person's duties or obligations under the LLC Act (taking into account any restriction, expansion, or elimination of such duties and obligations provided for in this Agreement). In connection with the foregoing, the termination of any action, suit, or proceeding by judgment, order, settlement, conviction, or upon a plea of nolo contendere or its equivalent shall not, of itself, create a presumption that the Covered Person acted in bad faith, that the Covered Person's conduct constituted willful or intentional misconduct or a knowing violation of law, or that the Covered Person derived an improper personal benefit.

(b) Reimbursement. The Company shall promptly reimburse (and/or advance to the extent reasonably required) each Covered Person for reasonable legal or other expenses (as incurred) of such Covered Person in connection with investigating, preparing to defend or defending any claim, lawsuit or other proceeding relating to any Losses for which such Covered Person may be indemnified pursuant to this Section 12.02; provided, however that if it is finally judicially determined that such Covered Person is not entitled to the indemnification provided by this Section 12.02, then such Covered Person shall promptly reimburse the Company for any reimbursed or advanced expenses.

(c) Entitlement to Indemnity. The indemnification provided by this Section 12.02 shall not be deemed exclusive of any other rights to indemnification to which those seeking indemnification may be entitled under any agreement or otherwise. The provisions of this Section 12.02 shall continue to afford protection to each Covered Person regardless of whether such Covered Person remains in the position or capacity pursuant to which such Covered Person became entitled to indemnification under this Section 12.02 and shall inure to the benefit of the executors, administrators, and heirs of such Covered Person.

(d) Insurance. To the extent available on commercially reasonable terms, the Company may purchase, at its expense, insurance to cover Losses covered by the foregoing indemnification provisions and to otherwise cover Losses for any breach or alleged breach by any Covered Person of such Covered Person's duties in such amount and with such deductibles as the Board may determine; provided, however, that the failure to obtain such insurance shall not affect the right to indemnification of any Covered Person under the indemnification provisions contained herein, including the right to be reimbursed or advanced expenses or otherwise indemnified for Losses hereunder. If any Covered Person recovers any amounts in respect of any Losses from any insurance coverage, then such Covered Person shall, to the extent that such recovery is duplicative, reimburse the Company for any amounts previously paid to such Covered Person by the Company in respect of such Losses.

(e) Funding of Indemnification Obligation. Notwithstanding anything contained herein to the contrary, any indemnity by the Company relating to the matters covered in this Section 12.02 shall be provided out of and to the extent of Company assets only, and no Member (unless such Member otherwise agrees in writing) shall have personal liability on account thereof or shall be required to make additional Capital Contributions to help satisfy such indemnity by the Company.

(f) Savings Clause. If this Section 12.02 or any portion hereof shall be invalidated on any ground by any court of competent jurisdiction, then the Company shall nevertheless indemnify and hold harmless each Covered Person pursuant to this Section 12.02 to the fullest extent permitted by any applicable portion of this Section 12.02 that shall not have been invalidated and to the fullest extent permitted by Applicable Law.

(g) Survival. The provisions of this Article XII shall survive the dissolution, liquidation, winding up and termination of the Company.

**Article XIII
MISCELLANEOUS**

Section XIII.01 Further Assurances. In connection with this Agreement and the transactions contemplated hereby, the Company and each Member hereby agrees, at the request of the Company or any other Member, to execute and deliver such additional documents, instruments, conveyances and assurances and to take such further actions as may be required to carry out the provisions hereof and give effect to the transactions contemplated hereby.

Section XIII.02 Notices. All notices, requests, consents, claims, demands, waivers and other communications hereunder shall be in writing and shall be deemed to have been given: (a) when delivered by hand (with written confirmation of receipt); (b) when received by the addressee if sent by a nationally recognized overnight courier (receipt requested); (c) on the date sent by e-mail (with confirmation of transmission) if sent during normal business hours of the recipient, and on the next Business Day if sent after normal business hours of the recipient; or (d) on the third (3rd) day after the date mailed, by certified or registered mail, return receipt requested, postage prepaid. Such communications must be sent to the respective parties at the following addresses (or at such other address for a party as shall be specified in a notice given in accordance with this Section 13.03):

If to the Company: Verts Grand Lake LLC
Attn: Ashley Close
1898 S. Jasmine St. Denver, CO 80224
Email: CloseAshley1@gmail.com

with a copy to: Cordillera Advisory Management, Inc.
Attn: Daniel Rowland
3915 W. 25th Ave. Denver, CO 80212
Email: Drowland.am@gmail.com

If to a Member, to such Member's respective mailing address as set forth on the Members Schedule.

Section XIII.03 Interpretation; Headings. For purposes of this Agreement: (a) the words "include," "includes" and "including" shall be deemed to be followed by the words "without limitation"; (b) the word "or" is not exclusive; and (c) the words "herein," "hereof," "hereby," "hereto" and "hereunder" refer to this Agreement as a whole. The definitions given for any defined terms in this Agreement shall apply equally to both the singular and plural forms of the terms defined. Whenever the context may require, any pronoun shall include the corresponding masculine, feminine and neuter forms. Unless the context otherwise requires, references herein: (i) to Articles, Sections, Schedules, Annexes and Exhibits mean the Articles and Sections of, and Schedules, Annexes and Exhibits attached to, this Agreement; (ii) to an agreement, instrument or other document means such agreement, instrument or other document as amended, supplemented and modified from time to time to the extent permitted by the provisions thereof; and (iii) to a statute means such statute as amended from time to time and includes any successor legislation thereto and any regulations promulgated thereunder. This Agreement shall be construed without regard to any presumption or rule requiring construction or interpretation against the party drafting an instrument or causing any instrument to be drafted. The Schedules, Annexes and Exhibits referred to herein shall be construed with, and as an integral part of, this Agreement to the same extent as if they were set forth verbatim herein. The headings in this Agreement are inserted for convenience or reference only and are in no way intended to describe, interpret, define or limit the scope, extent or intent of this Agreement or any provision of this Agreement.

Section XIII.04 Severability. If any term or provision of this Agreement is held to be invalid, illegal or unenforceable under Applicable Law in any jurisdiction or by any Regulatory Authority, such invalidity, illegality or unenforceability shall not affect any other term or provision of this Agreement or invalidate or render unenforceable such term or provision in any other jurisdiction. Upon such determination that any term or other provision is invalid, illegal or unenforceable, the parties hereto shall negotiate in good faith to modify this Agreement so as to effect the original intent of the parties as closely as possible in a mutually acceptable manner in order that the transactions contemplated hereby be consummated as originally contemplated to the greatest extent possible.

Section XIII.05 Entire Agreement. This Agreement, together with the Articles of Organization, any agreement to acquire Units, and all related Schedules, Annexes and Exhibits, constitutes the sole and entire agreement of the parties to this Agreement with respect to the subject matter contained herein and therein, and supersedes all prior and contemporaneous understandings, agreements, representations and warranties, both written and oral, with respect to such subject matter.

Section XIII.06 Successors and Assigns. Subject to the restrictions on Transfers set forth herein, this Agreement shall be binding upon and shall inure to the benefit of the parties hereto and their respective heirs, executors, administrators, successors and assigns.

Section XIII.07 No Third-party Beneficiaries. Except as provided in Article XII which shall be for the benefit of and enforceable by Covered Persons as described therein, this Agreement is for the sole benefit of the parties hereto (and their respective heirs, executors, administrators, successors and assigns) and nothing herein, express or implied, is intended to or shall confer upon any other Person, including any creditor of the Company, any legal or equitable right, benefit or remedy of any nature whatsoever under or by reason of this Agreement.

Section XIII.08 Amendment. Subject to Article VII, no provision of this Agreement may be amended or modified except by an instrument in writing executed by the Company and Members holding at least fifty-one percent (51%) of the issued and outstanding Common Units. Any such written amendment or modification will be binding upon the Company and each Member. Notwithstanding the foregoing, amendments to the Members Schedule following any new issuance, redemption, repurchase or Transfer of Units in accordance with this Agreement may be made by the Board without the consent of or execution by the Members.

Section XIII.09 Waiver. No waiver by any party of any of the provisions hereof shall be effective unless explicitly set forth in writing and signed by the party so waiving. No waiver by any party shall operate or be construed as a waiver in respect of any failure, breach or default not expressly identified by such written waiver, whether of a similar or different character, and whether occurring before or after that waiver. No failure to exercise, or delay in exercising, any right, remedy, power or privilege arising from this Agreement shall operate or be construed as a waiver thereof, nor shall any single or partial exercise of any right, remedy, power or privilege hereunder preclude any other or further exercise thereof or the exercise of any other right, remedy, power or privilege. For the avoidance of doubt, nothing contained in this Section 13.09 shall diminish any of the explicit and implicit waivers described in this Agreement.

Section XIII.10 Governing Law. This Agreement and all related documents and all matters arising out of or relating to this Agreement, whether sounding in contract, tort, or statute are governed by, and construed in accordance with, the laws of the State of Colorado, without giving effect to the conflict of laws provisions thereof to the extent such principles or rules would require or permit the application of the laws of any jurisdiction other than those of the State of Colorado.

Section XIII.11 Dispute Resolution. In the event of any dispute, claim or controversy arising out of or relating to this Agreement, the parties shall first attempt in good faith to resolve their dispute through in-person negotiation between authorized representatives of each of the parties with authority to settle the relevant dispute. Either party may commence this negotiation by delivering written notice to the other party pursuant to the terms outlined in this Agreement. The parties may agree to engage the services of a jointly agreed-upon mediator to facilitate this in-person meeting, in which case they agree to share equally in the costs of the mediation. If the dispute cannot be settled amicably within fourteen (14) days of delivery of written notice or the in-person meeting of authorized representatives, whichever comes later, then the dispute shall be resolved by binding arbitration as provided in Section 13.12.

Section XIII.12 Binding Arbitration. Any dispute, controversy, or claim arising out of or relating to this Agreement, including any determination of the scope or applicability of this Section, shall be finally settled by arbitration and judgment on the award rendered by the arbitrator may be entered in any court having jurisdiction thereof. The Parties shall share the costs of the arbitration equally; provided, however, that each Party shall be responsible for its own attorneys' fees and other costs and expenses, subject to Section 13.14 below. The arbitration will be conducted in the city of Denver, Colorado by a single arbitrator jointly selected by the parties. If the parties are unable to agree upon an arbitrator within thirty (30) days of delivery of the notice of arbitration, they agree to use the American Arbitration Association as an appointing authority. The arbitrator shall not grant punitive damages. To the extent federal and state law conflict as regards to this contract, state law shall apply. Except as may be required by law, neither a party nor an arbitrator may disclose the existence, content, or results of any arbitration hereunder without the prior written consent of both parties. The award shall be final and binding upon all parties as from the date rendered and shall be the sole and exclusive remedy between the parties regarding any claims, counterclaims, issues, or accounting presented to the arbitral tribunal. THE PARTIES ACKNOWLEDGE THAT THEY ARE IRREVOCABLY WAIVING THE RIGHT TO A TRIAL IN COURT, INCLUDING A TRIAL BY JURY AND THAT ALL RIGHTS AND REMEDIES WILL BE DETERMINED BY AN ARBITRATOR AND NOT BY A JUDGE OR JURY.

Section XIII.13 Equitable Remedies. Each party hereto acknowledges that a breach or threatened breach by such party of any of its obligations under this Agreement would give rise to irreparable harm to the other parties, for which monetary damages would not be an adequate remedy, and hereby agrees that in the event of a breach or a threatened breach by such party of any such obligations, each of the other parties hereto shall, in addition to any and all other rights and remedies that may be available to them in respect of such breach, be entitled to equitable relief, including a temporary restraining order, an injunction, specific performance and any other relief that may be available from a court of competent jurisdiction (without any requirement to post bond).

Section XIII.14 Attorneys' Fees. In the event that any party hereto institutes any legal action, including arbitration, against another party in respect of a matter arising out of or relating to this Agreement, the prevailing party in the suit, action or proceeding shall be entitled to receive, in addition to all other damages to which it may be entitled, the costs incurred by such party in conducting the suit, action or proceeding, including reasonable attorneys' fees and expenses and court costs.

Section XIII.15 Remedies Cumulative. The rights and remedies under this Agreement are cumulative and are in addition to and not in substitution for any other rights and remedies available at law or in equity or otherwise, except to the extent expressly provided in Section 12.02 to the contrary.

Section XIII.16 Federal Marijuana Laws. The parties hereto agree and acknowledge that no party makes, will make, or shall be deemed to make or have made any representation or warranty of any kind regarding the compliance of this Agreement with any U.S. Federal Marijuana Laws. No party hereto shall have any right of rescission or amendment, or shall

bring any legal claim, counterclaim or defense arising out of or relating to any non-compliance with U.S. Federal Marijuana Laws unless such non-compliance also constitutes a violation of Regulatory Laws or this Agreement, and no Party shall seek to enforce the provisions hereof in federal court.

Section XIII.17 Counterparts. This Agreement may be executed in counterparts, each of which shall be deemed an original, but all of which together shall be deemed to be one and the same agreement. A signed copy of this Agreement delivered by e-mail or other means of electronic transmission shall be deemed to have the same legal effect as delivery of an original signed copy of this Agreement.

IN WITNESS WHEREOF, the parties hereto have caused this Agreement to be executed as of the date first written above by their respective officers thereunto duly authorized.

VERTS GRAND LAKE LLC:

Ashley Close

Name: Ashley Close

Alexander Close

Name: Alexander Close

Daniel W. Rowland

Name: Daniel Rowland, Cordillera Advisory Management, Inc.

Name: Richard Kennedy

NH

Name: Nicholas Higbee

J. Feucht

Name: Joseph Feucht

**SCHEDULE A
MEMBERS SCHEDULE**

Member Name and Address	Common Units	Membership Interest %	Capital Contributions
Ashley Close 1898 S. Jasmine St. Denver, CO 80224		45%	
Alexander Close 354 Westview Ave. Columbus, OH 43214		45%	
Cordillera Advisory Management, Inc. 3915 W. 25th Ave. Denver, CO 80202		5%	
Richard Kennedy 4240 Suncrest Court Fort Collins, CO 80525		2%	
Nicholas Higbee 8718 Kaw Drive Kansas City, KS 66111		2%	
Joseph Feucht 5800 CR 66 Wellington, CO 80549		1%	
Total:		100%	

**ANNEX 1
DEFINED TERMS**

“Adjusted Taxable Income” of a Member for a Fiscal Year (or portion thereof) with respect to Units held by such Member means the federal taxable income allocated by the Company to the Member with respect to such Units (as adjusted by any final determination in connection with any tax audit or other proceeding) for such Fiscal Year (or portion thereof).

“Affected Person” means any Member, or any elected or appointed or current manager or officer of the Company, who either (i) in the good faith determination of the Disinterested Managers, or if there are no Disinterested Managers the Disinterested Members, or (ii) by a determination (whether or not such determination is final, binding or non-appealable) by any Regulatory Authority:

(a) has breached any Regulatory Laws, the condition of any Regulatory Authority, or the conditions of any Regulatory Licenses, and such breach causes or would be reasonably likely to cause a material effect on the Company’s ability to conduct business;

(b) is not suitable, eligible or otherwise qualified with respect to (1) any Regulated Activities, (2) any Regulatory Licenses or (3) owning or controlling any Units or its position as a manager of officer of the Company, as applicable;

(c) fails to be found suitable, eligible or otherwise qualified with respect to (1) any Regulated Activities, (2) any Regulatory Licenses or (3) owning or controlling any Units or its position as a manager of officer of the Company, as applicable pursuant to any Regulatory Laws (including by the applicable Regulatory Authority); provided, however, such failure, in the good faith determination of the Disinterested Managers, or if there are no Disinterested Managers, the Disinterested Members, precludes or materially delays, jeopardizes, impedes or impairs, or imposes materially burdensome terms and condition on, the ability of the Company or any of its subsidiaries to conduct any Regulated Activities or to obtain, retain, renew or reinstate any Regulatory License;

(d) causes, or would reasonably likely to cause, any Regulatory License to be lost, rejected, rescinded, suspended, revoked, not renewed or not reinstated by any Regulatory Authority; or

(e) is otherwise reasonably likely to preclude or materially delay, jeopardize, impede or impair, or impose materially burdensome terms and conditions on, the ability of the Company or any of its subsidiaries to conduct any Regulated Activities or to obtain, retain, renew or reinstate any Regulatory License.

“Affiliate” means, with respect to any Person, any other Person who, directly or indirectly, controls, is controlled by, or is under common control with, such Person. For purposes of this definition, “control,” when used with respect to any specified Person, shall mean the power, direct or indirect, to direct or cause the direction of the management and policies of such Person, whether

through ownership of voting securities or partnership or other ownership interests, by contract or otherwise; and the terms “controlling” and “controlled” shall have correlative meanings.

“Agreement” has the meaning set forth in the preamble hereof.

“Applicable Law” means all Regulatory Laws and applicable provisions of: (a) constitutions, treaties, statutes, laws (including the common law), rules, regulations, decrees, ordinances, codes, proclamations, declarations or orders of any Governmental Authority; (b) any consents or approvals of any Governmental Authority; and (c) any orders, decisions, advisory or interpretative opinions, injunctions, judgments, awards, decrees of, or agreements with, any Governmental Authority; provided, however, that Applicable Law shall exclude U.S. Federal Marijuana Law.

“Articles of Organization” has the meaning set forth in the Recitals.

“Board” has the meaning set forth in Section 7.01.

“Book Depreciation” means, with respect to any Company asset for each Fiscal Year, the Company’s depreciation, amortization, or other cost recovery deductions determined for federal income tax purposes.

“Book Value” means, with respect to any Company asset, the adjusted basis of such asset for federal income tax purposes, except as follows:

(a) the initial Book Value of any Company asset contributed by a Member to the Company shall be the gross Fair Market Value of each such Company asset as of the date of such contribution;

(b) immediately prior to the Distribution by the Company of any Company asset to a Member, the Book Value of such asset shall be adjusted to its gross Fair Market Value as of the date of such Distribution;

(c) the Book Value of all Company assets shall be adjusted to equal their respective gross Fair Market Values, as determined by the Board, as of the following times:

(i) the acquisition of an additional Membership Interest in the Company by a new or existing Member in consideration of a Capital Contribution of more than a de minimis amount;

(ii) the acquisition of a Membership Interest in the Company by a new or existing Member in consideration of services to or on behalf of the Company;

(iii) the Distribution by the Company to a Member of more than a de minimis amount of property (other than cash) as consideration for all or a part of such Member’s Membership Interest in the Company; or

(iv) the liquidation of the Company within the meaning of Treasury Regulations § 1.704-1(b)(2)(ii)(g).

“Business Day” means a day other than a Saturday, Sunday or other day on which commercial banks in the State of Colorado are authorized or required to close.

“Capital Account” has the meaning set forth in Section 4.03.

“Capital Contribution” means, for any Member, the total amount of cash and cash equivalents and the initial Book Value of any property (net of liabilities assumed by the Company resulting from such contribution and liabilities to which the property is subject) contributed, or deemed contributed, as applicable, to the capital of the Company by such Member (excluding any advances or loans of Members), each as determined and updated from time-to-time by the Board.

“Change of Control” means: (a) the sale of all or substantially all of the consolidated assets of the Company to a Third Party Purchaser; (b) a sale resulting in no less than a majority of the Units on a Fully Diluted Basis being held by a Third Party Purchaser; or (c) a merger, consolidation, recapitalization, or reorganization of the Company with or into a Third Party Purchaser that results in the inability of the Members to designate or elect a majority of the Managers (or the board of directors (or its equivalent) of the resulting entity or its parent company).

“Code” means the Internal Revenue Code of 1986, as amended.

“Common Units” means the Units having the privileges, preference, duties, liabilities, obligations and rights specified with respect to “common units” in this Agreement.

“Company” has the meaning set forth in the preamble hereof..

“Confidential Information” has the meaning set forth in Section 9.01.

“Covered Person” has the meaning set forth in Section 12.01(a).

“Deemed Liquidation Event” means each of the following events:

(a) a merger or consolidation in which: (i) the Company is a constituent party and the Company issues Units pursuant to such merger or consolidation; provided, however any such merger or consolidation involving the Company in which the Units of the Company outstanding immediately prior to such merger or consolidation continue to represent, immediately following such merger or consolidation, at least a majority, by voting power, of the equity of: (x) the surviving or resulting entity; or (y) if the surviving or resulting entity is a wholly owned subsidiary of another entity immediately following such merger or consolidation, the parent entity of such surviving or resulting entity;

(b) the sale, lease, transfer, exclusive license, or other disposition, in a single transaction or series of related transactions, by the Company of all or substantially all the assets of the Company (including, without limitation, the Regulatory Licenses of the Company); or

(c) a transaction or series of transactions that otherwise results in a Change of Control.

“Deemed Liquidation Event Proceeds” means the proceeds of the Company from a Deemed Liquidation Event, reduced by: (a) all expenses associated with such transaction

(including investment banking fees, attorneys fees, and other professional advisor fees); (b) all payments of principal, interest, and other charges in respect of any indebtedness refinanced and any other indebtedness discharged with such proceeds (including with respect to any Members loans); and (c) all reasonable reserves required by the Company as reasonably determined by the Board with respect to such Deemed Liquidation Event or to wind-up the Company.

“Disinterested Managers” means, with respect to any person or entity, those managers of the Company that have no material direct or indirect financial interest in or with respect to such person or entity. For the avoidance of doubt, any manager of the Company that is designated to such position by any person or entity (the “Designating Entity”), or is an officer, director, employee or is otherwise engaged by the Designating Entity, shall not be deemed a Disinterested Manager with respect to Designating Entity.

“Disinterested Members” means, with respect to any person or entity, those members of the Company that have no material direct or indirect financial interest in or with respect to such person or entity. For the avoidance of doubt, any manager of the Company that is designated to such position by any Designating Entity, or is an officer, director, employee or is otherwise engaged by the Designating Entity, shall not be deemed a Disinterested Member with respect to the Designating Entity.

“Distribution” means a distribution made by the Company to a Member, whether in cash, property, or securities of the Company and whether by liquidating distribution or otherwise; provided, however that none of the following shall be a Distribution: (a) any redemption or repurchase by the Company or any Member of any Units or Unit Equivalents; (b) any recapitalization or exchange of securities of the Company; or (c) any subdivision (by a split of Units or otherwise) or any combination (by a reverse split of Units or otherwise) of any outstanding Units. “Distribute” when used as a verb shall have a correlative meaning.

“Distributable Monthly Net Profit” means that proportion of the Company’s Monthly Net Profit, which is distributable to the Members as designated by the Board from time to time.

“Drag-along Member” has the meaning set forth in Section 8.03(a).

“Drag-along Notice” has the meaning set forth in Section 8.03(c).

“Drag-along Sale” has the meaning set forth in Section 8.03(a).

“Dragging Member” has the meaning set forth in Section 8.03(a).

“Electronic Transmission” means any form of communication not directly involving the physical transmission of paper that creates a record that may be retained, retrieved and reviewed by a recipient thereof and that may be directly reproduced in paper form by such a recipient through an automated process.

“Estimated Tax Amount” of a Member for a Fiscal Year means the Member’s Tax Amount for such Fiscal Year as estimated in good faith from time-to-time by the Board. In making such estimate, the Board shall take into account amounts shown on Internal Revenue Service Form 1065 filed by the Company and similar state or local forms filed by the Company for the preceding

taxable year and such other adjustments as in the reasonable business judgment of the Board are necessary or appropriate to reflect the estimated operations of the Company for the Fiscal Year.

“Fair Market Value” of any asset as of any date means the purchase price that a willing buyer having all relevant knowledge would pay a willing seller for such asset in an arm’s length transaction, as determined in good faith by the Board based on such factors as the Board, in the exercise of their reasonable business judgment, consider relevant, provided, however, that if any Member objects to the Board’s determination of Fair Market Value of any particular asset, the Company shall hire a third-party appraiser with expertise and experience in valuation of marijuana-related assets to determine the Fair Market Value, and the determination of Fair Market Value by such appraiser will be conclusive on the Company and the Members.

“Financing Document” means any credit agreement, guarantee, financing or security agreement, or other agreements or instruments governing indebtedness of the Company.

“Family Members” means the spouse, parents, siblings, descendants, (including adoptive relationships and stepchildren) and the spouses of each such natural person.

“Federal Marijuana Laws” means any U.S. federal laws, civil, criminal or otherwise, as such relate, either directly or indirectly, to the cultivation, harvesting, manufacturing, production, marketing, commercialization, distribution, transfer sale and/or possession of marijuana or related substances, or products, activities or services containing or relating to the same, including, without limitation, the prohibition on drug trafficking under 21 U.S.C. Ch. 13, et seq., the conspiracy statute under 18 U.S.C. § 846, the bar against aiding and abetting the conduct of an offense under 18 U.S.C. § 2, the bar against misprision of a felony (concealing another’s felonious conduct) under 18 U.S.C. § 4, the bar against being an accessory after the fact to criminal conduct under 18 U.S.C. § 3, and federal money laundering statutes under 18 U.S.C. §§ 1956, 1957, and 1960, and any other U.S. federal law the violation of which is predicated on the violation of any of the foregoing as it applies to marijuana and all orders, decrees, rules and regulations promulgated under any of the foregoing.

“Fiscal Year” means the calendar year, unless the Company is required to have a taxable year other than the calendar year, in which case Fiscal Year shall be the period that conforms to its taxable year.

“Fully Diluted Basis” means, as of any date of determination: (a) with respect to all the Units, all issued and outstanding Units of the Company and all Units issuable upon the exercise of any outstanding Unit Equivalents as of such date, whether or not such Unit Equivalent is at the time exercisable; or (b) with respect to any specified type, class, or series of Units, all issued and outstanding Units designated as such type, class, or series and all such designated Units issuable upon the exercise of any outstanding Unit Equivalents as of such date, whether or not such Unit Equivalent is at the time exercisable.

“GAAP” means United States generally accepted accounting principles in effect from time-to-time.

“Governmental Authority” means any federal, state, local, or foreign government or any court of competent jurisdiction, administrative or regulatory body, agency, bureau, or commission or other governmental entity or instrumentality in any domestic or foreign jurisdiction, and any appropriate division or any of the foregoing (to the extent that the rules, regulations, or orders thereof have the force of law). For the avoidance of doubt, Governmental Entity includes any Regulatory Authority.

“Joinder Agreement” means the joinder agreement in form attached hereto as Exhibit A.

“Liquidator” has the meaning set forth in Section 11.03(a).

“LLC Act” has the meaning set forth in the preamble.

“Losses” has the meaning set forth in Section 12.03(a).

“Manager” has the meaning set forth in Section 7.01.

“Member” means: (a) each Person identified on the Members Schedule as of the date hereof as a Member and who has executed this Agreement or a counterpart thereof; and (b) each Person who is hereafter admitted as a Member in accordance with the terms of this Agreement in each case so long as such Person is shown on the Company’s books and records as the owner of one (1) or more Units. The Members shall constitute the “members” of the Company as defined in the LLC Act.

“Members Schedule” has the meaning set forth in Section 2.01.

“Membership Interest” means an interest in the Company owned by a Member, including such Member’s right (based on the type and class of Unit or Units held by such Member), as applicable: (a) to a distributive share of Net Income, Net Losses, and other items of income, gain, loss, and deduction of the Company, in accordance with this Agreement; (b) to a Distribution in accordance with this Agreement; (c) to vote on, consent to, or otherwise participate in any decision of the Members as provided in this Agreement; and (d) to any and all other benefits to which such Member may be entitled as provided in this Agreement.

“Monthly Net Profit” means the Company’s Net Profit for each calendar month.

“Net Profit” means the Company’s net profit.

“Net Income” and “Net Loss” mean, for each Fiscal Year or other period specified in this Agreement, an amount equal to the Company’s taxable income or taxable loss, or particular items thereof, determined in accordance with the Code and Applicable Law.

“New Interests” means (i) any new type, class or series of Units not otherwise described in this Agreement, which Units may be designated as classes or series of the Common Units but having different rights; and (ii) Unit Equivalents.

“Officers” has the meaning set forth in Section 7.09.

“Permitted Transfer” means a Transfer of Units carried out pursuant to Section 8.02.
“Permitted Transferee” means a recipient of a Permitted Transfer.

“Person” means an individual, corporation, partnership, joint venture, limited liability company, Governmental Authority, unincorporated organization, trust, association, or other entity.

“Pro Rata Portion” means a fraction determined by dividing: (a) the number of Common Units on a Fully Diluted Basis owned by such Member immediately prior to the applicable issuance or transfer, as applicable; by (b) the total number of Common Units on a Fully Diluted Basis held by the Members on such date.

“Regulated Activities” means any activities or intended activities of the Company and its subsidiaries’ businesses that pursuant to applicable state and local laws requires a license or franchise (including, without limitation, permit, approval, order, authorization, registration, finding of suitability, exemption, certification, clearance, waiver and similar qualification) from a state or local governmental agency to conduct such activities, including without limitation the cultivation, harvesting, manufacturing, production, marketing, commercialization, distribution, transfer, sale and/or possession of marijuana or related substances, or products, activities or services containing or relating to the same.

“Regulatory Authorities” means any state or local regulatory or licensing bodies, instrumentalities, departments, commissions, authorities, boards, officials, tribunals and agencies with authority over or responsibility for the regulation or licensing of Regulated Activities within any applicable state, local or tribal jurisdiction for Regulated Activities, including without limitation the Colorado Marijuana Enforcement Division.

“Regulatory Laws” means any applicable state and local laws, statutes and ordinances requiring a license or franchise (including, without limitation, permit, approval, order, authorization, registration, finding of suitability, exemption, certification, clearance, waiver and similar qualifications) for Regulated Activities and all orders, decrees, rules and regulations promulgated thereunder, and all policies and interpretations of the applicable Regulatory Authorities of such laws, statutes, ordinances, orders, decrees, rules, and regulations.

“Regulatory License” any licenses or franchises (including, without limitation, permits, approvals, orders, authorizations, registrations, findings of suitability, exemptions, certifications, clearances, waivers and similar qualifications) from Regulatory Authorities or pursuant to Regulatory Laws.

“Representative” means, with respect to any Person, any and all directors, officers, employees, consultants, financial advisors, counsel, accountants, and other agents of such Person.

“Securities Act” means the Securities Act of 1933, as amended, or any successor federal statute, and the rules and regulations thereunder, which shall be in effect at the time.

“Subsidiary” means, with respect to any Person, any other Person of which a majority of the outstanding units or other equity interests having the power to vote for directors are owned, directly or indirectly, by the first Person.

“Tax Amount” of a Member for a Fiscal Year means the product of: (a) the Tax Rate for such Fiscal Year; and (b) the Adjusted Taxable Income of the Member for such Fiscal Year with respect to its Units.

“Tax Rate” of a Member, for any period, means the highest marginal blended federal, state, and local tax rate applicable to ordinary income, qualified dividend income, or capital gains, as appropriate, for such period for an individual residing in Colorado, taking into account for federal income tax purposes, the deductibility of state and local taxes and any applicable limitations on such deductions.

“Third Party Purchaser” means any Person who, immediately prior to the contemplated transaction, does not directly or indirectly own or have the right to acquire any outstanding Units.

“Transfer” means to, directly or indirectly, sell, transfer, assign, pledge, encumber, hypothecate, or similarly dispose of, either voluntarily or involuntarily, by operation of law or otherwise, or to enter into any contract, option, or other arrangement or understanding with respect to the sale, transfer, assignment, pledge, encumbrance, hypothecation, or similar disposition of, any Units or Unit Equivalents or any interest (including a beneficial interest) in any Units or Unit Equivalents and any agreement, arrangement or understanding, whether or not in writing, to effect any of the foregoing. “Transferor” and “Transferee” mean a Person who makes or receives a Transfer, respectively.

“Treasury Regulations” means the final or temporary regulations issued by the United States Department of Treasury pursuant to its authority under the Code, and any successor regulations.

“Unit” means a unit representing a fractional part of the Membership Interests of the Members and shall include all types and classes of Units, including the Common; provided, however, that any type or class of Unit shall have the privileges, preference, duties, liabilities, obligations, and rights set forth in this Agreement and the Membership Interests represented by such type or class or series of Unit shall be determined in accordance with such privileges, preference, duties, liabilities, obligations, and rights.

“Unit Equivalents” means any security or obligation that is by its terms, directly or indirectly, convertible into, exchangeable for, or exercisable for Units, and any option, warrant, or other right to subscribe for, purchase, or acquire Units.

**EXHIBIT A
FORM OF JOINDER AGREEMENT**

The undersigned is executing and delivering this JOINDER AGREEMENT pursuant to the Operating Agreement dated as of October 31, 2023, (as amended, modified, restated or supplemented from time to time, the "Operating Agreement"), among **Verts Grand Lake LLC**, a Colorado limited liability company (the "Company"), and its Members thereto.

By executing and delivering this Joinder Agreement to the Company, the undersigned hereby agrees to become a party to, to be bound by, and to comply with the provisions of the Operating Agreement in the same manner as if the undersigned were an original signatory to such agreement.

The undersigned agrees that the undersigned shall be a Member, as such term is defined in the Operating Agreement.

Accordingly, the undersigned has executed and delivered this Joinder Agreement as of this _____ day of _____, 20__.

By: _____

Name: _____

PROOF OF PROPERTY POSSESSION

N. Copy of any deed, lease, letter of intent, or other contract reflecting the right, or the right conditioned on License approval, of the Applicant to possess and operate a Regulated Marijuana Store.

Verts Grand Lake LLC (Verts) plans to operate at 525 Grand Ave. Verts will lease the property from JesseTheDog LLC, which will be acquiring the property.

JesseTheDog LLC has executed a purchase contract, attached, with the current property owners, Mountain Mongrels LLC. JesseTheDog LLC intends to purchase the property at a mutually agreed upon price, contingent upon Verts being selected in the Town of Grand Lake's Lottery Phase application process for the Town's one available Regulated Marijuana Business license.

JesseTheDog LLC and Verts have executed a letter of intent, also attached, formally expressing that should Verts be selected in the lottery, JesseTheDog LLC will execute the purchase of the property and then lease the property to Verts for use as a Regulated Marijuana Business.

BERKSHIRE HATHAWAY HOMESERVICES | COLORADO REAL ESTATE Julie Ray Ph: 970-531-0211 Fax:

The printed portions of this form, except differentiated additions, have been approved by the Colorado Real Estate Commission. (CBS3-6-21) (Mandatory 1-22)

THIS FORM HAS IMPORTANT LEGAL CONSEQUENCES AND THE PARTIES SHOULD CONSULT LEGAL AND TAX OR OTHER COUNSEL BEFORE SIGNING.

CONTRACT TO BUY AND SELL REAL ESTATE (COMMERCIAL) [] Property with No Residences [X] Property with Residences-Residential Addendum Attached

Date: 11/2/2023

AGREEMENT

1. AGREEMENT. Buyer agrees to buy and Seller agrees to sell the Property described below on the terms and conditions set forth in this contract (Contract).

2. PARTIES AND PROPERTY.

2.1. Buyer, JesseTheDog, LLC (Buyer) will take title to the Property described below as [] Joint Tenants [] Tenants In Common [X] Other sevralty.

2.2. No Assignability. This Contract IS NOT assignable by Buyer unless otherwise specified in Additional Provisions.

2.3. Seller, Mountain Mongrels, LLC (Seller) is the current owner of the Property described below.

2.4. Property. The Property is the following legally described real estate in the County of Grand, Colorado (insert legal description):

Town of Grand Lake: Lot 15, Block 26 known as: 525 Grand Avenue, Grand Lake, CO 80447

together with the interests, easements, rights, benefits, improvements and attached fixtures appurtenant thereto and all interest of Seller in vacated streets and alleys adjacent thereto, except as herein excluded (Property).

2.5. Inclusions. The Purchase Price includes the following items (Inclusions):

2.5.1. Inclusions - Attached. If attached to the Property on the date of this Contract, the following items are included unless excluded under Exclusions: lighting, heating, plumbing, ventilating and air conditioning units, TV antennas, inside telephone, network and coaxial (cable) wiring and connecting blocks/jacks, plants, mirrors, floor coverings, intercom systems, built-in kitchen appliances, sprinkler systems and controls, built-in vacuum systems (including accessories) and garage door openers (including n/a remote controls). If checked, the following are owned by the Seller and included: [] Solar Panels [] Water Softeners [] Security Systems [] Satellite Systems (including satellite dishes). Leased items should be listed under § 2.5.7. (Leased Items). If any additional items are attached to the Property after the date of this Contract, such additional items are also included in the Purchase Price.

2.5.2. Inclusions - Not Attached. If on the Property, whether attached or not, on the date of this Contract, the following items are included unless excluded under Exclusions: storm windows, storm doors, window and porch shades, awnings, blinds, screens, window coverings and treatments, curtain rods, drapery

Seller(s) Initials: TM JYM M

rods, fireplace inserts, fireplace screens, fireplace grates, heating stoves, storage sheds, carbon monoxide alarms, smoke/fire detectors and all keys.

2.5.3. Other Inclusions. The following items, whether fixtures or personal property, are also included in the Purchase Price:

refrigerator, oven/range/stove, disposal, dishwasher, washer and dryer

2.5.4. Encumbered Inclusions. Any Inclusions owned by Seller (e.g., owned solar panels) must be conveyed at Closing by Seller free and clear of all taxes (except personal property and general real estate taxes for the year of Closing), liens and encumbrances, except:

2.5.5. Personal Property Conveyance. Conveyance of all personal property will be by bill of sale or other applicable legal instrument.

2.5.6. Parking and Storage Facilities. The use or ownership of the following parking facilities: 4 off street parking; and the use or ownership of the following storage facilities:

Note to Buyer: If exact rights to the parking and storage facilities is a concern to Buyer, Buyer should investigate.

2.5.7. Leased Items. The following personal property is currently leased to Seller which will be transferred to Buyer at Closing (Leased Items):

2.5.8. Trade Fixtures. With respect to trade fixtures, Seller and Buyer agree as follows: The trade fixtures to be conveyed at Closing will be conveyed by Seller free and clear of all taxes (except personal property taxes for the year of Closing), liens and encumbrances, except . Conveyance will be by bill of sale or other applicable legal instrument.

2.6. Exclusions. The following items are excluded (Exclusions): sellers personal property

2.7. Water Rights/Well Rights.

2.7.1. Deeded Water Rights. The following legally described water rights: n/a

Any deeded water rights will be conveyed by a good and sufficient n/a deed at Closing.

2.7.2. Other Rights Relating to Water. The following rights relating to water not included in §§ 2.7.1., 2.7.3. and 2.7.4., will be transferred to Buyer at Closing:

2.7.3. Well Rights. Seller agrees to supply required information to Buyer about the well. Buyer understands that if the well to be transferred is a "Small Capacity Well" or a "Domestic Exempt Water Well" used for ordinary household purposes, Buyer must, prior to or at Closing, complete a Change in Ownership form for the well. If an existing well has not been registered with the Colorado Division of Water Resources in the Department of Natural Resources (Division), Buyer must complete a registration of existing well form for the well and pay the cost of registration. If no person will be providing a closing service in connection with the transaction, Buyer must file the form with the Division within sixty days after Closing. The Well Permit # is n/a.

2.7.4. Water Stock Certificates. The water stock certificates to be transferred at Closing are as follows:

2.7.5. Conveyance. If Buyer is to receive any rights to water pursuant to § 2.7.2. (Other Rights Relating to Water), § 2.7.3. (Well Rights), or § 2.7.4. (Water Stock Certificates), Seller agrees to convey such rights to Buyer by executing the applicable legal instrument at Closing.

2.7.6. Water Rights Review. Buyer Does Does Not have a Right to Terminate if examination of the Water Rights is unsatisfactory to Buyer on or before the Water Rights Examination Deadline.

3. DATES, DEADLINES AND APPLICABILITY.

3.1. Dates and Deadlines.

Item No.	Reference	Event	Date or Deadline
1	§ 3	Time of Day Deadline	

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2	§ 4	Alternative Earnest Money Deadline	<i>3 Days after Selected as lottery recipient</i>
		Title	
3	§ 8	Record Title Deadline (and Tax Certificate)	<i>10 Days after Selected as lottery recipient Days after Selected as lottery recipient</i>
4	§ 8	Record Title Objection Deadline	<i>12 Days after Selected as lottery recipient</i>
5	§ 8	Off-Record Title Deadline	<i>10 Days after Selected as lottery recipient</i>
6	§ 8	Off-Record Title Objection Deadline	<i>12 Days after Selected as lottery recipient</i>
7	§ 8	Title Resolution Deadline	<i>14 Days after Selected as lottery recipient</i>
8	§ 8	Third Party Right to Purchase/Approve Deadline	
		Owners' Association	
9	§ 7	Association Documents Deadline	
10	§ 7	Association Documents Termination Deadline	
		Seller's Disclosures	
11	§ 10	Seller's Property Disclosure Deadline	<i>3 Days after Selected as lottery recipient</i>
12	§ 10	Lead-Based Paint Disclosure Deadline (if Residential Addendum attached)	
		Loan and Credit	
13	§ 5	New Loan Application Deadline	<i>3 Days after Selected as lottery recipient</i>
14	§ 5	New Loan Terms Deadline	<i>30 Days after Selected as lottery recipient</i>
15	§ 5	New Loan Availability Deadline	<i>30 Days after Selected as lottery recipient</i>
16	§ 5	Buyer's Credit Information Deadline	
17	§ 5	Disapproval of Buyer's Credit Information Deadline	
18	§ 5	Existing Loan Deadline	
19	§ 5	Existing Loan Termination Deadline	
20	§ 5	Loan Transfer Approval Deadline	
21	§ 4	Seller or Private Financing Deadline	
		Appraisal	
22	§ 6	Appraisal Deadline	<i>25 Days after Selected as lottery recipient</i>
23	§ 6	Appraisal Objection Deadline	<i>27 Days after Selected as lottery recipient</i>
24	§ 6	Appraisal Resolution Deadline	<i>28 Days after Selected as lottery recipient</i>
		Survey	

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Section 10, Item D.

25	§ 9	New ILC or New Survey Deadline	10 Days after Selected as lottery recipient
26	§ 9	New ILC or New Survey Objection Deadline	12 Days after Selected as lottery recipient
27	§ 9	New ILC or New Survey Resolution Deadline	14 Days after Selected as lottery recipient
		Inspection and Due diligence	
28	§ 2	Water Rights Examination Deadline	
29	§ 8	Mineral Rights Examination Deadline	
30	§ 10	Inspection Termination Deadline	15 Days after Selected as lottery recipient
31	§ 10	Inspection Objection Deadline	12 Days after Selected as lottery recipient
32	§ 10	Inspection Resolution Deadline	15 Days after Selected as lottery recipient
33	§ 10	Property Insurance Termination Deadline	25 Days after Selected as lottery recipient
34	§ 10	Due Diligence Documents Delivery Deadline	3 Days after Selected as lottery recipient
35	§ 10	Due Diligence Documents Objection Deadline	21 Days after Selected as lottery recipient
36	§ 10	Due Diligence Documents Resolution Deadline	22 Days after Selected as lottery recipient
37	§ 10	Environmental Inspection Termination Deadline	
38	§ 10	ADA Evaluation Termination Deadline	
39	§ 10	Conditional Sale Deadline	
40	§ 10	Lead-Based Paint Termination Deadline (if Residential Addendum attached)	
41	§ 11	Estoppel Statements Deadline	
42	§ 11	Estoppel Statements Termination Deadline	
		Closing and Possession	
43	§ 12	Closing Date	35 Days after Selected as lottery recipient
44	§ 17	Possession Date	35 Days after Selected as lottery recipient
45	§ 17	Possession Time	immediately after DOD
46	§ 27	Acceptance Deadline Date	11/2/2023 Thursday
47	§ 27	Acceptance Deadline Time	8:00 pm MST
48			
49			

3.2. Applicability of Terms. If any deadline blank in § 3.1. (Dates and Deadlines) is left blank or completed with "N/A", or the word "Deleted," such deadline is not applicable and the corresponding provision containing the deadline is deleted. Any box checked in this Contract means the corresponding provision

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232 applies. If no box is checked in a provision that contains a selection of "None", such provision means
233 "None" applies.
234

Section 10, Item D.

235 The abbreviation "MEC" (mutual execution of this Contract) means the date upon which both parties have
236 signed this Contract. The abbreviation "N/A" as used in this Contract means not applicable.
237

238 **3.3. Day; Computation of Period of Days; Deadlines.**

239 **3.3.1. Day.** As used in this Contract, the term "day" means the entire day ending at 11:59 p.m.,
240 United States Mountain Time (Standard or Daylight Savings, as applicable). Except however, if a **Time of**
241 **Day Deadline** is specified in § 3.1. (Dates and Deadlines), all Objection Deadlines, Resolution Deadlines,
242 Examination Deadlines and Termination Deadlines will end on the specified deadline date at the time of day
243 specified in the **Time of Day Deadline**, United States Mountain Time. If **Time of Day Deadline** is left blank
244 or "N/A" the deadlines will expire at 11:59 p.m., United States Mountain Time.
245

246 **3.3.2. Computation of Period of Days.** In computing a period of days (e.g., three days after
247 MEC), when the ending date is not specified, the first day is excluded and the last day is included.

248 **3.3.3. Deadlines.** If any deadline falls on a Saturday, Sunday or federal or Colorado state holiday
249 (Holiday), such deadline **Will** **Will Not** be extended to the next day that is not a Saturday, Sunday or
250 Holiday. Should neither box be checked, the deadline will not be extended.
251

252 **4. PURCHASE PRICE AND TERMS.**

253 **4.1. Price and Terms.** The Purchase Price set forth below is payable in U.S. Dollars by Buyer as
254 follows:
255

Item No.	Reference	Item	Amount	Amount
1	§ 4.1.	Purchase Price	\$ 540,000.00	
2	§ 4.3.	Earnest Money		\$ 10,000.00
3	§ 4.5.	New Loan		\$ 315,000.00
4	§ 4.6.	Assumption Balance		\$
5	§ 4.7.	Private Financing		\$
6	§ 4.7.	Seller Financing		\$
7	29 #5	additional earnest money		\$ 9,000.00
8				\$
9	§ 4.4.	Cash at Closing		\$ 206,000.00
10		Total	\$ 540,000.00	\$ 540,000.00

272 **4.2. Seller Concession.** At Closing, Seller will credit to Buyer \$0 (Seller Concession). The Seller
273 Concession may be used for any Buyer fee, cost, charge or expenditure to the extent the amount is allowed
274 by the Buyer's lender and is included in the Closing Statement or Closing Disclosure at Closing. Examples of
275 allowable items to be paid for by the Seller Concession include, but are not limited to: Buyer's closing costs,
276 loan discount points, loan origination fees, prepaid items and any other fee, cost, charge, expense or
277 expenditure. Seller Concession is in addition to any sum Seller has agreed to pay or credit Buyer elsewhere
278 in this Contract.
279

280 **4.3. Earnest Money.** The Earnest Money set forth in this Section, in the form of a personal check
281 or wire, will be payable to and held by Title company of the Rockies (Earnest Money Holder), in its
282 trust account, on behalf of both Seller and Buyer. The Earnest Money deposit must be tendered, by Buyer,
283 with this Contract unless the parties mutually agree to an **Alternative Earnest Money Deadline** for its
284 payment. The parties authorize delivery of the Earnest Money deposit to the company conducting the Closing
285 (Closing Company), if any, at or before Closing. In the event Earnest Money Holder has agreed to have
286 interest on Earnest Money deposits transferred to a fund established for the purpose of providing affordable
287 housing to Colorado residents, Seller and Buyer acknowledge and agree that any interest accruing on the
288 Earnest Money deposited with the Earnest Money Holder in this transaction will be transferred to such fund.
289

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4.3.1. **Alternative Earnest Money Deadline.** The deadline for delivering the Earnest Money other than at the time of tender of this Contract, is as set forth as the **Alternative Earnest Money Deadline**.

4.3.2. **Disposition of Earnest Money.** If Buyer has a Right to Terminate and timely terminates, Buyer is entitled to the return of Earnest Money as provided in this Contract. If this Contract is terminated as set forth in § 24 and, except as provided in § 23 (Earnest Money Dispute), if the Earnest Money has not already been returned following receipt of a Notice to Terminate, Seller agrees to execute and return to Buyer or Broker working with Buyer, written mutual instructions (e.g., Earnest Money Release form), within three days of Seller's receipt of such form. If Seller is entitled to the Earnest Money, and, except as provided in § 23 (Earnest Money Dispute), if the Earnest Money has not already been paid to Seller, following receipt of an Earnest Money Release form, Buyer agrees to execute and return to Seller or Broker working with Seller, written mutual instructions (e.g., Earnest Money Release form), within three days of Buyer's receipt.

4.3.2.1. **Seller Failure to Timely Return Earnest Money.** If Seller fails to timely execute and return the Earnest Money Release Form, or other written mutual instructions, Seller is in default and liable to Buyer as set forth in "If Seller is in Default", § 20.2. and § 21, unless Seller is entitled to the Earnest Money due to a Buyer default.

4.3.2.2. **Buyer Failure to Timely Release Earnest Money.** If Buyer fails to timely execute and return the Earnest Money Release Form, or other written mutual instructions, Buyer is in default and liable to Seller as set forth in "If Buyer is in Default", § 20.1 and § 21, unless Buyer is entitled to the Earnest Money due to a Seller Default.

4.4. **Form of Funds; Time of Payment; Available Funds.**

4.4.1. **Good Funds.** All amounts payable by the parties at Closing, including any loan proceeds, Cash at Closing and closing costs, must be in funds that comply with all applicable Colorado laws, including electronic transfer funds, certified check, savings and loan teller's check and cashier's check (Good Funds).

4.4.2. **Time of Payment.** All funds, including the Purchase Price to be paid by Buyer, must be paid before or at Closing or as otherwise agreed in writing between the parties to allow disbursement by Closing Company at Closing **OR SUCH NONPAYING PARTY WILL BE IN DEFAULT.**

4.4.3. **Available Funds.** Buyer represents that Buyer, as of the date of this Contract, **Does** **Does Not** have funds that are immediately verifiable and available in an amount not less than the amount stated as Cash at Closing in § 4.1.

4.5. **New Loan.**

4.5.1. **Buyer to Pay Loan Costs.** Buyer, except as otherwise permitted in § 4.2. (Seller Concession), if applicable, must timely pay Buyer's loan costs, loan discount points, prepaid items and loan origination fees as required by lender.

4.5.2. **Buyer May Select Financing.** Buyer may pay in cash or select financing appropriate and acceptable to Buyer, including a different loan than initially sought, except as restricted in § 4.5.3. (Loan Limitations) or § 29 (Additional Provisions).

4.5.3. **Loan Limitations.** Buyer may purchase the Property using any of the following types of loans: **Conventional** **Other** .

4.6. **Assumption.** (Omitted as inapplicable)

4.7. **Seller or Private Financing.** (Omitted as inapplicable)

TRANSACTION PROVISIONS

5. **FINANCING CONDITIONS AND OBLIGATIONS.**

5.1. **New Loan Application.** If Buyer is to pay all or part of the Purchase Price by obtaining one or more new loans (New Loan), or if an existing loan is not to be released at Closing, Buyer, if required by such lender, must make an application verifiable by such lender, on or before **New Loan Application Deadline** and exercise reasonable efforts to obtain such loan or approval.

5.2. **New Loan Terms; New Loan Availability.**

5.2.1. **New Loan Terms.** If Buyer is to pay all or part of the Purchase Price with a New Loan, this

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349 Contract is conditional upon Buyer determining, in Buyer's sole subjective discretion, whether the pro
350 New Loan's payments, interest rate, conditions and costs or any other loan terms (New Loan Terms)
351 satisfactory to Buyer. This condition is for the sole benefit of Buyer. Buyer has the Right to Terminate under §
352 24.1., on or before **New Loan Terms Deadline**, if the New Loan Terms are not satisfactory to Buyer, in
353 Buyer's sole subjective discretion.

354 **5.2.2. New Loan Availability.** If Buyer is to pay all or part of the Purchase Price with a New
355 Loan, this Contract is conditional upon Buyer's satisfaction with the availability of the New Loan based on the
356 lender's review and underwriting of Buyer's New Loan Application (New Loan Availability). Buyer has the
357 Right to Terminate under § 24.1., on or before the **New Loan Availability Deadline** if the New Loan
358 Availability is not satisfactory to Buyer. Buyer does not have a Right to Terminate based on the New Loan
359 Availability if the termination is based on the New Loan Terms, Appraised Value (defined below), the Lender
360 Property Requirements (defined below), Insurability (§ 10.5. below) or the Conditional Upon Sale of Property
361 (§ 10.7. below). **IF SELLER IS NOT IN DEFAULT AND DOES NOT TIMELY RECEIVE BUYER'S WRITTEN**
362 **NOTICE TO TERMINATE, BUYER'S EARNEST MONEY WILL BE NONREFUNDABLE**, except as
363 otherwise provided in this Contract (e.g., Appraisal, Title, Survey).
364

365 **5.3. Credit Information.** (Omitted as inapplicable)

366 **5.4. Existing Loan Review.** (Omitted as inapplicable)

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369 **6. APPRAISAL PROVISIONS.**

370 **6.1. Appraisal Definition.** An "Appraisal" is an opinion of value prepared by a licensed or certified
371 appraiser, engaged on behalf of Buyer or Buyer's lender, to determine the Property's market value (Appraised
372 Value). The Appraisal may also set forth certain lender requirements, replacements, removals or repairs
373 necessary on or to the Property as a condition for the Property to be valued at the Appraised Value.
374

375 **6.2. Appraised Value.** The applicable appraisal provision set forth below applies to the respective
376 loan type set forth in § 4.5.3., or if a cash transaction (i.e., no financing), § 6.2.1. applies.

377 **6.2.1. Conventional/Other.** Buyer has the right to obtain an Appraisal. If the Appraised Value is
378 less than the Purchase Price, or if the Appraisal is not received by Buyer on or before **Appraisal Deadline**
379 Buyer may, on or before **Appraisal Objection Deadline**:

380 **6.2.1.1. Notice to Terminate.** Notify Seller in writing, pursuant to § 24.1., that this Contract
381 is terminated; or

382 **6.2.1.2. Appraisal Objection.** Deliver to Seller a written objection accompanied by either a
383 copy of the Appraisal or written notice from lender that confirms the Appraised Value is less than the
384 Purchase Price (Lender Verification).
385

386 **6.2.1.3. Appraisal Resolution.** If an Appraisal Objection is received by Seller, on or before
387 **Appraisal Objection Deadline** and if Buyer and Seller have not agreed in writing to a settlement thereof on
388 or before **Appraisal Resolution Deadline**, this Contract will terminate on the **Appraisal Resolution**
389 **Deadline**, unless Seller receives Buyer's written withdrawal of the Appraisal Objection before such
390 termination, (i.e., on or before expiration of **Appraisal Resolution Deadline**).
391

392 **6.3. Lender Property Requirements.** If the lender imposes any written requirements, replacements,
393 removals or repairs, including any specified in the Appraisal (Lender Property Requirements) to be made to
394 the Property (e.g., roof repair, repainting), beyond those matters already agreed to by Seller in this Contract,
395 this Contract terminates on the earlier of three days following Seller's receipt of the Lender Property
396 Requirements, or Closing, unless prior to termination: (1) the parties enter into a written agreement to satisfy
397 the Lender Property Requirements; (2) the Lender Property Requirements have been completed; or (3) the
398 satisfaction of the Lender Property Requirements is waived in writing by Buyer.

399 **6.4. Cost of Appraisal.** Cost of the Appraisal to be obtained after the date of this Contract must be
400 timely paid by Buyer Seller. The cost of the Appraisal may include any and all fees paid to the
401 appraiser, appraisal management company, lender's agent or all three.
402

403
404 **7. OWNERS' ASSOCIATIONS.** This Section is applicable if the Property is located within one or more
405 Common Interest Communities and subject to one or more declarations (Association).

406 **7.1. Common Interest Community Disclosure. THE PROPERTY IS LOCATED WITHIN A**

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407 COMMON INTEREST COMMUNITY AND IS SUBJECT TO THE DECLARATION FOR THE COMM
408 THE OWNER OF THE PROPERTY WILL BE REQUIRED TO BE A MEMBER OF THE OWNERS'
409 ASSOCIATION FOR THE COMMUNITY AND WILL BE SUBJECT TO THE BYLAWS AND RULES AND
410 REGULATIONS OF THE ASSOCIATION. THE DECLARATION, BYLAWS AND RULES AND
411 REGULATIONS WILL IMPOSE FINANCIAL OBLIGATIONS UPON THE OWNER OF THE PROPERTY,
412 INCLUDING AN OBLIGATION TO PAY ASSESSMENTS OF THE ASSOCIATION. IF THE OWNER DOES
413 NOT PAY THESE ASSESSMENTS, THE ASSOCIATION COULD PLACE A LIEN ON THE PROPERTY
414 AND POSSIBLY SELL IT TO PAY THE DEBT. THE DECLARATION, BYLAWS AND RULES AND
415 REGULATIONS OF THE COMMUNITY MAY PROHIBIT THE OWNER FROM MAKING CHANGES TO THE
416 PROPERTY WITHOUT AN ARCHITECTURAL REVIEW BY THE ASSOCIATION (OR A COMMITTEE OF
417 THE ASSOCIATION) AND THE APPROVAL OF THE ASSOCIATION. PURCHASERS OF PROPERTY
418 WITHIN THE COMMON INTEREST COMMUNITY SHOULD INVESTIGATE THE FINANCIAL
419 OBLIGATIONS OF MEMBERS OF THE ASSOCIATION. PURCHASERS SHOULD CAREFULLY READ
420 THE DECLARATION FOR THE COMMUNITY AND THE BYLAWS AND RULES AND REGULATIONS OF
421 THE ASSOCIATION.
422

423
424 **7.2. Association Documents to Buyer.** Seller is obligated to provide to Buyer the Association
425 Documents (defined below), at Seller's expense, on or before **Association Documents Deadline**. Seller
426 authorizes the Association to provide the Association Documents to Buyer, at Seller's expense. Seller's
427 obligation to provide the Association Documents is fulfilled upon Buyer's receipt of the Association
428 Documents, regardless of who provides such documents.

429 **7.3. Association Documents.** Association documents (Association Documents) consist of the
430 following:

431 **7.3.1.** All Association declarations, articles of incorporation, bylaws, articles of organization,
432 operating agreements, rules and regulations, party wall agreements and the Association's responsible
433 governance policies adopted under § 38-33.3-209.5, C.R.S.;

434 **7.3.2.** Minutes of: (1) the annual owners' or members' meeting and (2) any executive boards' or
435 managers' meetings; such minutes include those provided under the most current annual disclosure required
436 under § 38-33.3-209.4, C.R.S. (Annual Disclosure) and minutes of meetings, if any, subsequent to the
437 minutes disclosed in the Annual Disclosure. If none of the preceding minutes exist, then the most recent
438 minutes, if any (§§ 7.3.1. and 7.3.2., collectively, Governing Documents); and

439 **7.3.3.** List of all Association insurance policies as provided in the Association's last Annual
440 Disclosure, including, but not limited to, property, general liability, association director and officer professional
441 liability and fidelity policies. The list must include the company names, policy limits, policy deductibles,
442 additional named insureds and expiration dates of the policies listed (Association Insurance Documents);

443 **7.3.4.** A list by unit type of the Association's assessments, including both regular and special
444 assessments as disclosed in the Association's last Annual Disclosure;

445 **7.3.5.** The Association's most recent financial documents which consist of: (1) the Association's
446 operating budget for the current fiscal year, (2) the Association's most recent annual financial statements,
447 including any amounts held in reserve for the fiscal year immediately preceding the Association's last Annual
448 Disclosure, (3) the results of the Association's most recent available financial audit or review, (4) list of the
449 fees and charges (regardless of name or title of such fees or charges) that the Association's community
450 association manager or Association will charge in connection with the Closing including, but not limited to,
451 any fee incident to the issuance of the Association's statement of assessments (Status Letter), any rush or
452 update fee charged for the Status Letter, any record change fee or ownership record transfer fees (Record
453 Change Fee), fees to access documents, (5) list of all assessments required to be paid in advance, reserves
454 or working capital due at Closing and (6) reserve study, if any (§§ 7.3.4. and 7.3.5., collectively, Financial
455 Documents);

456 **7.3.6.** Any written notice from the Association to Seller of a "construction defect action" under §
457 38-33.3-303.5, C.R.S. within the past six months and the result of whether the Association approved or
458 disapproved such action (Construction Defect Documents). Nothing in this Section limits the Seller's
459 obligation to disclose adverse material facts as required under § 10.2. (Disclosure of Adverse Material Facts;
460 Subsequent Disclosure; Present Condition) including any problems or defects in the common elements or
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limited common elements of the Association property.

7.4. Conditional on Buyer's Review. Buyer has the right to review the Association Documents. Buyer has the Right to Terminate under § 24.1., on or before Association Documents Termination Deadline, based on any unsatisfactory provision in any of the Association Documents, in Buyer's sole subjective discretion. Should Buyer receive the Association Documents after Association Documents Deadline, Buyer, at Buyer's option, has the Right to Terminate under § 24.1. by Buyer's Notice to Terminate received by Seller on or before ten days after Buyer's receipt of the Association Documents. If Buyer does not receive the Association Documents, or if Buyer's Notice to Terminate would otherwise be required to be received by Seller after Closing Date, Buyer's Notice to Terminate must be received by Seller on or before Closing. If Seller does not receive Buyer's Notice to Terminate within such time, Buyer accepts the provisions of the Association Documents as satisfactory and Buyer waives any Right to Terminate under this provision, notwithstanding the provisions of § 8.6. (Third Party Right to Purchase/Approve).

8. TITLE INSURANCE, RECORD TITLE AND OFF-RECORD TITLE.

8.1. Evidence of Record Title.

8.1.1. Seller Selects Title Insurance Company. If this box is checked, Seller will select the title insurance company to furnish the owner's title insurance policy at Seller's expense. On or before Record Title Deadline, Seller must furnish to Buyer, a current commitment for an owner's title insurance policy (Title Commitment), in an amount equal to the Purchase Price, or if this box is checked, an Abstract of Title certified to a current date. Seller will cause the title insurance policy to be issued and delivered to Buyer as soon as practicable at or after Closing.

8.1.2. Buyer Selects Title Insurance Company. If this box is checked, Buyer will select the title insurance company to furnish the owner's title insurance policy at Buyer's expense. On or before Record Title Deadline, Buyer must furnish to Seller, a current commitment for owner's title insurance policy (Title Commitment), in an amount equal to the Purchase Price.

If neither box in § 8.1.1. or § 8.1.2. is checked, § 8.1.1. applies.

8.1.3. Owner's Extended Coverage (OEC). The Title Commitment will Will Not contain Owner's Extended Coverage (OEC). If the Title Commitment is to contain OEC, it will commit to delete or insure over the standard exceptions which relate to: (1) parties in possession, (2) unrecorded easements, (3) survey matters, (4) unrecorded mechanics' liens, (5) gap period (period between the effective date and time of commitment to the date and time the deed is recorded) and (6) unpaid taxes, assessments and unredeemed tax sales prior to the year of Closing. Any additional premium expense to obtain OEC will be paid by Buyer Seller One-Half by Buyer and One-Half by Seller Other .

Regardless of whether the Contract requires OEC, the Title Insurance Commitment may not provide OEC or delete or insure over any or all of the standard exceptions for OEC. The Title Insurance Company may require a New Survey or New ILC, defined below, among other requirements for OEC. If the Title Insurance Commitment is not satisfactory to Buyer, Buyer has a right to object under § 8.7. (Right to Object to Title, Resolution).

8.1.4. Title Documents. Title Documents consist of the following: (1) copies of any plats, declarations, covenants, conditions and restrictions burdening the Property and (2) copies of any other documents (or, if illegible, summaries of such documents) listed in the schedule of exceptions (Exceptions) in the Title Commitment furnished to Buyer (collectively, Title Documents).

8.1.5. Copies of Title Documents. Buyer must receive, on or before Record Title Deadline, copies of all Title Documents. This requirement pertains only to documents as shown of record in the office of the clerk and recorder in the county where the Property is located. The cost of furnishing copies of the documents required in this Section will be at the expense of the party or parties obligated to pay for the owner's title insurance policy.

8.1.6. Existing Abstracts of Title. Seller must deliver to Buyer copies of any abstracts of title covering all or any portion of the Property (Abstract of Title) in Seller's possession on or before Record Title Deadline.

8.2. Record Title. Buyer has the right to review and object to the Abstract of Title or Title Commitment and any of the Title Documents as set forth in § 8.7. (Right to Object to Title, Resolution) on or before

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524 **Record Title Objection Deadline.** Buyer's objection may be based on any unsatisfactory form or con
525 Title Commitment or Abstract of Title, notwithstanding § 13, or any other unsatisfactory title condition
526 Buyer's sole subjective discretion. If the Abstract of Title, Title Commitment or Title Documents are not
527 received by Buyer on or before the **Record Title Deadline**, or if there is an endorsement to the Title
528 Commitment that adds a new Exception to title, a copy of the new Exception to title and the modified Title
529 Commitment will be delivered to Buyer. Buyer has until the earlier of Closing or ten days after receipt of such
530 documents by Buyer to review and object to: (1) any required Title Document not timely received by Buyer,
531 (2) any change to the Abstract of Title, Title Commitment or Title Documents, or (3) any endorsement to the
532 Title Commitment. If Seller receives Buyer's Notice to Terminate or Notice of Title Objection, pursuant to this
533 § 8.2. (Record Title), any title objection by Buyer is governed by the provisions set forth in § 8.7. (Right to
534 Object to Title, Resolution). If Seller has fulfilled all Seller's obligations, if any, to deliver to Buyer all
535 documents required by § 8.1. (Evidence of Record Title) and Seller does not receive Buyer's Notice to
536 Terminate or Notice of Title Objection by the applicable deadline specified above, Buyer accepts the condition
537 of title as disclosed by the Abstract of Title, Title Commitment and Title Documents as satisfactory.
538

539 **8.3. Off-Record Title.** Seller must deliver to Buyer, on or before **Off-Record Title Deadline**, true
540 copies of all existing surveys in Seller's possession pertaining to the Property and must disclose to Buyer all
541 easements, liens (including, without limitation, governmental improvements approved, but not yet installed) or
542 other title matters not shown by public records, of which Seller has actual knowledge (Off-Record Matters).
543 This Section excludes any **New ILC** or **New Survey** governed under § 9 (New ILC, New Survey). Buyer has
544 the right to inspect the Property to investigate if any third party has any right in the Property not shown by
545 public records (e.g., unrecorded easement, boundary line discrepancy or water rights). Buyer's Notice to
546 Terminate or Notice of Title Objection of any unsatisfactory condition (whether disclosed by Seller or revealed
547 by such inspection, notwithstanding § 8.2. (Record Title) and § 13 (Transfer of Title), in Buyer's sole
548 subjective discretion, must be received by Seller on or before **Off-Record Title Objection Deadline**. If an
549 Off-Record Matter is received by Buyer after the **Off-Record Title Deadline**, Buyer has until the earlier of
550 Closing or ten days after receipt by Buyer to review and object to such Off-Record Matter. If Seller receives
551 Buyer's Notice to Terminate or Notice of Title Objection pursuant to this § 8.3. (Off-Record Title), any title
552 objection by Buyer is governed by the provisions set forth in § 8.7. (Right to Object to Title, Resolution). If
553 Seller does not receive Buyer's Notice to Terminate or Notice of Title Objection by the applicable deadline
554 specified above, Buyer accepts title subject to such Off-Record Matters and rights, if any, of third parties not
555 shown by public records of which Buyer has actual knowledge.
556
557

558 **8.4. Special Taxing Districts. SPECIAL TAXING DISTRICTS MAY BE SUBJECT TO GENERAL**
559 **OBLIGATION INDEBTEDNESS THAT IS PAID BY REVENUES PRODUCED FROM ANNUAL TAX LEVIES**
560 **ON THE TAXABLE PROPERTY WITHIN SUCH DISTRICTS. PROPERTY OWNERS IN SUCH DISTRICTS**
561 **MAY BE PLACED AT RISK FOR INCREASED MILL LEVIES AND TAX TO SUPPORT THE SERVICING**
562 **OF SUCH DEBT WHERE CIRCUMSTANCES ARISE RESULTING IN THE INABILITY OF SUCH A**
563 **DISTRICT TO DISCHARGE SUCH INDEBTEDNESS WITHOUT SUCH AN INCREASE IN MILL LEVIES.**
564 **BUYERS SHOULD INVESTIGATE THE SPECIAL TAXING DISTRICTS IN WHICH THE PROPERTY IS**
565 **LOCATED BY CONTACTING THE COUNTY TREASURER, BY REVIEWING THE CERTIFICATE OF**
566 **TAXES DUE FOR THE PROPERTY AND BY OBTAINING FURTHER INFORMATION FROM THE BOARD**
567 **OF COUNTY COMMISSIONERS, THE COUNTY CLERK AND RECORDER, OR THE COUNTY**
568 **ASSESSOR.**
569

570 **8.5. Tax Certificate.** A tax certificate paid for by Seller Buyer, for the Property listing any
571 special taxing districts that affect the Property (Tax Certificate) must be delivered to Buyer on or before
572 **Record Title Deadline**. If the Property is located within a special taxing district and such inclusion is
573 unsatisfactory to Buyer, in Buyer's sole subjective discretion, Buyer may terminate, on or before **Record Title**
574 **Objection Deadline**. Should Buyer receive the Tax Certificate after **Record Title Deadline**, Buyer, at Buyer's
575 option, has the Right to Terminate under § 24.1. by Buyer's Notice to Terminate received by Seller on or
576 before ten days after Buyer's receipt of the Tax Certificate. If Buyer does not receive the Tax Certificate, or if
577 Buyer's Notice to Terminate would otherwise be required to be received by Seller after **Closing Date**, Buyer's
578 Notice to Terminate must be received by Seller on or before Closing. If Seller does not receive Buyer's Notice
579 to Terminate within such time, Buyer accepts the provisions of the Tax Certificate and the inclusion of the
580 Property in a special taxing district, if applicable, as satisfactory and Buyer waives any Right to Terminate
581

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582 under this provision. If Buyer's loan specified in §4.5.3, (Loan Limitations) prohibits Buyer from paying
583 Tax Certificate, the Tax Certificate will be paid for by Seller.

584 **8.6. Third Party Right to Purchase/Approve.** If any third party has a right to purchase the Property
585 (e.g., right of first refusal on the Property, right to purchase the Property under a lease or an option held by a
586 third party to purchase the Property) or a right of a third party to approve this Contract, Seller must promptly
587 submit this Contract according to the terms and conditions of such right. If the third-party holder of such right
588 exercises its right this Contract will terminate. If the third party's right to purchase is waived explicitly or
589 expires, or the Contract is approved, this Contract will remain in full force and effect. Seller must promptly
590 notify Buyer in writing of the foregoing. If the third party right to purchase is exercised or approval of this
591 Contract has not occurred on or before **Third Party Right to Purchase/Approve Deadline**, this Contract will
592 then terminate. Seller will supply to Buyer, in writing, details of any Third Party Right to Purchase the
593 Property on or before the Record Title Deadline.

594 **8.7. Right to Object to Title, Resolution.** Buyer has a right to object or terminate, in Buyer's sole
595 subjective discretion, based on any title matters including those matters set forth in § 8.2. (Record Title), §
596 8.3. (Off-Record Title), § 8.5. (Special Taxing District) and § 13 (Transfer of Title). If Buyer exercises Buyer's
597 rights to object or terminate based on any such title matter, on or before the applicable deadline, Buyer has
598 the following options:
599

600 **8.7.1. Title Objection, Resolution.** If Seller receives Buyer's written notice objecting to any title
601 matter (Notice of Title Objection) on or before the applicable deadline and if Buyer and Seller have not
602 agreed to a written settlement thereof on or before **Title Resolution Deadline**, this Contract will terminate on
603 the expiration of **Title Resolution Deadline**, unless Seller receives Buyer's written withdrawal of Buyer's
604 Notice of Title Objection (i.e., Buyer's written notice to waive objection to such items and waives the Right to
605 Terminate for that reason), on or before expiration of **Title Resolution Deadline**. If either the Record Title
606 Deadline or the Off-Record Title Deadline, or both, are extended pursuant to § 8.2. (Record Title) or § 8.3.
607 (Off-Record Title) the Title Resolution Deadline also will be automatically extended to the earlier of Closing or
608 fifteen days after Buyer's receipt of the applicable documents; or
609

610 **8.7.2. Title Objection, Right to Terminate.** Buyer may exercise the Right to Terminate under §
611 24.1., on or before the applicable deadline, based on any title matter unsatisfactory to Buyer, in Buyer's sole
612 subjective discretion.
613

614 **8.8. Title Advisory.** The Title Documents affect the title, ownership and use of the Property and
615 should be reviewed carefully. Additionally, other matters not reflected in the Title Documents may affect the
616 title, ownership and use of the Property, including, without limitation, boundary lines and encroachments,
617 set-back requirements, area, zoning, building code violations, unrecorded easements and claims of
618 easements, leases and other unrecorded agreements, water on or under the Property and various laws and
619 governmental regulations concerning land use, development and environmental matters.
620

621 **8.8.1. OIL, GAS, WATER AND MINERAL DISCLOSURE. THE SURFACE ESTATE OF THE**
622 **PROPERTY MAY BE OWNED SEPARATELY FROM THE UNDERLYING MINERAL ESTATE AND**
623 **TRANSFER OF THE SURFACE ESTATE MAY NOT NECESSARILY INCLUDE TRANSFER OF THE**
624 **MINERAL ESTATE OR WATER RIGHTS. THIRD PARTIES MAY OWN OR LEASE INTERESTS IN OIL,**
625 **GAS, OTHER MINERALS, GEOTHERMAL ENERGY OR WATER ON OR UNDER THE SURFACE OF THE**
626 **PROPERTY, WHICH INTERESTS MAY GIVE THEM RIGHTS TO ENTER AND USE THE SURFACE OF**
627 **THE PROPERTY TO ACCESS THE MINERAL ESTATE, OIL, GAS OR WATER.**
628

629 **8.8.2. SURFACE USE AGREEMENT. THE USE OF THE SURFACE ESTATE OF THE**
630 **PROPERTY TO ACCESS THE OIL, GAS OR MINERALS MAY BE GOVERNED BY A SURFACE USE**
631 **AGREEMENT, A MEMORANDUM OR OTHER NOTICE OF WHICH MAY BE RECORDED WITH THE**
632 **COUNTY CLERK AND RECORDER.**
633

634 **8.8.3. OIL AND GAS ACTIVITY. OIL AND GAS ACTIVITY THAT MAY OCCUR ON OR**
635 **ADJACENT TO THE PROPERTY MAY INCLUDE, BUT IS NOT LIMITED TO, SURVEYING, DRILLING,**
636 **WELL COMPLETION OPERATIONS, STORAGE, OIL AND GAS, OR PRODUCTION FACILITIES,**
637 **PRODUCING WELLS, REWORKING OF CURRENT WELLS AND GAS GATHERING AND PROCESSING**
638 **FACILITIES.**

639 **8.8.4. ADDITIONAL INFORMATION. BUYER IS ENCOURAGED TO SEEK ADDITIONAL**
640

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641 INFORMATION REGARDING OIL AND GAS ACTIVITY ON OR ADJACENT TO THE PROPERTY,
642 INCLUDING DRILLING PERMIT APPLICATIONS. THIS INFORMATION MAY BE AVAILABLE FROM THE
643 COLORADO OIL AND GAS CONSERVATION COMMISSION.

Section 10, Item D.

644 8.8.5. Title Insurance Exclusions. Matters set forth in this Section and others, may be
645 excepted, excluded from, or not covered by the owner's title insurance policy.

646 8.9. Mineral Rights Review. Buyer Does Does Not have a Right to Terminate if examination of
647 the Mineral Rights is unsatisfactory to Buyer on or before the Mineral Rights Examination Deadline.
648

649 9. NEW ILC, NEW SURVEY.

650 9.1. New ILC or New Survey. If the box is checked, (1) New Improvement Location Certificate
651 (New ILC); or, (2) New Survey in the form of ; is required and the following will apply:

652 9.1.1. Ordering of New ILC or New Survey. Seller Buyer will order the New ILC or New
653 Survey. The New ILC or New Survey may also be a previous ILC or survey that is in the above-required form,
654 certified and updated as of a date after the date of this Contract.
655

656 9.1.2. Payment for New ILC or New Survey. The cost of the New ILC or New Survey will be paid, on
657 or before Closing, by: Seller Buyer or:

658 Only if the title company requires otherwise this is satisfied
659

660 9.1.3. Delivery of New ILC or New Survey. Buyer, Seller, the issuer of the Title Commitment (or
661 the provider of the opinion of title if an Abstract of Title) and Buyers agent will receive a New ILC or New
662 Survey on or before New ILC or New Survey Deadline.
663

664 9.1.4. Certification of New ILC or New Survey. The New ILC or New Survey will be certified by
665 the surveyor to all those who are to receive the New ILC or New Survey.
666

667 9.2. Buyer's Right to Waive or Change New ILC or New Survey Selection. Buyer may select a
668 New ILC or New Survey different than initially specified in this Contract if there is no additional cost to Seller
669 or change to the New ILC or New Survey Objection Deadline. Buyer may, in Buyer's sole subjective
670 discretion, waive a New ILC or New Survey if done prior to Seller incurring any cost for the same.

671 9.3. New ILC or New Survey Objection. Buyer has the right to review and object based on the New
672 ILC or New Survey. If the New ILC or New Survey is not timely received by Buyer or is unsatisfactory to
673 Buyer, in Buyer's sole subjective discretion, Buyer may, on or before New ILC or New Survey Objection
674 Deadline, notwithstanding § 8.3. or § 13:

675 9.3.1. Notice to Terminate. Notify Seller in writing, pursuant to § 24.1, that this Contract is
676 terminated; or

677 9.3.2. New ILC or New Survey Objection. Deliver to Seller a written description of any matter
678 that was to be shown or is shown in the New ILC or New Survey that is unsatisfactory and that Buyer
679 requires Seller to correct.

680 9.3.3. New ILC or New Survey Resolution. If a New ILC or New Survey Objection is received
681 by Seller, on or before New ILC or New Survey Objection Deadline and if Buyer and Seller have not
682 agreed in writing to a settlement thereof on or before New ILC or New Survey Resolution Deadline, this
683 Contract will terminate on expiration of the New ILC or New Survey Resolution Deadline, unless Seller
684 receives Buyer's written withdrawal of the New ILC or New Survey Objection before such termination (i.e., on
685 or before expiration of New ILC or New Survey Resolution Deadline).
686
687

688 **DISCLOSURE, INSPECTION AND DUE DILIGENCE**
689

690 10. PROPERTY DISCLOSURE, INSPECTION, INDEMNITY, INSURABILITY AND DUE DILIGENCE.

691 10.1. Seller's Property Disclosure. On or before Seller's Property Disclosure Deadline, Seller
692 agrees to deliver to Buyer the most current version of the applicable Colorado Real Estate Commission's
693 Seller's Property Disclosure form completed by Seller to Seller's actual knowledge and current as of the date
694 of this Contract.
695

696 10.2. Disclosure of Adverse Material Facts; Subsequent Disclosure; Present Condition. Seller
697
698

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699 must disclose to Buyer any adverse material facts actually known by Seller as of the date of this Contract.
700 Seller agrees that disclosure of adverse material facts will be in writing. In the event Seller discovers an
701 adverse material fact after the date of this Contract, Seller must timely disclose such adverse fact to Buyer.
702 Buyer has the Right to Terminate based on the Seller's new disclosure on the earlier of Closing or five days
703 after Buyer's receipt of the new disclosure. Except as otherwise provided in this Contract, Buyer
704 acknowledges that Seller is conveying the Property to Buyer in an "As Is" condition, "Where Is" and "With All
705 Faults."

706 **10.3. Inspection.** Unless otherwise provided in this Contract, Buyer, acting in good faith, has the right
707 to have inspections (by one or more third parties, personally or both) of the Property, Leased Items, and
708 Inclusions (Inspection), at Buyer's expense. If (1) the physical condition of the Property, including, but not
709 limited to, the roof, walls, structural integrity of the Property, the electrical, plumbing, HVAC and other
710 mechanical systems of the Property, (2) the physical condition of the Inclusions and Leased Items, (3) service
711 to the Property (including utilities and communication services), systems and components of the Property
712 (e.g., heating and plumbing), (4) any proposed or existing transportation project, road, street or highway, or
713 (5) any other activity, odor or noise (whether on or off the Property) and its effect or expected effect on the
714 Property or its occupants is unsatisfactory, in Buyer's sole subjective discretion, Buyer may:

715 **10.3.1. Inspection Termination.** On or before the **Inspection Termination Deadline**, notify
716 Seller in writing, pursuant to § 24.1., that this Contract is terminated due to any unsatisfactory condition,
717 provided the Buyer did not previously deliver an Inspection Objection. Buyer's Right to Terminate under this
718 provision expires upon delivery of an Inspection Objection to Seller pursuant to § 10.3.2.; or
719

720 **10.3.2. Inspection Objection.** On or before the **Inspection Objection Deadline**, deliver to
721 Seller a written description of any unsatisfactory condition that Buyer requires Seller to correct.
722

723 **10.3.3. Inspection Resolution.** If an Inspection Objection is received by Seller, on or before
724 **Inspection Objection Deadline** and if Buyer and Seller have not agreed in writing to a settlement thereof on
725 or before **Inspection Resolution Deadline**, this Contract will terminate on **Inspection Resolution Deadline**
726 unless Seller receives Buyer's written withdrawal of the Inspection Objection before such termination (i.e., on
727 or before expiration of **Inspection Resolution Deadline**). Nothing in this provision prohibits the Buyer and
728 the Seller from mutually terminating this Contract before the Inspection Resolution Deadline passes by
729 executing an Earnest Money Release.
730

731 **10.4. Damage, Liens and Indemnity.** Buyer, except as otherwise provided in this Contract or other
732 written agreement between the parties, is responsible for payment for all inspections, tests, surveys,
733 engineering reports, or other reports performed at Buyer's request (Work) and must pay for any damage that
734 occurs to the Property and Inclusions as a result of such Work. Buyer must not permit claims or liens of any
735 kind against the Property for Work performed on the Property. Buyer agrees to indemnify, protect and hold
736 Seller harmless from and against any liability, damage, cost or expense incurred by Seller and caused by any
737 such Work, claim, or lien. This indemnity includes Seller's right to recover all costs and expenses incurred by
738 Seller to defend against any such liability, damage, cost or expense, or to enforce this Section, including
739 Seller's reasonable attorney fees, legal fees and expenses. The provisions of this Section survive the
740 termination of this Contract. This § 10.4. does not apply to items performed pursuant to an Inspection
741 Resolution.
742

743 **10.5. Insurability.** Buyer has the Right to Terminate under § 24.1., on or before **Property Insurance**
744 **Termination Deadline**, based on any unsatisfactory provision of the availability, terms and conditions and
745 premium for property insurance (Property Insurance) on the Property, in Buyer's sole subjective discretion.
746

747 **10.6. Due Diligence.**

748 **10.6.1. Due Diligence Documents.** Seller agrees to deliver copies of the following documents
749 and information pertaining to the Property and Leased Items (Due Diligence Documents) to Buyer on or
750 before **Due Diligence Documents Delivery Deadline**:

751 **10.6.1.1. Occupancy Agreements.** All current leases, including any amendments or other
752 occupancy agreements, pertaining to the Property. Those leases or other occupancy agreements pertaining
753 to the Property that survive Closing are as follows (Leases):
754 none

755 **10.6.1.2. Leased Items Documents.** If any lease of personal property (§ 2.5.7., Leased
756

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757 Items) will be transferred to Buyer at Closing, Seller agrees to deliver copies of the leases and inform
758 pertaining to the personal property to Buyer on or before **Due Diligence Documents Delivery Deadline**.
759 Buyer **Will** **Will Not** assume the Seller's obligations under such leases for the Leased Items (§ 2.5.7.,
760 Leased Items).

762
763 **10.6.1.3. Encumbered Inclusions Documents.** If any Inclusions owned by Seller are
764 encumbered pursuant to § 2.5.4. (Encumbered Inclusions) above, Seller agrees to deliver copies of the
765 evidence of debt, security and any other documents creating the encumbrance to Buyer on or before **Due**
766 **Diligence Documents Delivery Deadline**. Buyer **Will** **Will Not** assume the debt on the Encumbered
767 Inclusions (§ 2.5.4., Encumbered Inclusions).

769 **10.6.1.4. Other Documents.** If the respective box is checked, Seller agrees to additionally
770 deliver copies of the following:

771 **10.6.1.4.1.** All contracts relating to the operation, maintenance and management of the
772 Property;

774 **10.6.1.4.2.** Property tax bills for the last 2 years;

775 **10.6.1.4.3.** As-built construction plans to the Property and the tenant improvements,
776 including architectural, electrical, mechanical and structural systems; engineering reports; and permanent
777 Certificates of Occupancy, to the extent now available;

778 **10.6.1.4.4.** A list of all Inclusions to be conveyed to Buyer;

780 **10.6.1.4.5.** Operating statements for the past years;

781 **10.6.1.4.6.** A rent roll accurate and correct to the date of this Contract;

782 **10.6.1.4.7.** A schedule of any tenant improvement work Seller is obligated to complete
783 but has not yet completed and capital improvement work either scheduled or in process on the date of this
784 Contract;

785 **10.6.1.4.8.** All insurance policies pertaining to the Property and copies of any claims
786 which have been made for the past 2 years;

787 **10.6.1.4.9.** Soils reports, surveys and engineering reports or data pertaining to the
788 Property (if not delivered earlier under § 8.3.);

789 **10.6.1.4.10.** Any and all existing documentation and reports regarding Phase I and II
790 environmental reports, letters, test results, advisories and similar documents respective to the existence or
791 nonexistence of asbestos, PCB transformers, or other toxic, hazardous or contaminated substances and/or
792 underground storage tanks and/or radon gas. If no reports are in Seller's possession or known to Seller,
793 Seller warrants that no such reports are in Seller's possession or known to Seller;

794 **10.6.1.4.11.** Any *Americans with Disabilities Act* reports, studies or surveys concerning
795 the compliance of the Property with said Act;

796 **10.6.1.4.12.** All permits, licenses and other building or use authorizations issued by any
797 governmental authority with jurisdiction over the Property and written notice of any violation of any such
798 permits, licenses or use authorizations, if any; and

800 **10.6.1.4.13.** Other:

801 any appurtenant- to the extent the following exist and are in the Seller's possession. Seller
802 shall deliver to the Buyer all , prior inspection reports, utility bills and property tax
803 statements relating to the Property for the last 12 months; warranties, manuals, instructional
804 brochures, or similar materials relating to the Property or Inclusions, or their use, operation
805 or maintenance; current as of the date of the Contract. Any such manual or warranties may
806 be left in the home for the buyer inspection during the home inspection and will be left in the
807 home after closing.

808 **10.6.2. Due Diligence Documents Review and Objection.** Buyer has the right to review and
809 object based on the Due Diligence Documents. If the Due Diligence Documents are not supplied to Buyer or
810 are unsatisfactory, in Buyer's sole subjective discretion, Buyer may, on or before **Due Diligence Documents**
811 **Objection Deadline:**

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10.6.2.1. Notice to Terminate. Notify Seller in writing, pursuant to § 24.1., that this is terminated; or

10.6.2.2. Due Diligence Documents Objection. Deliver to Seller a written description of any unsatisfactory Due Diligence Documents that Buyer requires Seller to correct.

10.6.2.3. Due Diligence Documents Resolution. If a Due Diligence Documents Objection is received by Seller, on or before **Due Diligence Documents Objection Deadline** and if Buyer and Seller have not agreed in writing to a settlement thereof on or before **Due Diligence Documents Resolution Deadline**, this Contract will terminate on **Due Diligence Documents Resolution Deadline** unless Seller receives Buyer's written withdrawal of the Due Diligence Documents Objection before such termination (i.e., on or before expiration of **Due Diligence Documents Resolution Deadline**).

10.6.3. Zoning. Buyer has the Right to Terminate under § 24.1., on or before **Due Diligence Documents Objection Deadline**, based on any unsatisfactory zoning and any use restrictions imposed by any governmental agency with jurisdiction over the Property, in Buyer's sole subjective discretion.

10.6.4. Due Diligence – Environmental, ADA. Buyer has the right to obtain environmental inspections of the Property including Phase I and Phase II Environmental Site Assessments, as applicable. Seller Buyer will order or provide **Phase I Environmental Site Assessment, Phase II Environmental Site Assessment** (compliant with most current version of the applicable ASTM E1527 standard practices for Environmental Site Assessments) and/or , at the expense of Seller Buyer (Environmental Inspection). In addition, Buyer, at Buyer's expense, may also conduct an evaluation whether the Property complies with the *Americans with Disabilities Act* (ADA Evaluation). All such inspections and evaluations must be conducted at such times as are mutually agreeable to minimize the interruption of Seller's and any Seller's tenants' business uses of the Property, if any.

If Buyer's Phase I Environmental Site Assessment recommends a Phase II Environmental Site Assessment, the **Environmental Inspection Termination Deadline** will be extended by days (Extended Environmental Inspection Objection Deadline) and if such Extended Environmental Inspection Objection Deadline extends beyond the **Closing Date**, the **Closing Date** will be extended a like period of time. In such event, Seller Buyer must pay the cost for such Phase II Environmental Site Assessment.

Notwithstanding Buyer's right to obtain additional environmental inspections of the Property in this § 10.6.4., Buyer has the Right to Terminate under § 24.1., on or before **Environmental Inspection Termination Deadline**, or if applicable, the Extended Environmental Inspection Objection Deadline, based on any unsatisfactory results of Environmental Inspection, in Buyer's sole subjective discretion.

Buyer has the Right to Terminate under § 24.1., on or before **ADA Evaluation Termination Deadline**, based on any unsatisfactory ADA Evaluation, in Buyer's sole subjective discretion.

10.7. Conditional Upon Sale of Property. This Contract is conditional upon the sale and closing of that certain property owned by Buyer and commonly known as . Buyer has the Right to Terminate under § 24.1. effective upon Seller's receipt of Buyer's Notice to Terminate on or before **Conditional Sale Deadline** if such property is not sold and closed by such deadline. This Section is for the sole benefit of Buyer. If Seller does not receive Buyer's Notice to Terminate on or before **Conditional Sale Deadline**, Buyer waives any Right to Terminate under this provision.

10.8. Source of Potable Water (Residential Land and Residential Improvements Only). [Intentionally Deleted - See Residential Addendum if applicable]

10.9. Existing Leases; Modification of Existing Leases; New Leases. Seller states that none of the Leases to be assigned to the Buyer at the time of Closing contain any rent concessions, rent reductions or rent abatements except as disclosed in the Lease or other writing received by Buyer. Seller will not amend, alter, modify, extend or cancel any of the Leases nor will Seller enter into any new leases affecting the Property without the prior written consent of Buyer, which consent will not be unreasonably withheld or delayed.

10.10. Lead-Based Paint. [Intentionally Deleted - See Residential Addendum if applicable]

10.11. Carbon Monoxide Alarms. [Intentionally Deleted - See Residential Addendum if applicable]

10.12. Methamphetamine Disclosure. [Intentionally Deleted - See Residential Addendum if applicable]

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11. TENANT ESTOPPEL STATEMENTS.

11.1. Estoppel Statements Conditions. Buyer has the right to review and object to any Estoppel Statements. Seller must request from all tenants of the Property and if received by Seller, deliver to Buyer on or before **Estoppel Statements Deadline**, statements in a form and substance reasonably acceptable to Buyer, from each occupant or tenant at the Property (Estoppel Statement) attached to a copy of the Lease stating:

- 11.1.1.** The commencement date of the Lease and scheduled termination date of the Lease;
- 11.1.2.** That said Lease is in full force and effect and that there have been no subsequent modifications or amendments;
- 11.1.3.** The amount of any advance rentals paid, rent concessions given and deposits paid to Seller;
- 11.1.4.** The amount of monthly (or other applicable period) rental paid to Seller;
- 11.1.5.** That there is no default under the terms of said Lease by landlord or occupant; and
- 11.1.6.** That the Lease to which the Estoppel Statement is attached is a true, correct and complete copy of the Lease demising the premises it describes.

11.2. Seller Estoppel Statement. In the event Seller does not receive from all tenants of the Property a completed signed Estoppel Statement, Seller agrees to complete and execute an Estoppel Statement setting forth the information and documents required §11.1. above and deliver the same to Buyer on or before **Estoppel Statements Deadline**.

11.3. Estoppel Statements Termination. Buyer has the Right to Terminate under § 24.1., on or before **Estoppel Statements Termination Deadline**, based on any unsatisfactory Estoppel Statement, in Buyer's sole subjective discretion, or if Seller fails to deliver the Estoppel Statements on or before **Estoppel Statements Deadline**. Buyer also has the unilateral right to waive any unsatisfactory Estoppel Statement.

CLOSING PROVISIONS

12. CLOSING DOCUMENTS, INSTRUCTIONS AND CLOSING.

12.1. Closing Documents and Closing Information. Seller and Buyer will cooperate with the Closing Company to enable the Closing Company to prepare and deliver documents required for Closing to Buyer and Seller and their designees. If Buyer is obtaining a loan to purchase the Property, Buyer acknowledges Buyer's lender is required to provide the Closing Company, in a timely manner, all required loan documents and financial information concerning Buyer's loan. Buyer and Seller will furnish any additional information and documents required by Closing Company that will be necessary to complete this transaction. Buyer and Seller will sign and complete all customary or reasonably required documents at or before Closing.

12.2. Closing Instructions. Colorado Real Estate Commission's Closing Instructions **Are** **Are Not** executed with this Contract.

12.3. Closing. Delivery of deed from Seller to Buyer will be at closing (Closing). Closing will be on the date specified as the **Closing Date** or by mutual agreement at an earlier date. At Closing, Seller agrees to deliver a set of keys for the Property to Buyer. The hour and place of Closing will be as designated by ctme and internet.

12.4. Disclosure of Settlement Costs. Buyer and Seller acknowledge that costs, quality and extent of service vary between different settlement service providers (e.g., attorneys, lenders, inspectors and title companies).

12.5. Assignment of Leases. Seller must assign to Buyer all Leases at Closing that will continue after Closing and Buyer must assume Seller's obligations under such Leases. Further, Seller must transfer to Buyer all Leased Items and assign to Buyer such leases for the Leased Items accepted by Buyer pursuant to § 2.5.7. (Leased Items).

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13. TRANSFER OF TITLE. Subject to Buyer's compliance with the terms and provisions of this Contract including the tender of any payment due at Closing, Seller must execute and deliver the following good and sufficient deed to Buyer, at Closing: special warranty deed general warranty deed bargain and sale deed quit claim deed personal representative's deed deed. Seller, provided another deed is not selected, must execute and deliver a good and sufficient special warranty deed to Buyer, at Closing.

Unless otherwise specified in § 29 (Additional Provisions), if title will be conveyed using a special warranty deed or a general warranty deed, title will be conveyed "subject to statutory exceptions" as defined in §38-30-113(5)(a), C.R.S.

14. PAYMENT OF LIENS AND ENCUMBRANCES. Unless agreed to by Buyer in writing, any amounts owed on any liens or encumbrances securing a monetary sum against the Property and Inclusions, including any governmental liens for special improvements installed as of the date of Buyer's signature hereon, whether assessed or not, and previous years' taxes, will be paid at or before Closing by Seller from the proceeds of this transaction or from any other source.

15. CLOSING COSTS, FEES, ASSOCIATION STATUS LETTER AND DISBURSEMENTS, TAXES AND WITHHOLDING.

15.1. Closing Costs. Buyer and Seller must pay, in Good Funds, their respective closing costs and all other items required to be paid at Closing, except as otherwise provided herein.

15.2. Closing Services Fee. The fee for real estate closing services must be paid at Closing by Buyer Seller One-Half by Buyer and One-Half by Seller Other .

15.3. Association Fees and Required Disbursements. At least fourteen days prior to Closing Date, Seller agrees to promptly request that the Closing Company or the Association deliver to Buyer a current Status Letter, if applicable. Any fees associated with or specified in the Status Letter will be paid as follows:

15.3.1. Status Letter Fee. Any fee incident to the issuance of Association's Status Letter must be paid by Buyer Seller One-Half by Buyer and One-Half by Seller N/A.

15.3.2. Record Change Fee. Any Record Change Fee must be paid by Buyer Seller One-Half by Buyer and One-Half by Seller N/A.

15.3.3. Assessments, Reserves or Working Capital. All assessments required to be paid in advance (other than Association Assessments as defined in § 16.2. (Association Assessments), reserves or working capital due at Closing must be paid by Buyer Seller One-Half by Buyer and One-Half by Seller N/A.

15.3.4. Other Fees. Any other fee listed in the Status Letter as required to be paid at Closing will be paid by Buyer Seller One-Half by Buyer and One-Half by Seller N/A.

15.4. Local Transfer Tax. Any Local Transfer Tax must be paid at Closing by Buyer Seller One-Half by Buyer and One-Half by Seller N/A.

15.5. Sales and Use Tax. Any sales and use tax that may accrue because of this transaction must be paid when due by Buyer Seller One-Half by Buyer and One-Half by Seller N/A.

15.6. Private Transfer Fee. Any private transfer fees and other fees due to a transfer of the Property, payable at Closing, such as community association fees, developer fees and foundation fees, must be paid at Closing by Buyer Seller One-Half by Buyer and One-Half by Seller N/A.

15.7. Water Transfer Fees. Water Transfer Fees can change. The fees, as of the date of this Contract, do not exceed \$ for:

- Water Stock/Certificates Water District
- Augmentation Membership Small Domestic Water Company

and must be paid at Closing by Buyer Seller One-Half by Buyer and One-Half by Seller N/A.

15.8. Utility Transfer Fees. Utility transfer fees can change. Any fees to transfer utilities from Seller to Buyer must be paid by Buyer Seller One-Half by Buyer and One-Half by Seller N/A.

15.9. FIRPTA and Colorado Withholding.

15.9.1. FIRPTA. The Internal Revenue Service (IRS) may require a substantial portion of the

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Seller's proceeds be withheld after Closing when Seller is a foreign person. If required withholding do occur, the Buyer could be held liable for the amount of the Seller's tax, interest and penalties. If the box in this Section is checked, Seller represents that Seller IS a foreign person for purposes of U.S. income taxation. If the box in this Section is not checked, Seller represents that Seller is not a foreign person for purposes of U.S. income taxation. Seller agrees to cooperate with Buyer and Closing Company to provide any reasonably requested documents to verify Seller's foreign person status. If withholding is required, Seller authorizes Closing Company to withhold such amount from Seller's proceeds. Seller should inquire with Seller's tax advisor to determine if withholding applies or if an exemption exists.

15.9.2. Colorado Withholding. The Colorado Department of Revenue may require a portion of the Seller's proceeds be withheld after Closing when Seller will not be a Colorado resident after Closing, if not otherwise exempt. Seller agrees to cooperate with Buyer and Closing Company to provide any reasonably requested documents to verify Seller's status. If withholding is required, Seller authorizes Closing Company to withhold such amount from Seller's proceeds. Seller should inquire with Seller's tax advisor to determine if withholding applies or if an exemption exists.

16. PRORATIONS AND ASSOCIATION ASSESSMENTS.

16.1. Prorations. The following will be prorated to the **Closing Date**, except as otherwise provided:

16.1.1. Taxes. Personal property taxes, if any, special taxing district assessments, if any, and general real estate taxes for the year of Closing, based on Taxes for the Calendar Year Immediately Preceding Closing Most Recent Mill Levy and Most Recent Assessed Valuation, adjusted by any applicable qualifying seniors property tax exemption, qualifying disabled veteran exemption or Other

16.1.2. Rents. Rents based on Rents Actually Received Accrued. At Closing, Seller will transfer or credit to Buyer the security deposits for all Leases assigned to Buyer, or any remainder after lawful deductions, and notify all tenants in writing of such transfer and of the transferee's name and address.

16.1.3. Other Prorations. Water and sewer charges, propane, interest on continuing loan and

16.1.4. Final Settlement. Unless otherwise specified in Additional Provisions, these prorations are final.

16.2. Association Assessments. Current regular Association assessments and dues (Association Assessments) paid in advance will be credited to Seller at Closing. Cash reserves held out of the regular Association Assessments for deferred maintenance by the Association will not be credited to Seller except as may be otherwise provided by the Governing Documents. Buyer acknowledges that Buyer may be obligated to pay the Association, at Closing, an amount for reserves or working capital. Any special assessment assessed prior to **Closing Date** by the Association will be the obligation of Buyer Seller. Except however, any special assessment by the Association for improvements that have been installed as of the date of Buyer's signature hereon, whether assessed prior to or after Closing, will be the obligation of Seller unless otherwise specified in Additional Provisions. Seller represents there are no unpaid regular or special assessments against the Property except the current regular assessments and // Association Assessments are subject to change as provided in the Governing Documents.

17. POSSESSION. Possession of the Property and Inclusions will be delivered to Buyer on **Possession Date at Possession Time**, subject to the Leases as set forth in § 10.6.1.1.

If Seller, after Closing occurs, fails to deliver possession as specified, Seller will be subject to eviction and will be additionally liable to Buyer, notwithstanding § 20.2. (If Seller is in Default), for payment of \$ 300.00 per day (or any part of a day notwithstanding § 3.3., Day) from **Possession Date and Possession Time** until possession is delivered.

General Provisions

18. CAUSES OF LOSS, INSURANCE; DAMAGE TO INCLUSIONS AND SERVICES; CONDEMNATION; AND WALK-THROUGH. Except as otherwise provided in this Contract, the Property, Inclusions or both will

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1049 be delivered in the condition existing as of the date of this Contract, ordinary wear and tear excepted

1050 **18.1. Causes of Loss, Insurance.** In the event the Property or Inclusions are damaged by fire, other
1051 perils or causes of loss prior to Closing (Property Damage) in an amount of not more than ten percent of the
1052 total Purchase Price and if the repair of the damage will be paid by insurance (other than the deductible to be
1053 paid by Seller), then Seller, upon receipt of the insurance proceeds, will use Seller's reasonable efforts to
1054 repair the Property before **Closing Date**. Buyer has the Right to Terminate under § 24.1., on or before
1055 **Closing Date**, if the Property is not repaired before **Closing Date**, or if the damage exceeds such sum.
1056 Should Buyer elect to carry out this Contract despite such Property Damage, Buyer is entitled to a credit at
1057 Closing for all insurance proceeds that were received by Seller (but not the Association, if any) resulting from
1058 damage to the Property and Inclusions, plus the amount of any deductible provided for in the insurance
1059 policy. This credit may not exceed the Purchase Price. In the event Seller has not received the insurance
1060 proceeds prior to Closing, the parties may agree to extend the **Closing Date** to have the Property repaired
1061 prior to Closing or, at the option of Buyer, (1) Seller must assign to Buyer the right to the proceeds at Closing,
1062 if acceptable to Seller's insurance company and Buyer's lender; or (2) the parties may enter into a written
1063 agreement prepared by the parties or their attorney requiring the Seller to escrow at Closing from Seller's
1064 sale proceeds the amount Seller has received and will receive due to such damage, not exceeding the total
1065 Purchase Price, plus the amount of any deductible that applies to the insurance claim.
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1067 **18.2. Damage, Inclusions and Services.** Should any Inclusion or service (including utilities and
1068 communication services), system, component or fixture of the Property (collectively Service) (e.g., heating or
1069 plumbing), fail or be damaged between the date of this Contract and Closing or possession, whichever is
1070 earlier, then Seller is liable for the repair or replacement of such Inclusion or Service with a unit of similar
1071 size, age and quality, or an equivalent credit, but only to the extent that the maintenance or replacement of
1072 such Inclusion or Service is not the responsibility of the Association, if any, less any insurance proceeds
1073 received by Buyer covering such repair or replacement. If the failed or damaged Inclusion or Service is not
1074 repaired or replaced on or before Closing or possession, whichever is earlier, Buyer has the Right to
1075 Terminate under § 24.1., on or before **Closing Date**, or, at the option of Buyer, Buyer is entitled to a credit at
1076 Closing for the repair or replacement of such Inclusion or Service. Such credit must not exceed the Purchase
1077 Price. If Buyer receives such a credit, Seller's right for any claim against the Association, if any, will survive
1078 Closing.
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1080 **18.3. Condemnation.** In the event Seller receives actual notice prior to Closing that a pending
1081 condemnation action may result in a taking of all or part of the Property or Inclusions, Seller must promptly
1082 notify Buyer, in writing, of such condemnation action. Buyer has the Right to Terminate under § 24.1., on or
1083 before **Closing Date**, based on such condemnation action, in Buyer's sole subjective discretion. Should
1084 Buyer elect to consummate this Contract despite such diminution of value to the Property and Inclusions,
1085 Buyer is entitled to a credit at Closing for all condemnation proceeds awarded to Seller for the diminution in
1086 the value of the Property or Inclusions, but such credit will not include relocation benefits or expenses or
1087 exceed the Purchase Price.
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1089 **18.4. Walk-Through and Verification of Condition.** Buyer, upon reasonable notice, has the right to
1090 walk through the Property prior to Closing to verify that the physical condition of the Property and Inclusions
1091 complies with this Contract.
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1093 **19. RECOMMENDATION OF LEGAL AND TAX COUNSEL.** By signing this Contract, Buyer and Seller
1094 acknowledge that their respective broker has advised that this Contract has important legal consequences
1095 and has recommended: (1) legal examination of title; (2) consultation with legal and tax or other counsel
1096 before signing this Contract as this Contract may have important legal and tax implications; (3) to consult with
1097 their own attorney if Water Rights, Mineral Rights or Leased Items are included or excluded in the sale; and
1098 (4) to consult with legal counsel if there are other matters in this transaction for which legal counsel should be
1099 engaged and consulted. Such consultations must be done timely as this Contract has strict time limits,
1100 including deadlines, that must be complied with.
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1102 **20. TIME OF ESSENCE, DEFAULT AND REMEDIES.** Time is of the essence for all dates and deadlines
1103 in this Contract. This means that all dates and deadlines are strict and absolute. If any payment due,
1104 including Earnest Money, is not paid, honored or tendered when due, or if any obligation is not performed
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timely as provided in this Contract or waived, the non-defaulting party has the following remedies:

20.1. If Buyer is In Default:

20.1.1. Specific Performance. Seller may elect to cancel this Contract and all Earnest Money (whether or not paid by Buyer) will be paid to Seller and retained by Seller. It is agreed that the Earnest Money is not a penalty, and the parties agree the amount is fair and reasonable. Seller may recover such additional damages as may be proper. Alternatively, Seller may elect to treat this Contract as being in full force and effect and Seller has the right to specific performance or damages, or both.

20.1.2. Liquidated Damages, Applicable. This § 20.1.2. applies unless the box in § 20.1.1. is checked. Seller may cancel this Contract. All Earnest Money (whether or not paid by Buyer) will be paid to Seller and retained by Seller. It is agreed that the Earnest Money amount specified in § 4.1. is LIQUIDATED DAMAGES and not a penalty, which amount the parties agree is fair and reasonable and (except as provided in §§ 10.4. and 21), such amount is SELLER'S ONLY REMEDY for Buyer's failure to perform the obligations of this Contract. Seller expressly waives the remedies of specific performance and additional damages.

20.2. If Seller is In Default:

20.2.1. Specific Performance, Damages or Both. Buyer may elect to treat this Contract as canceled, in which case all Earnest Money received hereunder will be returned to Buyer and Buyer may recover such damages as may be proper. Alternatively, in addition to the per diem in § 17 (Possession) for failure of Seller to timely deliver possession of the Property after Closing occurs, Buyer may elect to treat this Contract as being in full force and effect and Buyer has the right to specific performance or damages, or both.

20.2.2. Seller's Failure to Perform. In the event Seller fails to perform Seller's obligations under this Contract, to include, but not limited to, failure to timely disclose Association violations known by Seller, failure to perform any replacements or repairs required under this Contract or failure to timely disclose any known adverse material facts, Seller remains liable for any such failures to perform under this Contract after Closing. Buyer's rights to pursue the Seller for Seller's failure to perform under this Contract are reserved and survive Closing.

21. LEGAL FEES, COST AND EXPENSES. Anything to the contrary herein notwithstanding, in the event of any arbitration or litigation relating to this Contract, prior to or after Closing Date, the arbitrator or court must award to the prevailing party all reasonable costs and expenses, including attorney fees, legal fees and expenses.

22. MEDIATION. If a dispute arises relating to this Contract (whether prior to or after Closing) and is not resolved, the parties must first proceed, in good faith, to mediation. Mediation is a process in which the parties meet with an impartial person who helps to resolve the dispute informally and confidentially. Mediators cannot impose binding decisions. Before any mediated settlement is binding, the parties to the dispute must agree to the settlement, in writing. The parties will jointly appoint an acceptable mediator and will share equally in the cost of such mediation. The obligation to mediate, unless otherwise agreed, will terminate if the entire dispute is not resolved within thirty days of the date written notice requesting mediation is delivered by one party to the other at that party's last known address (physical or electronic as provided in § 26). Nothing in this Section prohibits either party from filing a lawsuit and recording a lis pendens affecting the Property, before or after the date of written notice requesting mediation. This Section will not alter any date in this Contract, unless otherwise agreed.

23. EARNEST MONEY DISPUTE. Except as otherwise provided herein, Earnest Money Holder must release the Earnest Money following receipt of written mutual instructions, signed by both Buyer and Seller. In the event of any controversy regarding the Earnest Money, Earnest Money Holder is not required to release the Earnest Money. Earnest Money Holder, in its sole subjective discretion, has several options: (1) wait for any proceeding between Buyer and Seller; (2) interplead all parties and deposit Earnest Money into a court of competent jurisdiction (Earnest Money Holder is entitled to recover court costs and reasonable attorney and legal fees incurred with such action); or (3) provide notice to Buyer and Seller that unless Earnest Money Holder receives a copy of the Summons and Complaint or Claim (between Buyer and Seller)

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containing the case number of the lawsuit (Lawsuit) within one hundred twenty days of Earnest Money Holder's notice to the parties, Earnest Money Holder is authorized to return the Earnest Money to Buyer. In the event Earnest Money Holder does receive a copy of the Lawsuit and has not interpleaded the monies at the time of any Order, Earnest Money Holder must disburse the Earnest Money pursuant to the Order of the Court. The parties reaffirm the obligation of § 22 (Mediation). This Section will survive cancellation or termination of this Contract.

24. TERMINATION.

24.1. Right to Terminate. If a party has a right to terminate, as provided in this Contract (Right to Terminate), the termination is effective upon the other party's receipt of a written notice to terminate (Notice to Terminate), provided such written notice was received on or before the applicable deadline specified in this Contract. If the Notice to Terminate is not received on or before the specified deadline, the party with the Right to Terminate accepts the specified matter, document or condition as satisfactory and waives the Right to Terminate under such provision.

24.2. Effect of Termination. In the event this Contract is terminated, and all Earnest Money received hereunder is timely returned to Buyer, the parties are relieved of all obligations hereunder, subject to §§ 10.4. and 21.

25. ENTIRE AGREEMENT, MODIFICATION, SURVIVAL; SUCCESSORS. This Contract, its exhibits and specified addenda, constitute the entire agreement between the parties relating to the subject hereof and any prior agreements pertaining thereto, whether oral or written, have been merged and integrated into this Contract. No subsequent modification of any of the terms of this Contract is valid, binding upon the parties, or enforceable unless made in writing and signed by the parties. Any right or obligation in this Contract that, by its terms, exists or is intended to be performed after termination or Closing survives the same. Any successor to a party receives the predecessor's benefits and obligations of this Contract.

26. NOTICE, DELIVERY AND CHOICE OF LAW.

26.1. Physical Delivery and Notice. Any document or notice to Buyer or Seller must be in writing, except as provided in § 26.2. and is effective when physically received by such party, any individual named in this Contract to receive documents or notices for such party, Broker, or Brokerage Firm of Broker working with such party (except any notice or delivery after Closing must be received by the party, not Broker or Brokerage Firm).

26.2. Electronic Notice. As an alternative to physical delivery, any notice may be delivered in electronic form to Buyer or Seller, any individual named in this Contract to receive documents or notices for such party, Broker or Brokerage Firm of Broker working with such party (except any notice or delivery after Closing, cancellation or Termination must be received by the party, not Broker or Brokerage Firm) at the electronic address of the recipient by facsimile, email or ctme and internet.

26.3. Electronic Delivery. Electronic Delivery of documents and notice may be delivered by: (1) email at the email address of the recipient, (2) a link or access to a website or server provided the recipient receives the information necessary to access the documents, or (3) facsimile at the facsimile number (Fax No.) of the recipient.

26.4. Choice of Law. This Contract and all disputes arising hereunder are governed by and construed in accordance with the laws of the State of Colorado that would be applicable to Colorado residents who sign a contract in Colorado for real property located in Colorado.

27. NOTICE OF ACCEPTANCE, COUNTERPARTS. This proposal will expire unless accepted in writing, by Buyer and Seller, as evidenced by their signatures below and the offering party receives notice of such acceptance pursuant to § 26 on or before **Acceptance Deadline Date** and **Acceptance Deadline Time**. If accepted, this document will become a contract between Seller and Buyer. A copy of this Contract may be executed by each party, separately and when each party has executed a copy thereof, such copies taken together are deemed to be a full and complete contract between the parties.

Seller(s) Initials: TM JYM

M

1224 **28. GOOD FAITH.** Buyer and Seller acknowledge that each party has an obligation to act in good
1225 including, but not limited to, exercising the rights and obligations set forth in the provisions of Financing
1226 **Conditions and Obligations; Title Insurance, Record Title and Off-Record Title; New ILC, New Survey;**
1227 **and Property Disclosure, Inspection, Indemnity, Insurability and Due Diligence.**
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1229 **ADDITIONAL PROVISIONS AND ATTACHMENTS**
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1233 **29. ADDITIONAL PROVISIONS.** (The following additional provisions have not been approved by the
1234 Colorado Real Estate Commission.)

1235 1. The contract will be contingent on Verts Grand Lake LLC winning the lottery.
1236

1237 2. Contract to Buy and Sell dated 11/2/2023 will remain in force only until Closing or until May
1238 15, 2024, whichever is earlier, per the agreed upon terms and deadlines. If not closed by May
1239 24, 2024, the Contract will terminate, earnest money will be refunded to Buyer and the
1240 Property will be permitted to go back on the market.
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1245 3. Buyer will provide proof of funds for the down payment by November 10, 2023.
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1247 4. This Contract is contingent upon a lender letter acceptable to Seller which will be provided
1248 by December 1, 2023. If Seller's written disapproval is not received by Buyer by December 6,
1249 2023, it will be deemed to be acceptable to Seller. Letter will show the Borrower as the name
1250 which appears on the Contract. It will state that lender has approved Buyer's credit report,
1251 accepted a full loan application, verified funds to close and Buyer's debt to income ratios.
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1255 5. Buyer acknowledges that they have received the Seller's Property Disclosure.
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1257 6. Dates are adjusted as follows:
1258 Record Title Deadline (and Tax Certificate) is changed to November 13, 2023.
1259 Record Title Objection Deadline is changed to November 16, 2023.
1260 Off-Record Title Deadline is changed to November 14, 2023.
1261 Off-Record Title Objection Deadline is changed to November 16, 2023.
1262 Title Resolution Deadline is November 23, 2023.
1263 Property insurance deadline is November 16, 2023.
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1269 7. On the date and at the time of closing and delivery of deed, Seller(s) will leave the property
1270 and inclusions in professionally cleaned condition, free and clear of trash, debris and
1271 Seller's personal property. To monitor Seller's compliance with the contract, Buyer(s) shall
1272 have the right to view and reinspect the property and inclusions during the week prior to
1273 closing, upon reasonable advance notice, and on the day of closing.
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1276 **30. OTHER DOCUMENTS.**

1277 **30.1. Documents Part of Contract.** The following documents are a part of this Contract:
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Seller(s) Initials: TM JYM M

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30.2. Documents Not Part of Contract. The following documents have been provided but are not a part of this Contract:

Signatures

Matthew Ingles, member

Date: 11/2/2023

Buyer: **JesseTheDog, LLC**
By: **Matthew Ingles, member**

[NOTE: If this offer is being countered or rejected, do not sign this document.]

Therese Marie, Member

Date: 11/2/2023

Seller: **Mountain Mongrels, LLC**
By: **Therese Marie, Member**

Jessica Yale Mullinex, Member

Date: 11/2/2023

Seller: **Mountain Mongrels, LLC**
By: **Jessica Yale Mullinex, Member**

END OF CONTRACT TO BUY AND SELL REAL ESTATE

BROKER'S ACKNOWLEDGMENTS AND COMPENSATION DISCLOSURE.

A. Broker Working With Buyer

Broker Does Does Not acknowledge receipt of Earnest Money deposit. Broker agrees that if

Seller(s) Initials: *TM JYM M*

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Brokerage Firm is the Earnest Money Holder and, except as provided in § 23, if the Earnest Money has already been returned following receipt of a Notice to Terminate or other written notice of termination, the Earnest Money Holder will release the Earnest Money as directed by the written mutual instructions. Such release of Earnest Money will be made within five days of Earnest Money Holder's receipt of the executed written mutual instructions, provided the Earnest Money check has cleared.

Broker is working with Buyer as a Buyer's Agent Transaction-Broker in this transaction.
 Customer. Broker has no brokerage relationship with Buyer. See § B for Broker's brokerage relationship with Seller.
Brokerage Firm's compensation or commission is to be paid by Listing Brokerage Firm Buyer Other .

This Broker's Acknowledgements and Compensation Disclosure is for disclosure purposes only and does NOT create any claim for compensation. Any compensation agreement between the brokerage firms must be entered into separately and apart from this provision.

Brokerage Firm's Name: **Berkshire Hathaway HomeServices Colorado Real Estate**
Brokerage Firm's License #: **EC 40030913**

Julie Ray

Date: **11/2/2023**

Broker's Name: **Julie Ray**
Broker's License #: **100007942**
Address: **2460 West 26th Avenue #120-C Denver, CO 80211**
Ph: **970-531-0211** Fax: Email Address: **jraywinterpark@gmail.com**

B. Broker Working with Seller

Broker Does Does Not acknowledge receipt of Earnest Money deposit. Broker agrees that if Brokerage Firm is the Earnest Money Holder and, except as provided in § 23, if the Earnest Money has not already been returned following receipt of a Notice to Terminate or other written notice of termination, Earnest Money Holder will release the Earnest Money as directed by the written mutual instructions. Such release of Earnest Money will be made within five days of Earnest Money Holder's receipt of the executed written mutual instructions, provided the Earnest Money check has cleared.

Broker is working with Seller as a Seller's Agent Transaction-Broker in this transaction.
 Customer. Broker has no brokerage relationship with Seller. See § A for Broker's brokerage relationship with Buyer.
Brokerage Firm's compensation or commission is to be paid by Seller Buyer Other .

This Broker's Acknowledgements and Compensation Disclosure is for disclosure purposes only and does NOT create any claim for compensation. Any compensation agreement between the brokerage firms must be

Seller(s) Initials: *TM JYM M*

1399 entered into separately and apart from this provision.

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1403 Brokerage Firm's Name: **Mountain Lake Properties, Inc.**

1404 Brokerage Firm's License #: **EC000079200**

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Date: _____

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1409 Broker's Name: **Lisa Simpson**

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1411 Broker's License #: **FA100029244**

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Address: _____

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Ph: _____ Fax: _____ Email Address: _____

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CBS3-6-21. CONTRACT TO BUY AND SELL REAL ESTATE (COMMERCIAL)

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Seller(s) Initials: *TM JYM M*

November 2, 2023

Letter of intent to lease

To: Verts Grand Lake LLC
c/o Ashley Close
3915 W. 25th Ave.
Denver, CO 80212

Dear Ashley,

This letter is to formally express the intent of JesseTheDog LLC to lease the property located at Grand Lake Lot 15, Block 26, known as 525 Grand Ave. Grand Lake, CO 80447 (the "property"), to Verts Grand Lake LLC ("Verts").

JesseTheDog LLC has executed a purchase contract with the current property owners, Mountain Mongrels LLC, contingent upon Verts being selected in the Town of Grand Lake's Lottery Phase application process (the "lottery") for the Town's one available Regulated Marijuana Business license (the "license").

Should Verts be selected in the lottery, JesseTheDog LLC will execute the purchase of the property from Mountain Mongrels LLC. JesseTheDog LLC will then lease the property to Verts for use as a Regulated Marijuana Business.

Please sign and return this letter acknowledging the intent to lease the property to Verts. Thank you.

Sincerely,



Matthew Ingles
Member, JesseTheDog LLC



Ashley Close
Member, Verts Grand Lake LLC

A. Business Plan – Executive Summary

With over a decade of experience in Colorado's regulated marijuana industry, Verts Grand Lake LLC (Verts) is seeking to build on its reputation as a community resource, good neighbor and well-run business to become Grand Lake's first licensed marijuana store.

Location

Proposed to be located at 525 Grand Avenue, Verts intends to be a successful cannabis business that blends in with the surrounding area and builds community with neighboring residents and businesses. Verts has secured the right to the property from its prospective owner. Should Verts be selected in the lottery, the prospective owner will execute the purchase of the property from the existing owner, and then lease the property to Verts for use as a Regulated Marijuana Business.

Products

Verts understands that careful product procurement and shelf selection will drive sales growth and better serve customers. The company focuses on the careful development of product selection by fostering excellent relationships with its existing vendors, and facilitating new vendor relationships and the procurement of quality cannabis and cannabis products from licensed Colorado producers. Verts projects that roughly 50 percent of sales will be cannabis flower and 45 percent will be manufactured (non-flower) cannabis products, with the remaining 5 percent of sales being non-cannabis products such as accessories and branded merchandise.

Operating procedures

Based on a decade of experience and continuous improvement, Verts has detailed operating procedures and training in place for receiving, product handling, inventory control, order fulfillment, returns, and product display.

Customer service

We are honest and forthcoming with our customers. We never make volume or sales figures the focus of an interaction, but rather focus on making sure our patrons feel taken care of. We take accountability for any mistake or shortcomings on our part as a business. If any of our employees are ever incapable of making something right for a customer, we bring it to the rest of the team's attention so we can get the resources in place to provide solutions.

Local hiring and career development

Whenever possible, Verts hires from within the community. We offer our team members the ability to move up in the company, a competitive pay rate and potential bonuses. Our employees receive paid time off and paid sick leave. We provide health, dental, vision, and life insurance, and focus on career development opportunities for our staff. Whenever there is a new position available, we always try to promote from within the company first.

A. Business Plan – Executive Summary

Compliance

We make compliance a core value and a focus of daily operations. Instead of looking at our sector as the “Cannabis Industry,” we like to consider it the “Compliance Industry.” Because only with total compliance comes the opportunity to sell cannabis; not the other way around. Regulations are constantly changing and we stay up to date and implement changes immediately.

Community benefits

Among the business practices that set Verts apart is our focus on taking care of the team members within the company as well as our customers throughout the community. We will give back to the Grand Lake and Grand County communities and support local charities and initiatives to make our home a better place to work and live.

Verts' niche is – and will continue to be – in the retail segment of the regulated cannabis industry, providing quality products at a great price. As a vertically integrated company with a long history in Colorado's legal cannabis market, we have the experience and expertise to thrive within our niche and to continue growing our business.

Verts is Colorado born and raised. We look forward to continuing to grow in our home state.

B. Operations Plan – Executive Summary

Hours of operation – In accordance with GLMC 6-5-5(h)(1), Verts Grand Lake LLC (Verts) will operate only within the hours of 8am-10pm, seven days a week. We will be closed on Thanksgiving and Christmas.

Per GLMC 6-5-5(g), the store's licensed premises and the property associated with the license, its books, records and inventory, including any places of storage where regulated marijuana is stored, displayed or sold, and locked and/or secured area, shall be made available to inspection by Town personnel, or commissioned police officers of the Town, during all business hours and other times of apparent activity.

Opening and closing procedures – Verts will implement detailed opening and closing procedures to:

- Ensure regularity and consistency.
- Prevent theft or diversion of cannabis and cannabis products.
- Maintain confidentiality of customer information and records.
- Comply with all inventory control and reporting requirements throughout the chain of custody.

Customer check-in procedures – Per state law and GLMC 6-5-5(h)(6), Verts will not allow entry to the Retail Area without first identifying an individual as 21 years of age or older with a valid ID. Verts follows a strict access control plan and the licensed premises is not shared with, nor does it permit access from, any other business.

All customers will be required to present valid identification for verification. IDs are scanned and verified via Intellicheck, a software that is downloaded onto an iPad or tablet. The employee puts the barcode up to the camera and the platform will run the ID through its database. IDs are further verified by a visual and physical scan of the ID, and a visual scan of the customer. Once the customer has been verified to be over 21 with a valid ID, the customer will then be entered into Treez, our internal POS software system that allows Verts to track the amount of cannabis sold according to state purchase limits. Only upon verification will customers be allowed into the Retail Area of the store.

Location and procedures for receiving deliveries – Verts will obtain all cannabis and cannabis products from State of Colorado-licensed cannabis facilities. Any deliveries will be made by the vendor themselves or from a third-party licensed transport company. If from a third-party licensed facility, Verts will check the validity of their local and state licenses. All drivers are verified to have a valid driver's license and a State-issued badge.

B. Operations Plan – Executive Summary

Point-of-sale infrastructure – Verts will utilize Treez as our point-of-sale (POS) system. Treez is a state-of-the art, secure, and user-friendly POS and retail management system. Treez also provides streamlined software for customer check-in, analytics, inventory management and compliance.

Treez automatically integrates with METRC, the State of Colorado's mandated track-and-trace system to ensure compliant reporting of all transactions.

Estimated number of customers – On average, Verts expects to serve approximately 10 customers per hour and at least 100 customers per day during the summer busy season.

Inventory control procedures – In order to properly track and monitor cannabis inventory and to prevent diversion, Verts will implement standard operating procedures that cover:

- Track and trace and point of sale
- Recordkeeping
- Product storage
- Product handling

Building a diverse and inclusive workforce – Verts will implement a top-down approach to our diversity and inclusion plan to create a company culture that welcomes and respects everyone. In celebrating our differences, we foster a positive environment for all employees that, no matter what level they are in our hierarchy, is more conducive to collaboration, creativity, and engagement.

Verts will benefit the local economy through local hiring, with a goal of hiring 100 percent local Grand Lake or Grand County residents to staff our store. By hiring local residents, Verts will build a team that reflects the local market. Our experience has shown that local employees know the local market better than anyone and as a result, have a much stronger ability to relate to the community's diverse group of customers. A staff consisting of local residents provides powerful insight and connection to the community.

Benefits packages – Verts strives to offer competitive compensation, so our employees are happy, and able to live a comfortable lifestyle. We believe happy employees increase workplace morale, are more productive and motivated, and allow our business to run well as a whole. In addition to competitive pay, as described in our Staffing Plan, Verts offers generous benefits packages to *all* employees.

C. Compliance Plan - Executive Summary

Verts Grand Lake LLC (Verts) makes compliance a core value and a focus of daily operations. Per GLMC 6-5-5(h)(7), all Verts personnel will familiarize themselves with the Town Code to ensure full compliance with applicable provisions of the Code at all times.

Location – Verts’ proposed location is 525 Grand Avenue, which has been verified by the Town to meet the location requirements of GLMC 6-5-5(b) and (c). Per GLMC 6-5-5(h)(3), Verts will not operate until all permits and licenses have been approved, including State and Town business and sales tax licenses.

Signage – Verts intends to utilize the existing signage infrastructure in front of the building. The signage will be clean and simple and will not depict cannabis consumption. Per GLMC 6-5-5(e), the sign will not use the words "marijuana," "cannabis," or any other word or phrase commonly understood to refer to marijuana and will only use the word "dispensary" once. The sign will comply with all other requirements of the Town Sign Code and any modifications will follow the Town’s standard sign permitting process.

Per GLMC 6-5-5(h)(9), Verts will post conspicuous signage at each point of sale, and post a sign no smaller than 8" by 11" at each customer point of egress from the licensed premises, all of which shall be printed in red, stating the following:

WARNING: FEDERAL LANDS
 MARIJUANA USE AND POSSESSION
 IS ILLEGAL ON ALL FEDERAL LANDS
 INCLUDING IN ROCKY MOUNTAIN NATIONAL PARK

Indoor operations – Per GLMC 6-5-5(f), all store operations except transportation will be conducted inside of the building and will not be visible from the exterior of the building. We will use opaque window coverings.

Inspections and documentation – Per GLMC 6-5-5(g), the store’s licensed premises and the property associated with the license, its books, records and inventory, including any places of storage where regulated marijuana is stored, displayed or sold, and locked and/or secured area, shall be made available to inspection by Town personnel, or commissioned police officers of the Town, during all business hours and other times of apparent activity.

Per GLMC 6-5-5(h)(8), Verts shall provide copies to the Town Clerk of any licensing, operational, investigative or incident documentation submitted to the Colorado Marijuana Enforcement Division or other governmental entities.

Hours of operation – In accordance with GLMC 6-5-5(h)(1), Verts Grand Lake LLC (Verts) will operate only within the hours of 8am-10pm, seven days a week. We will be closed on Thanksgiving and Christmas.

C. Compliance Plan - Executive Summary

On-site consumption – In accordance with GLMC 6-5-5(h)(2), on-site consumption of cannabis will be prohibited on the licensed premises. Any Verts employee found to be consuming cannabis on-site will be terminated immediately. For customers and the general public, signs are posted at the store saying on-site consumption of cannabis is illegal. We will also post a warning poster saying that law enforcement will be contacted if there is any suspicious or illegal behavior on or near the licensed premises.

Additionally, in accordance with GLMC 6-5-5(h)(5), no alcohol sales or consumption shall be permitted on the licensed premises.

Customer check-in procedures – Per state law and GLMC 6-5-5(h)(6), Verts will not allow entry to the Retail Area without first identifying an individual as 21 years of age or older with a valid ID. Verts follows a strict access control plan and the licensed premises is not shared with, nor does it permit access from, any other business.

Proper ventilation – Per GMLC 6-5-5(i), Verts will ensure that the odor of marijuana cannot be detected by a person with a normal sense of smell at the exterior of the regulated marijuana store or at any adjoining property. Detailed protocols are spelled out in our Odor Mitigation & Ventilation Plan.

D. Security Plan - Executive Summary

Surveillance – Verts Grand Lake LLC (Verts) has a comprehensive security and video surveillance system to ensure the safety of our staff, customers and community. Video surveillance cameras are installed throughout the licensed premises to record every square inch of the facility, per 1 CCR 212-3 § 3-225(C)(1), including within 20 feet of all ingresses and egresses, per 1 CCR 212-3 § 3-225(C)(2), and from the interior and exterior of all said entry and exit points, per 1 CCR 212-3 § 3-225(C)(4).

All doors utilize commercial grade locks, per 1 CCR 212-3 § 3-220(B)(1).

All video surveillance equipment has battery backup for a minimum of four hours of recording in the event of a power outage, per 1 CCR 212-3 § 3-225(B)(2), and is equipped with a notification system that alerts management of any interruption or failure of the system, per 1 CCR 212-3 § 3-225(B)(4).

Per 1 CCR 212-3 § 3-225(E)(1), cameras record continuously (24 hours per day/seven days per week), in color, and have night vision. The digital video recording device (DVR) holds up to 40 days of camera footage, per 1 CCR 212-3 § 3-225(E)(2).

The DVR is stored securely in the locked DVR Closet at our location and is accessible only to management, per 1 CCR 212-3 § 3-225(A)(2).

Please see the attached Security Diagram for a visual representation of the location of all security cameras.

Access control – As described by our Customer Check-In procedures in our Operations Plan, Verts will not allow entry to the Retail Area without first identifying an individual as 21 years of age or older with a valid ID. Once inside, customers will not be allowed beyond the Retail Area into any limited access areas, which include all “back of house” operational areas such as the Inventory Storage areas. Access beyond the Retail Area and entry to all limited-access areas will have electronic keyfob access controls that records the movements of employees and contractors.

There are three doors within the licensed premises that lead into limited access areas. The exterior employee entrances and exits are located on the northeast and northwest corners of the building, respectively, and remain locked at all times. Only Verts employees will have access through those doors. The third door leads from the Retail Area into the limited access areas. The Points of Sale (POS) are located within the Retail Area.

D. Security Plan - Executive Summary

Theft and diversion prevention – Verts is diligent in its commitment to preventing diversion. In order to protect the community and to protect its business, Verts has created a comprehensive strategy for preventing diversion, covered by the many topics detailed below.

Reporting criminal activity

All Verts employees are required to notify the Colorado Marijuana Enforcement Division (MED) and law enforcement within one business day of discovery of any unauthorized entry or theft of cannabis or cannabis products, or any plan or other action of any person to:

- Steal cannabis, cannabis products, cannabis paraphernalia, equipment, or money that is the property of the establishment.
- Sell or otherwise provide cannabis, cannabis products, or cannabis paraphernalia that is the property of the establishment to unauthorized persons.
- Purchase or otherwise obtain cannabis, cannabis products, or cannabis paraphernalia from unauthorized persons.
- Falsify inventory records or transport manifests.
- Commit any other crime relating to the operation of the establishment.

Employee identification

All Verts employees are required to display their MED-issued badges whenever on the premises of the establishment or when transporting cannabis or cannabis products. When employees are terminated, all issued keys, fobs, and codes will be accounted for. If a key or fob is missing, it will be immediately deleted from the access control system. Non-managerial employees will not be permitted to take electronic access cards off premises.

Controlled access

The Verts licensed premises is not shared with nor does it permit access from any other business. All sales, storage and display of cannabis occur only within the restricted area of the licensed premises and is not visible from the exterior of the store, per GLMC 6-5-5(f). As described in our Customer Check-In procedures in our Operations Plan, Verts will not allow entry to the Retail Area without first identifying an individual as 21 years of age or older with a valid ID. Once inside, customers will not be allowed beyond the Retail Area into any limited access areas, which include all “back of house” operational areas such as the Inventory Storage areas.

Employee monitoring

Employees are monitored continuously throughout the licensed premises via the store's video surveillance system. Additionally, employees and contractors are not permitted to bring personal belongings into the Retail Area or any inventory storage areas of the store.

Displays

The Verts Retail Area has been designed to provide optimal viewing capabilities of products for customers, while limiting the opportunity for diversion.

D. Security Plan - Executive Summary

Flower product samples are securely displayed in jars that allow customers to visually inspect the flower and smell it; however, the jars are locked and secured by a retractable steel cord within the fixed display.

Concentrates and cartridges are on display, but stored and secured within locked display cases. There is no handling of these products by consumers unless a purchase is made.

Edibles and other pre-packaged cannabis products are displayed in "dummy packaging" with no product inside or using no-THC sample products. This allows customers to visually inspect the product packaging and information, but products containing THC are not on display.

Training

Verts will prevent diversion through its training program. Specifically, Verts employees will be trained to:

- Verify customer age and identification according to the Customer Check-In procedures in our Operations Plan.
- Utilize Treez (our internal POS and inventory tracking software system) to track the amount of cannabis sold and prevent purchases from going over individual limits.
- Upon first being hired, team members are required to take a Responsible Vendor class that is taught by a third-party licensed Colorado company, to ensure Verts maintains its state Responsible Vendor designation.

Inventory control

Finally, stringent inventory management will be crucial to preventing the diversion of cannabis. Verts will prevent diversion first by ensuring the secure storage and sale of all cannabis products, which will be kept in a manner as to prevent diversion, theft and loss.

While the establishment is closed and unoccupied, all cannabis and cannabis products are stored within limited access areas of the store.

Further, Verts will utilize Treez to accurately document the present location, amounts, and descriptions of all cannabis and cannabis products in compliance with State law and rule and Verts will maintain records that identify the source of all products, including company name, location, and license number.

Verts will use Metrc (the statewide inventory tracking system) to record the inventory and movement of cannabis and cannabis products throughout the supply chain. Per 1 CCR 212-3 § 3-805(B)(1), Verts will designate its General Manager as its Inventory Tracking System Administrator. The System Administrator will authorize additional owners or employees as an Inventory Tracking System User, and will ensure each user receives Metrc training prior to access or use.

D. Security Plan - Executive Summary

Alarm system – Verts will have a security alarm system that covers the entire licensed premises, including all perimeter entry points and perimeter windows, per 1 CCR 212-3 § 3-220(A)(1). We will contract with Colorado Security Company for our alarm system and continuous monitoring, per 1 CCR 212-3 § 3-220(A)(2).

Outdoor lighting – Verts utilizes a series of lights around the facility's exterior to provide safety and to support the store's security and video surveillance system. Perimeter lighting covers the entire premises and all entrances/exits, and is sufficient for observers to see and cameras to record any activity within 20 feet of all entry points, per 1 CCR 212-3 § 3-225(C)(2).

Waste management – Cannabis waste could present a risk of diversion, if handled improperly. Verts has developed strict waste management procedures that are adhered to by all employees to secure cannabis products not sold (cannabis waste) and ensure that it is disposed of properly.

Waste receptacles

Secured waste receptacles will be placed in the Inventory Storage areas within the limited access area; public access to these areas will be strictly prohibited. Only authorized employees may access the waste receptacles. The waste receptacles will be nonabsorbent, water-tight, vector resistant, durable, easily cleaned, galvanized metal or heavy plastic containers with tight fitting lids.

Types of cannabis waste

The only waste that may be deposited in the receptacles is cannabis waste and the material used to render products unrecognizable and unfit for consumption, per 1 CCR 212-3 § 3-230(D). Cannabis waste is any cannabis material that may be produced in the establishment from the stocking and inventory management of products that are delivered to the establishment from our suppliers' licensed cultivation facilities and product manufacturing facilities, such as cannabis flower or trim, cannabis seeds, cannabis products (including expired products that must be destroyed), or by-products containing cannabis that have been designated for destruction.

Receptacle signage

On or near each receptacle will be a sign with thorough examples of what is and is not acceptable to place inside the receptacle. Only cannabis waste and the material used to render products unrecognizable and unfit for consumption will be placed inside the receptacle.

Destruction of cannabis goods

Prior to disposing of a product as cannabis waste, employees must first render the product as unrecognizable and unfit for use by grinding and mixing the waste with at least 50 percent food

D. Security Plan - Executive Summary

waste such as coffee grounds or soil, per 1 CCR 212-3 § 3-230(E)(1). This includes, at a minimum, removing or separating the cannabis goods from any packaging or container which render it unrecognizable and unusable. Verts will keep adequate supplies of both coffee grounds and soil available for mixing. Mixing shall be based on a 1:1 mixture of coffee grounds or soil and cannabis waste.

Recording of waste

Prior to the disposal of any cannabis product from within the dispensary, the appropriate employee will log the cannabis product as destroyed and electronically log the disposal of the product in Treez and Metrc, per 1 CCR 212-3 § 3-230(I). Both the physical and electronic log will include the date, time, employee information of who is destroying the product, the type, the volume, and the batch number of the waste.

Record-keeping policy

Verts requires waste records to be preserved according to the company's record-keeping policy and records will be maintained by the Inventory Manager. All records will accurately account for, reconcile, and evidence all activity related to the generation and disposal of cannabis waste.

Cannabis waste is logged as destroyed in Treez and Metrc upon being deposited into the waste receptacles.

Selling of cannabis waste

Verts strictly prohibits the sale of any cannabis waste.

Video surveillance

Verts operates with video surveillance. The waste receptacles will be located in a position where all interaction with the receptacles is visible on camera at all times.

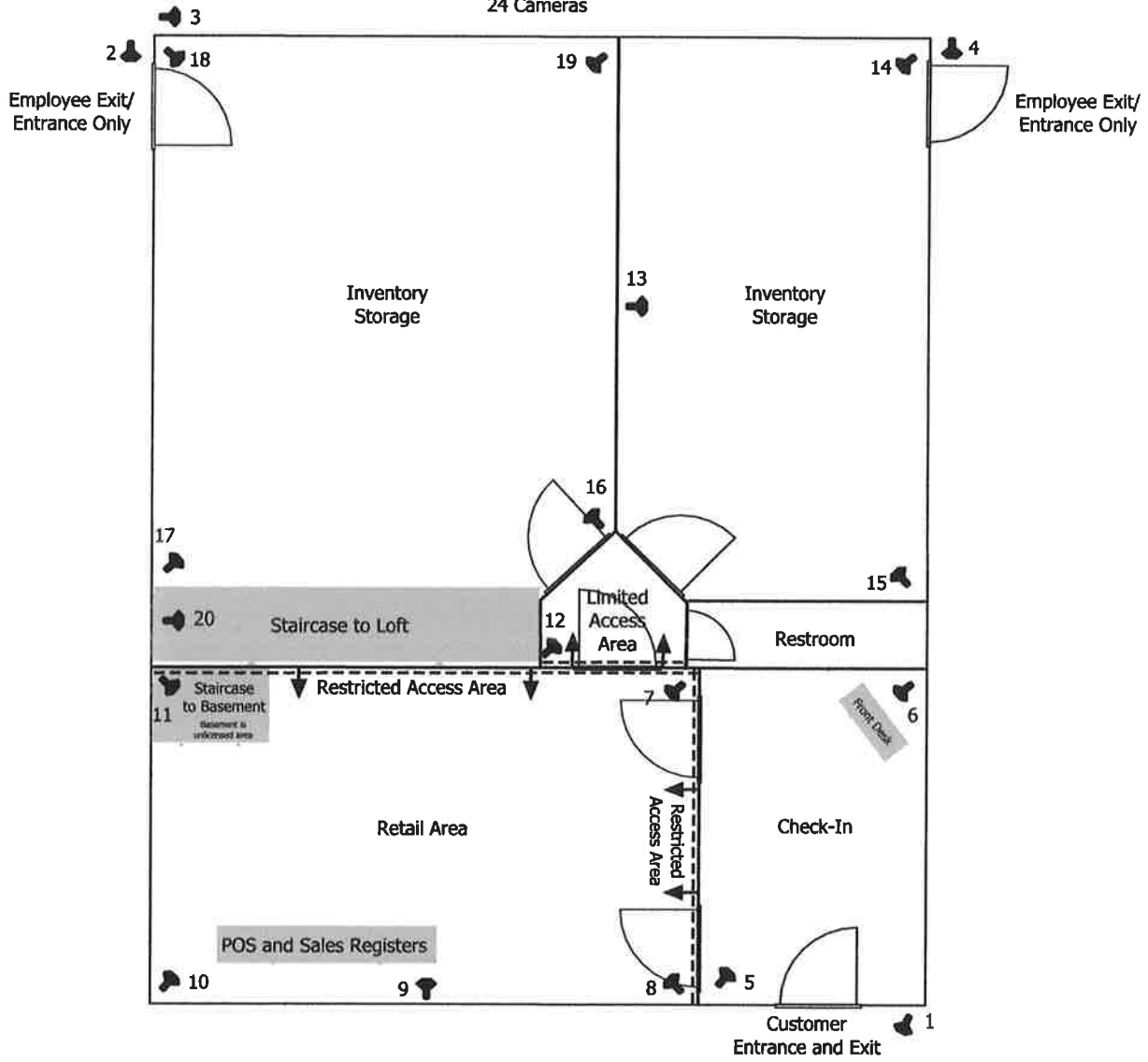
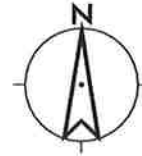
On-site consumption – In accordance with GLMC 6-5-5(h)(2), on-site consumption of cannabis will be prohibited on the licensed premises. Any Verts employee found to be consuming cannabis on-site will be terminated immediately. All employees are required to read and sign a document upon hiring explaining these terms. If an employee purchases any cannabis while on their shift, they are required to put it immediately in their personal belongings. All personal belongings are under video surveillance.

For customers and the general public, signs are posted at the store saying on-site consumption of cannabis is illegal. We will also post a warning poster saying that law enforcement will be contacted if there is any suspicious or illegal behavior on or near the licensed premises.

Verts Grand Lake LLC

525 Grand Ave
Grand Lake, CO 80447

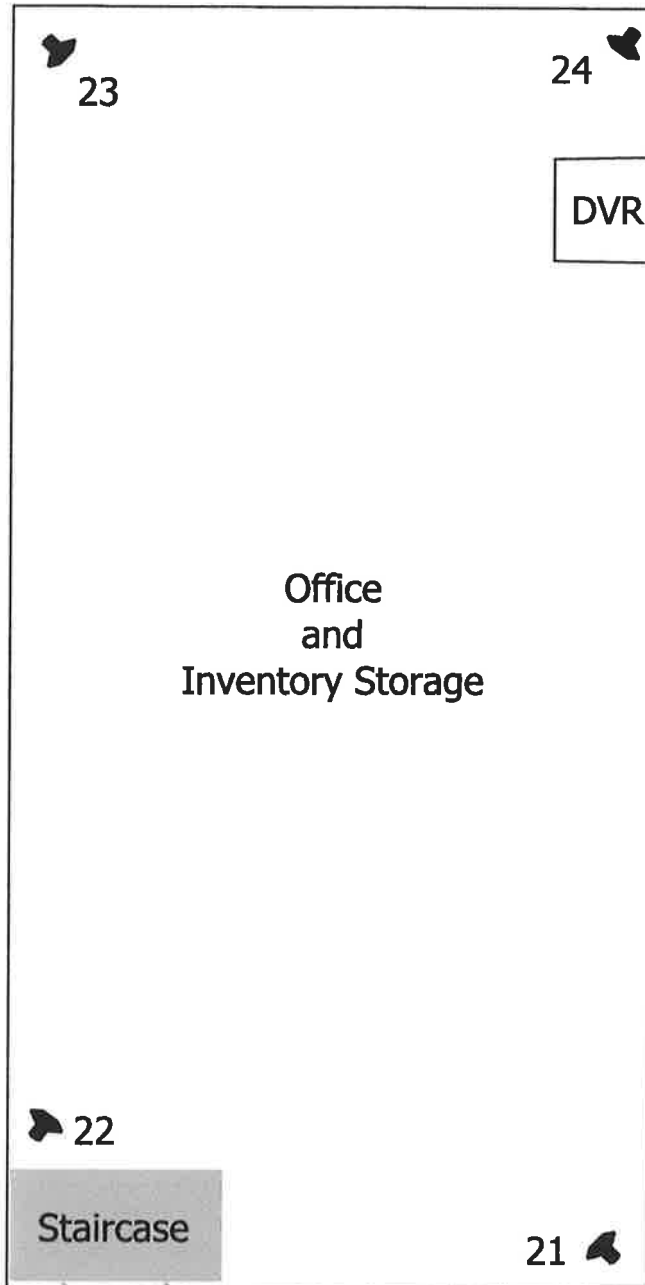
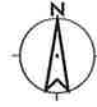
24 Cameras



Main Level
Security Diagram

Verts Grand Lake LLC

525 Grand Ave
Grand Lake, CO 80447



Loft Space
Security Diagram

E. Staffing Plan - Executive Summary

Positions and responsibilities – Verts Grand Lake LLC (Verts) will staff up to four full-time, year-round employees once retail sales commence and begin to scale. We expect to utilize additional, seasonal employees as needed.

General Manager (1)

Responsible for every aspect of Verts retail operations. Plans, organizes, leads, and controls company resources in the accomplishment of organizational goals. Responsible for coordinating production, purchasing, sales, and compliance activities and developing team leaders while simultaneously developing their own leadership skills.

Assistant Manager (1)

Responsible for the safe and smooth operation of the sales floor on a day-to-day basis. Responsible for training and policy enforcement on the sales floor. Resolves any customer-service issues that exceed the authority of a Budtender, but do not require the General Manager to adequately address.

Budtender (2)

Responsible for conducting sales and first-level customer interactions while maintaining accountability for both inventory and cash. Responsible for ensuring a positive customer experience at all times.

Employee policies and procedures – Verts focuses on compliance first and foremost. We like to consider our work as a Compliance Industry rather than the Cannabis Industry. We believe that if you are compliant, then and only then, do you get to sell cannabis. With this in mind, we implement certain policies and procedures that all team members must follow.

When an employee is first hired, we have several documents that are distributed to them where they are required to read through and acknowledge:

- Budtender Bible
- Team Member Handbook
- Robbery SOP
- Tipping Policy
- Emergency Contact Information
- Welcome Letter, explaining who we are as a company
- Worker's Compensation Provider List for the area
- Caregiver and Medical Patient Card Rules
- No Medical Advice Given
- Medical and Retail Sales Limits.

E. Staffing Plan - Executive Summary

Upon first being hired, team members are required to take a Responsible Vendor class that is taught by a third-party licensed Colorado company, to ensure Verts maintains its state Responsible Vendor designation.

We also have training for our Budtenders in regard to certain products that we carry consistently and also new products that we bring in. We typically will have the vendor come into the store before we open and run a quick training class for all the team members.

Our Budtender Bible is required to be read during the first few days of being hired. This instructional document goes through all of the things that each employee is required to know about Verts as a business, compliance, sales, the MED, the Town of Grand Lake, and many other items.

Compensation – Staff will be compensated in accordance with retail marijuana industry standards and local cost-of-living considerations. We will allocate a significant percentage of employee payroll costs to health insurance for all employees and our benefits package.

Employee training and continuing education – The cannabis industry is relatively new, with a rapidly evolving regulatory environment, frequent scientific discoveries, and shifting public perception. As experienced operators, Verts understands the importance of keeping our staff trained and up-to-date.

Continuing education

In order to ensure our staff are well versed in cannabis, and that they stay abreast of industry developments, Verts offers a variety of continuing education opportunities to our employees.

Vendor and brand training

Verts employees must be knowledgeable about the products carried in our store. Verts regularly invites vendors, including brand representatives, to provide training to our staff. Vendor and brand training covers topics including but not limited to:

- Vendor, brand, and product overviews.
- Vendor or brand history, mission, and values.
- Uses for particular products.
- Dosage information.
- Training on active listening to customers, and how to make recommendations based on customer needs, interests, and preferences.
- Scientific discoveries, developments, and other trends in the cannabis industry.

E. Staffing Plan - Executive Summary

Educational seminars

Occasionally, Verts will host educational seminars, open to the public, designed to educate the community on a broad variety of cannabis-related topics. Some seminars will be led by expert guest lecturers, who will give in-depth presentations on scientific, medical, legal, or other cannabis related information in their area of expertise. Employees will be invited to attend these seminars.

Employee training

Verts will provide our staff with ample employee training, beginning at hire. New employees receive a training packet electronically, and must read through and acknowledge completion of each set of material, described above in employee policies and procedures.

Ongoing training

Training will not end at the new hire stage. Verts will provide ongoing training annually and in the event of any change in law, regulation or major scientific development. Verts encourages continuing education for its staff and provides access to training and career development resources.

F. Community Engagement Plan - Executive Summary

The Verts Grand Lake LLC (Verts) Community Engagement Plan focuses on mitigating the effects of any foreseeable negative impacts, while emphasizing positive and enriching outcomes for the community and its residents.

History of community and neighborhood involvement – Verts and its ownership have a deep history of community and neighborhood involvement in the communities it serves. The Grand Lake store will maintain an open-door policy for fielding community questions and concerns, and although we don't anticipate any complaints, we have detailed plans in place for addressing problems that may arise, as described below.

At its operation in Golden, Verts has always strived to be a good neighbor and positive influence in the community. We have spearheaded multiple community-service initiatives, including:

- A food donation drive to benefit Food Bank of the Rockies
- A cash donation drive to benefit the Foothills Animal Shelter, located just down the road from the store.
- A holiday toy drive to benefit underprivileged youth.

At Verts' Fort Collins location, operational since 2014, the company has spearheaded multiple community-service initiatives, including:

- Last Prisoner Project, a nonprofit team of cannabis industry leaders, criminal and social justice advocates, policy and education experts, and leaders in social justice and drug policy reform that are committed to freeing every last prisoner of the unjust war on drugs, starting with 40,000 people in prison for cannabis offenses.
 - Verts committed 14 percent of revenue from our highest sales day in November 2020, resulting in a donation of \$3,476 made in December 2020.
- Black Visions Collective, a black, trans, and queer-led organization that is committed to dismantling systems of oppression and violence and shifting the public narrative to create transformative, long-term change.
 - Verts committed 14 percent of revenue from Black Out Tuesday on June 2, 2020, resulting in a donation of \$2,733.
- Larimer County Food Bank
 - Donated 14 percent of revenue from April 24, 2020, totaling \$4,613 to the food bank.

Proposed community engagement – In order to effectively support the community's values, Verts will support the Grand Lake area through volunteer services, donations and in-kind giving, and local hiring and sourcing.

F. Community Engagement Plan - Executive Summary

Volunteer services

- Verts encourages employees to give of themselves through volunteer work within the community and will provide all employees with 20 hours of paid volunteer time annually to be used in support of Grand Lake- and Grand County-based charitable organizations and/or events.
- Verts will be a sponsor of hiking trail maintenance and will contribute additional volunteer hours on a monthly or seasonal basis.
- Verts will participate in Colorado's Adopt-A-Highway litter control program by adopting a road in Grand County. We will work to keep that stretch of grass and road clean from litter and other debris that might end up on the roadside. Pending what is available, Verts would like to keep the road strictly in the Town of Grand Lake or its immediate surrounding areas.

Donations

- Verts will dedicate 20 percent of gross revenue from its highest grossing sales day to CASA of Grand County, a 501(c)(3) nonprofit organization that provides volunteer advocates for abused and neglected children. Each year, Verts will designate a month in which the highest grossing day will be selected for 20 percent of that day's proceeds to be dedicated to CASA.
- Verts will leverage its history of animal shelter support and its new Grand Lake location in a former doggy daycare to continue its cash donation drive to benefit local wildlife, animals and pets.

In-kind giving

- Verts will run a school-supplies drive to benefit Grand Lake-area school students. Verts will designate one month each summer to promote school supply donations in-store and encourage customers to support our neighborhood schools.
- Verts will continue its toy donation drive to benefit local children in need. From Thanksgiving through mid-December, Verts will promote toy donations in-store to encourage customers to support the toy drive efforts of a local partner.
- Verts will run canned food drives to benefit the hunger relief programs of the Mountain Family Center of Grand County.

Local hiring and sourcing

- Verts will benefit the local economy through local hiring, with a goal of hiring 100 percent local Grand Lake or Grand County residents to staff our store. By hiring local residents, Verts will build a team that reflects the local market.

F. Community Engagement Plan - Executive Summary

- In addition to our charitable initiatives and local hiring, Verts will benefit the Grand Lake community through local sourcing. Whenever possible, Verts will utilize local contractors and suppliers for services, improvements and maintenance in our operations.

While much of Verts's community engagement is centered around making a positive impact in the community through neighborhood involvement, volunteering and donations, we also have a keen sense of community engagement within the day-to-day operations of our business. At Verts we have taken great care to develop, implement and refine standard operating procedures for addressing community concerns should they arise in the future.

Complaint management – Verts is proactive in its approach to reduce the number of potential complaints that may come into the business. Measures are included in the store's standard operating procedures to address community concerns and complaints.

Verts implements safeguards both in its operating procedures and facility design to protect underage persons from undue influence or exposure. Verts employs strict identification verification protocols and does not advertise or display any products with movie characters, children, cartoons, or other images that are appealing to children. All cannabis sold is sealed in child-resistant, opaque packaging. Should community concerns about underage use arise, Verts is prepared to work with the Town of Grand Lake on a detailed youth education and underaged use prevention plan to further deter underaged persons from engaging in cannabis related activities.

Additionally, neighboring businesses may also express concern about crime. Should concerns come to our attention, Verts will go above and beyond the requisite security protocols to prevent crime. A main component of this protocol involves developing strong relationships with neighbors who then help Verts understand the community needs and identify potential concerns. Historically, Verts has been a good neighbor and cannabis businesses in general tend to increase the overall sense of security and safety in their surrounding neighborhoods because of partnerships forged with local law enforcement and the installation of state-of-the-art security systems and proper lighting.

Moreover, by getting to know the clientele and developing real-time relationships with people, Verts will continue to create a sense of community pride and an environment where people look out for one another.

Community liaison

Verts will at all times have a designated community liaison to serve as the direct point of contact for public questions and concerns, whether they come from Grand Lake residents, visitors, Town staff, law enforcement or other interested parties.

F. Community Engagement Plan - Executive Summary

The community liaison will be a manager responsible for responding by phone or email within 24 hours of contact by a Town official. The liaison's duties also include fielding all concerns, suggestions or comments raised by the Town, local law enforcement, or community members.

Complaint response

If Verts receives an oral or written complaint, the person receiving the complaint will immediately evaluate the complaint to be expediently addressed. An internal Corrective Action Preventive Action investigation will be carried out to determine how any deviation from standard operating procedures (SOPs) may have resulted in a complaint, what measures need to be taken to address the root cause of the complaint, and to evaluate how SOPs or other protocols may need to be altered to prevent a complaint of such nature from arising in the future.

This protocol will effectively address any complaints our business might receive; however, Verts has considered additional, specific, proactive mitigation efforts and response plans related to odor, noise, light, traffic and location management:

Odor control – Verts has comprehensive odor control protocols that can be referenced in our Odor Mitigation & Ventilation Plan.

Noise control – Verts will implement a strict noise control plan to reduce the likelihood of noise resulting from the operation of its dispensary. In the unlikely event that neighboring businesses or residents hear excessive noise associated with the dispensary, Verts will immediately discuss the complaint with the community member, identify the source of the noise, rectify the sound, and update the noise control plan accordingly.

Lighting – Verts' interior, by design, includes ample overhead lighting. A well-lit sales floor removes the stigma of cannabis stores seeming dark and dour, and instead leaves customers feeling secure. To maintain proper security, exterior lighting will be installed near the location of all surveillance cameras, entrances and exits.

Vehicle/pedestrian traffic – Verts is proposed to be located on Grand Avenue in a former commercial space. Verts does not foresee a traffic issue caused by its customers and staff, as the area has typically been used for commercial activity and the building includes off-street parking. Should any complaints arise, Verts will work with the Town to immediately rectify the situation and develop alternative traffic plans acceptable to all.

F. Community Engagement Plan - Executive Summary

Location management – In addition to the measures described above, Verts strives to proactively reduce the possibility of nuisance and has procedures in place for mitigating any impacts to the surrounding area. The process includes heightened security, building relationships with local law enforcement and 24-hour contact with management. Specifically, Verts will enforce the following policies:

- **On-site monitoring** – Verts provides in-person surveillance of the dispensary. During operational hours, the Manager on duty and staff members monitor the inside and the exterior of the facility, keeping the property free and clear of nuisance.
- **Video surveillance** – A state-of-art surveillance system monitors the interior and exterior of premises. The surveillance footage is reviewed by the Manager on duty to identify any nuisance that may be in progress.
- **Community liaison** – Verts assigns a community liaison, whose contact information is readily available.
- **Public postings** – Verts will ensure all displayed permits and certificates are properly located in a conspicuous location and are readily visible to all customers and store personnel.
- **Prohibition of loitering** – At no time will management or staff allow individuals to loiter on or near the property.

Securing the safety of its patrons and community is a high priority for Verts. As such, if the Town or community members have additional suggestions for meaningful changes, Verts will be open to hearing and incorporating viable suggestions.

G. Odor Mitigation & Ventilation Plan - Executive Summary

Odor control – Verts has designed an odor control plan to prevent any odor at our Grand Lake store through building design, use of air circulation equipment, and implementation of policies to prevent odor from outside of the unit. As part of our store buildout, Verts will install a sufficient odor absorbing ventilation and exhaust system so that any odor generated inside the store that is distinctive to its operation is not detected outside of the facility.

Per GMLC 6-5-5(i), Verts will ensure that the odor of marijuana cannot be detected by a person with a normal sense of smell at the exterior of the regulated marijuana store or at any adjoining property. Verts will incorporate the following odor control devices to ensure odors from cannabis are not detected:

Air filtration and scrubbing

Verts will install an exhaust air filtration system with odor control that prevents internal odors from being emitted externally at our Grand Lake facility. We will install a combination of high efficiency particulate air (HEPA)-carbon filter air scrubbing units and high-CFM (cubic feet per minute) inline exhaust fans that will be used to pull air through the carbon filters. HEPA-Carbon filters work through a method called adsorption, meaning when air passes through the filter, odor-causing particles stick to the inside of the activated carbon, without the carbon itself increasing in size.

All exhausted air which potentially contains cannabis odor must flow through the HEPA-Carbon filter, filtering out odor in this process. The HEPA-Carbon filter air scrubbing units are quiet, and will not cause a noise-related nuisance to staff or customers in our store.

Along with the filtration, Verts will utilize free-standing air scrubbers to filter out odors and pathogens that may pose a public health risk or be bothersome. This method is highly effective and can be used in combination with other technologies.

Additionally, no cannabis consumption will be allowed on or near the licensed premises. In the unlikely event that neighboring businesses find offensive odors associated with the dispensary, Verts will immediately discuss the complaint with the community member, identify the source of the odor, rectify the emission, and update the odor control plan accordingly.

H. Personnel Experience - Executive Summary

Verts Grand Lake LLC (Verts) was built to thrive in an emerging and fiercely competitive retail cannabis landscape, under a strict regulatory microscope, while focusing on providing a positive company culture. Verts' leadership has deep experience in operating licensed cannabis establishments including retail, adhering to regulatory guidelines, and overseeing and managing employees while maintaining a positive company culture.

Ashley Close – Colorado CEO, co-owner and board member

Ashley has managed Verts' cannabis operations in Colorado since 2013, first in Fort Collins and then assuming leadership of the Golden location in 2016. She recently worked closely with local officials to achieve approval for retail marijuana sales to be licensed in the City of Golden after years of medical-only sales.

Overseeing all of Verts' day-to-day operations, Ashley is responsible for the company's:

- Personnel, including staffing, hiring, termination, disciplinary actions, training, compensation and benefits.
- Finances, including banking, accounting, budgeting, taxes, cash management, reconciliation, contracts and leases, and acquisitions.
- Inventory, including ordering, receiving, Metrc, transfers and audits.
- State and local regulatory compliance, including training and standard operating procedures, implementation of new and updated rules, inspections and audits, and labeling.

She also oversees all of the company's state and local license applications and renewals, artwork and advertising, vendor relations, store design and operational flows, security features and customer service.

As the CEO and co-founder of Verts Neighborhood Dispensary in Fort Collins since 2013, Ashley has led the co-located medical and retail marijuana sales operations of one of northern Colorado's most successful dispensaries. With her business partner Joe Feucht, Ashley purchased a pre-existing license that had never been open for sales. They completely redesigned the store, added a retail license and now maintain annual revenues of \$5-7 million.

On the cultivation side, Ashley and Joe have built out three different facilities, producing some of the industry's best flower at an affordable price. They have worked to develop state-of-the-art grow operations and to evolve with current requirements and regulations.

Ashley is a graduate of the Ohio State University. She lives in Denver with her husband and their son.

H. Personnel Experience - Executive Summary

Alexander Close – National CEO, co-owner and board member

Alex is the chief executive officer of Verts Neighborhood Dispensaries, the national chain of cannabis stores located in Colorado, Michigan and Missouri. He is also the chief investment officer of Sugar Factory Cannabis Company, which is a cannabis cultivation facility located in Owosso, Mich., and president of Midwest Wellness, a CBD store located in Columbus, Ohio. Lastly, he is the managing member of Precision Cannabis, a new dispensary in Chicago.

Alex began his career in cannabis in 2014 in Colorado and has since expanded the company to seven locations. He is a graduate of Ohio University in 2010 where he studied finance. Alex loves to travel, paint and draw, along with other outdoor activities in his free time. Alex is from Columbus, where he lives today.

Daniel Rowland – Advisor, co-owner and board member

Dan is a global cannabis policy and regulatory expert. He helps companies and governments understand the complexities, impacts and market opportunities associated with the legalization of cannabis and emerging markets. He has served as an advisor to the Verts businesses since 2020 and spearheaded the movement to transition Golden from medical-only to adult-use.

Dan's experience in the legal cannabis industry covers a wide range of projects, ensuring good compliance and the successful implementation of newly legal cannabis businesses and their marketplaces. In addition to his work with Verts, Dan provides market and regulatory analysis for a multinational supplier of cannabinoid ingredients and cannabis production technologies. He also supports local government relations and licensing efforts for several U.S.-based operators, helped launch a Canadian operator of more than 30 retail stores, launched a U.K.-based CBD drinks brand, and advises multinational brands on regulatory compliance, new product development and expansion into emerging markets.

Prior to launching his consulting practice, Dan spent five years with the City and County of Denver, leading implementation efforts for the first major city in the world to develop a fully legal, commercial cannabis industry. He was Director of Public Affairs for Denver's Office of Marijuana Policy and Department of Excise & Licenses and the spokesman and public liaison for the City's business licensing efforts and first-in-the-world implementation of legalized marijuana regulations. In this role, he frequently consulted on the implementation of legalized cannabis for governments, companies and other stakeholders around the world.

Dan has a Master of Public Administration from the University of Colorado and a Bachelor of Journalism from Arizona State University. He lives in Denver with his wife and their two sons.

H. Personnel Experience - Executive Summary

In addition to the three Controlling Beneficial Owners listed above, Verts is fortunate to have additional shareholders with deep cannabis industry experience. While not involved in day-to-day management and operations of our proposed Grand Lake store, the following three individuals provide additional depth and expertise to the Verts corporate team.

Richard Kennedy, shareholder

Richard has been involved in Colorado dispensaries since 2011 and has been a Metrc administrator since March 2015. At Natural Alternatives in Fort Collins, he led the transition from medical sales into adult-use sales and managed the store through the Covid pandemic. He started at Verts in Fort Collins in April 2022 and is currently the Director of Operations there.

Richard also has consulted with and operated a compliance business whose clients have included some of the largest grows and operations in Colorado. Since arriving at Verts, Richard has assisted the teams' medical-to-adult-use transition in Golden and Missouri, and with startup operations in Michigan. In Fort Collins he is helping with Verts' buildout of a new storefront space to modernize the operation and compete with the larger corporate and publicly traded companies that are consolidating the market.

Richard has been a resident of Fort Collins for 20 years and is a graduate of Front Range Community College. He also has a bachelor of hospitality management with a minor in business management from Colorado State University. He loves to ski and explore.

Nicholas Higbee, shareholder

Nicc is the Chief Marketing Officer of Verts Neighborhood Dispensaries and Vice President of Operations for Verts Missouri. He has worked with Verts and the Close family since 2021, and led the company's effort to commence and operate four medical marijuana dispensaries across Missouri.

Upon the legalization of adult-use cannabis, Nicc converted all four licenses to comprehensive (adult-use and medical) operations and oversaw the launch of the company's adult-use sales in February. He also assisted with Verts' launch in the Michigan market, helping with operational start-up on the group's first dispensary in Traverse City.

Nicc's hospitable approach to retail in the cannabis space stems from his more than a decade of experience in bar and nightclub management, where he always had a strong passion for team building and serving others. While the business was fun and fulfilling, the hours were not conducive to raising kids, so Nicc channeled his passion for his community into civil servant work for the City of Kansas City, Kan. His leadership skills blossomed there and he quickly became a project manager. As rewarding as the work was, he was drawn to Verts by the people and the opportunity to build teams and create experiences.

H. Personnel Experience - Executive Summary

Nicc has an associate's degree in fire science. He lives in Kansas City with his wife and two daughters.

Joseph Feucht, shareholder

Joe is a Colorado cannabis industry veteran with deep experience in the development and management of cultivation and retail facilities. Joe co-founded Verts with Ashley Close and has been an integral member of the team.

Joe is also the owner and co-founder of Verts Neighborhood Dispensary in Fort Collins, where he has overseen all aspects of the development and operations of the company's cultivation facility. Joe has owned and operated Verts since 2013 and was instrumental in building the vertically integrated company.

Leading the Verts cultivation facility, Joe oversaw the buildout and staffing of the facility, and is responsible for all daily operations, including growing, cloning, vegging, flowering, up-potting, transferring and packaging. He is also involved in daily management of the company's finances, licenses, business acquisition strategy and advocacy efforts.

Joe is a graduate of the University of South Carolina. He lives in Larimer County with his wife and their two daughters.