

BR, Inc.

BY OVERNIGHT MAIL

JAN 19 2018

January 16, 2018

RE: DRAFT MEDICAL MARIJUANA
REGISTRATION
APPLICATION

Monica Bharel, M.D., Commissioner
Massachusetts Department of Public Health
Medical Use of Marijuana Program
99 Chauncy Street, 11th Floor
Boston, Ma 02111

Attention: Eric Sheehan, Bureau Director

RE: October 23, 2017 Request for Information
(Management and Operations Profile, Application 2 of 3)

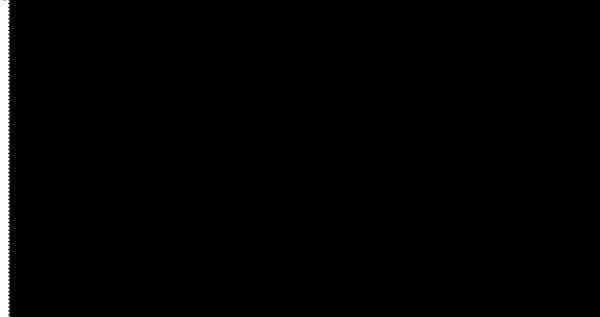
Dear Commissioner Bharel:

I write in response to the letter from Eric Sheehan, Esq. to BR, Inc. ("BRI" and f/k/a Khem Organics Inc.), titled Request for Information and dated October 23, 2017 ("October RFI"). The paragraphs numbered below correspond to the numbered requests in the October RFI.

1. BRI correctly identified [REDACTED] and Sandra [REDACTED] as capital contributors in the Application of Intent (2 of 3), and those two individuals continue to be capital contributors. Attached please find a corrected Section F indicating as much.
2. Attached please find a copy of the Master Services Agreement ("MSA") executed by BRI and KO Resources LLC ("KOR"). The MSA stands in place of the management agreement referenced in the October RFI. As described in response to Management and Operations Profile questions 11, 12, 14 and 15, the MSA states that KOR will provide services to the applicant in exchange for compensation. Also attached please find an independent legal opinion of Thomas J. Hamel, Esq. stating that the MSA is in compliance with 105 CMR 725.100(A)(1) and the Guidance for Registered Marijuana Dispensaries regarding Non-profit Compliance.
3. Attached please find a letter titled "Opinion of Value" provided by James McRory, a Massachusetts-licensed real estate appraiser specializing in commercial property doing business as Berkshire County Realty Co. This Opinion of Value demonstrates that the rental value of the property at 501 Dalton Avenue equals \$40 per square foot. Also attached please find: (i) the commercial

assignment and sublease executed by BRI and KOR; and (ii) the first amendment to the commercial assignment and sublease. These two documents demonstrate the real estate interest possessed by BRI, and demonstrate how the parties have conformed the stated rent to the Opinion of Value provided by Mr. McRory.

4. Attached please find a completed response to Question E.18 describing the length of experience for the corporation's Chief Executive Officer.
5. Attached please find a completed response to Question E.23 BRI's methods of producing MIPs.
6. Attached please find a completed response to Question E.24 identifying the correct section of the regulations.
7. Attached please find a completed response to Question E.26 identifying the correct section of the regulations.
8. Attached please find a completed response to Question E.35 identifying the correct section of the regulations.
9. Attached please find a completed response to Question E.36 that complies with the definition of verified financial hardship as set forth in the applicable regulations.



Encls.

SECTION F. CAPITAL CONTRIBUTORS

List all persons and entities known to date that are committed to contributing 5% or more of initial capital to operate the proposed RMD. For entities contributing initial capital to operate the proposed RMD, list the entity's Chief Executive Officer/Executive Director and President/Chair of the Board of Directors.

Attach additional tables if needed.

Individual Name	Amount of Initial Capital Committed	% of Initial Capital Committed
Matthew C. Feeney	\$ 690,023.67	71%
[REDACTED] & Sandra J. [REDACTED]	\$ 437,120.34	29%
	\$	
	\$	
	\$	

Entity Name	Leadership Names	Amount of Initial Capital Committed	% of Initial Capital Committed
KO Resources LLC	<div style="background-color: black; height: 60px; width: 300px; margin-bottom: 5px;"></div> Entity CEO/ED <div style="background-color: black; height: 60px; width: 300px;"></div>	\$500,450.65	100
KO Resources LLC	Entity Pres/Chair <div style="background-color: black; height: 60px; width: 300px; margin-bottom: 5px;"></div>		
KO Resources LLC	Entity CEO/ED <div style="background-color: black; height: 60px; width: 300px; margin-bottom: 5px;"></div>	\$527,743.07	100
	Entity Pres/Chair <div style="background-color: black; height: 60px; width: 300px; margin-bottom: 5px;"></div>		
	Entity CEO/ED <div style="background-color: black; height: 60px; width: 300px; margin-bottom: 5px;"></div>	\$	
	Entity Pres/Chair <div style="background-color: black; height: 60px; width: 300px; margin-bottom: 5px;"></div>		

Information on this page has been reviewed by the applicant, and where provided by the applicant, is accurate and complete, as indicated by the initials of the authorized signatory here: [REDACTED]

COMMERCIAL ASSIGNMENT AND SUBLEASE

This is a Commercial Assignment and Sublease ("Assignment/Sublease") in which Assignor and Assignee are the parties named below, and which relates to land, together with building and improvements located at 501 Dalton Ave, Pittsfield, Massachusetts as more fully described below. The parties to this instrument hereby agree with each other as follows:

ARTICLE I

Basic Assignment Provisions

1.1 Introduction. The following sections of this Article set forth definitions and basic data. Each reference in this Assignment to any of the titles or terms contained in this Article I shall be construed to incorporate the definitions or data stated under that title or term.

1.2 Definitions and Basic Data.

Date of Lease

December 1, 2017

Date of Execution:

September 1, 2017

Commencement Date:

September 25, 2017

Contingency Period:

A period of time beginning upon the Commencement Date and expiring upon the receipt by BR Inc. of a Final Certificate and municipal permits as necessary to establish and operate a Licensed Marijuana Facility on the Premises. Assignor shall have exclusive use of the Premises during the Contingency Period, provided that Assignor will permit Assignee access to the Premises.

Date of Possession:

Assignee shall have possession of the Premises within ten (10) days of the expiration of the Contingency Period.

Landlord:

Wojtkowski Bros. Inc. ("Landlord")

Landlord's Mailing Address:

1548 W. Housatonic St.
Pittsfield, Massachusetts 01201

Tenant/Assignor: KO Resources LLC ("Assignor" or "KOR")

Assignor's Mailing Address: 100 North Street, Suite 405
Pittsfield, Massachusetts 01201

Subtenant/Assignee: BR, Inc. f/k/a Khem Organics Inc. ("Assignee" or "BR")

Assignee's Mailing Address: 501 Dalton Avenue
Pittsfield, Massachusetts 01201

Premises: The land, together with building and improvements consisting of approximately 26,800+/-square feet and accompanying land located at 501 Dalton Avenue, Pittsfield, Massachusetts as more fully described in a deed of Ohana Realty LLC to the Landlord recorded on April 28, 2016 at the Berkshire Middle District Registry of Deeds at Book 05734 Page 123 and attached hereto as Exhibit "A".

Term: One (1) Year from the Date of Possession (12 calendar months), subject to termination as detailed in Section 3.2.

Extension Periods: Assignor may extend the Assignment for one or more successive periods of one (1) year, provided that Assignee is not in material default beyond any applicable notice and cure periods, upon written notice to Assignee.

Base Rent: \$68.00 per square foot annually, Triple Net (\$1,822,400.00 annually; \$151,866.67 monthly).

First Extension Period Rent: \$76.50 per square foot annually.

Second Extension Period Rent: \$88.45 per square foot annually.

Third Extension Period Rent: \$117.64 per square foot annually.

Real Estate Taxes: All real estate taxes and other municipal assessments assessed during the Term on the Premises by the City of Pittsfield.

Permitted Use: Cultivation, production, storage and retail or medical sale of marijuana and marijuana-infused products and all uses ancillary, incidental or necessary thereto ("Assignee's Business") in a manner consistent with Massachusetts law.

MSA: That certain Master Services, Equipment Rental and Manufacturing and Licensing Agreement between Assignor and Assignee of even date herewith.

ARTICLE II

Assignment and Sublease of Premises

2.1 Assignment and Sublease of Premises. Except as provided in this Assignment or the MSA or inconsistent with the Law/Regulations Related to Assignee's Business, Assignor hereby assigns and subleases to Assignee, and Assignee hereby accepts from Assignor, as is, the Premises .

ARTICLE III

Commencement, Term and Alterations

3.1 Commencement Date, Term and Extensions. This Assignment shall be effective on the Date of Execution. The Term shall commence on the Date of Possession and shall continue for a term of one (1) years plus any applicable Extension Period. Assignor may extend this Assignment for one or more successive periods of one (1) year, provided that Assignee is not in material default beyond any applicable notice and cure periods, upon written notice to Assignee.

3.2 Early Termination. In the event that Assignor or Assignee do not receive all required governmental and municipal approvals necessary for operation of its business, including certificates, licenses, special permits and authorizations from the city of Pittsfield, the Commonwealth of Massachusetts or any department or agency thereof, by December 31, 2017 ("Early Termination Date"), Assignee has the option to terminate this Assignment by providing Assignor written notice of termination no later than midnight on the date two (2) days next after the Early Termination Date. Additionally, this Lease shall terminate contemporaneously with the MSA.

3.3 Contingency Period. Assignee's obligations under this Assignment shall be contingent upon: (i) receipt by Assignee of a license, permit and/or certificate to establish and operate a Licensed Marijuana Facility; and (ii) receipt by Assignee of all certificates, licenses, special permits and authorizations required from the city of Pittsfield to establish, occupy and operate a Licensed Marijuana Facility at the Premises (collectively the "Approvals").

ARTICLE IV

Rent

4.1 Base Rent. Assignee agrees to pay to Assignor, at Assignor's Mailing Address (or at such other place as Assignor shall from time to time designate by notice) in advance, on the first day of each calendar month thereafter during the Term, Base Rent as set forth above. Rent for any partial month shall be prorated and paid by Assignee to Assignor at such rate.

4.2 Accrual of Rent. The Assignee shall not be in default at any time of its obligations under this Assignment/Sublease for non payment of rent if Assignee is fully operational at the Premises with respect to Assignee's Business, but due to cash flow deficiencies is without the then current financial means to make its current rent obligations. In such event Assignee's obligation to pay rent shall accrue and be due and payable in full for all past due rental payments on the first business day following Assignee's financial ability to tender and pay to the Assignor the past due rental payments. Assignee shall provide monthly cash-flow statements to Assignor prior to and during any such rent deferral periods. Assignee shall further prioritize the payment of any past due rent above any and all other accounts payable other than those deemed essential to the continued operations of Assignee.

ARTICLE V

Real Estate Taxes and Operating Costs

5.1 Real Estate Taxes/Water and Sewer Charges. Upon presentation and demand by Assignor, Assignee shall pay to Assignor all Real Estate Taxes or water and sewer charges assessed against the Premises during the Term and any Extension Period.

5.2 Abatements. Assignee's obligation to pay real estate taxes shall be based upon such taxes "as abated" or finally determined. Out of any refund or abatement of such taxes, Assignee shall be entitled to recover one hundred per cent (100%) of any such refund or abatement and the costs associated with presenting and prosecuting the refund or

abatement. The pendency of an abatement proceeding shall in no way affect Assignee's obligation to pay Taxes as provided above.

5.3 Assignee's Operating Costs. Assignee shall pay to Assignor all operating costs associated with the Premises as presented to Assignee by Assignor. Such operating costs shall include the costs associated providing maintenance and repair of the interior of the Premises, the heating, ventilation and air conditioning systems ("HVAC Systems"), and the plumbing and electrical systems during the Term. Such operating costs shall also include the monthly utility expenses or provisions for electricity, gas service, internet, fiber technology, connections and/or other utilities, as necessary and required for Assignee's Business.

5.4 Assignor's Maintenance Costs. Assignor shall maintain the roof, exterior walls, parking lot, foundation, underground or below, the foundation, water, sewer and utility pipes, lines, mains and conduits, the structural components and all exterior common areas of the Premises.

5.5 Termination. In case of the expiration or termination of this Assignment prior to the end of the Term by reason soley based on Assignee's default, Assignee's obligation to make payments of Real Estate Taxes and Assignee's Operating Costs under this Assignment shall continue and shall cover all periods up to the expiration of the Term. Assignor shall have a reciprocal obligation to refund to Assignee or give Assignee credit for its portion of any tax abatement received after the expiration or termination of the Assignment.

ARTICLE VI

Exterior Areas

Assignor shall maintain and repair and keep reasonably free from snow and ice the walkways, sidewalks, parking areas, roadways, entrances and exits and the like (herein called "Exterior Areas") for the Premises. Assignor shall not be liable for any inconvenience or minor interruption of Assignee's Business resulting from the making of repairs, replacements, improvements, or alterations, or the doing of any other work, to or on the Exterior Areas.

ARTICLE VII

Assignee's Covenants

7.1 Negative Covenants of Assignee. Assignee shall not:

- (i) use any portion or all of the Premises for the use, generation, treatment, storage or disposal of oil, asbestos, hazardous materials, hazardous wastes, or hazardous substances (collectively, the "Materials"), as such terms from time to time are defined under federal or state environmental laws, without the express prior written consent of Assignor, and then only to the extent that the presence of the Materials is (a) properly licensed and approved by all appropriate governmental officials and in accordance with all applicable laws and regulations and (b) in compliance with any terms and conditions stated in said prior written approval by Assignor and (c) required for the pursuit of Assignee's Business.
- (ii) use any portion of the Premises , except the interior of the store portion of the Premises , to display, store, or sell merchandise, inventory, parts, or the like with regard to Assignee's Business;
- (iii) use in or about the Premises any media that may be objectionable to Assignor, such as but not limited to, hand bills, loud speakers, phonographs or radio broadcasts that may be heard outside the Premises ;
- (iv) permit anything to be done about the Premises which shall be unlawful, improper or contrary to any law, ordinance, regulation, or requirement of any public authority or insurance inspection rating bureau, or similar organization, or which may be injurious to or adversely affect the general character of the Premises and inconsistent with Assignee's Business, provided however that the foregoing provision shall not restrict the ability of Assignee to engage in Assignee's Business;
- (v) burn any trash on or near the Premises , or permit any offensive odors to be emitted from the Premises , inconsistent with Assignee's Business;
- (vi) overload, damage or deface the Premises including but not limited to the water and sewer lines and utility lines and connections;
- (vii) do, or suffer to be done, or keep, or suffer to be kept, or omit to do anything in, upon or about the Premises inconsistent with Assignee's Business which, may prevent the obtaining of any insurance including, but without limitation, fire, extended coverage, and public liability insurance, on the Premises or on any property therein, or which may make void or voidable such insurance or which may create any extra premiums for, or increase the rate of, any such insurance. If anything shall be done or kept, or omitted to be done, in, upon or about the Premises which shall create any extra premiums for, or increase the rate of, any such insurance, Assignee will pay the increased cost of the same to Assignor upon demand; and

(viii) do, or suffer to be done, or keep or suffer to be kept, or omit to do anything in, upon or about the Premises which may prevent Assignor from obtaining, or cause the revocation of, any government license, permit, certificate of right or authority, or other document, necessary for Assignee to operate the Assignee's business including, but not limited to, government requirements related to the use or capacity of the waste system in the Premises or any building thereon. If as a direct or indirect result of Assignee's Business, an addition to or change in the Assignee's facilities shall be required by law, ordinance, by-law or other governmental regulation, the addition or change shall be installed and paid for entirely by Assignee.

7.2 Affirmative Covenants of Assignee. Assignee shall:

- (i) except as provided in Section 4.2 above, pay rent and all other sums due from Assignee to Assignor at the time and in the manner provided for in this Assignment, without offset, setoff or deduction for any reason whatsoever except as expressly provided in case of casualty or eminent domain;
- (ii) timely file and use greatest efforts to procure all licenses, permits and approvals which may be required for Assignee's Business at the Premises ;
- (iii) except as otherwise provided in this Assignment/Sublease, indemnify, defend and save Assignor harmless against any claim, damage, liability, cost, penalty, fine or expense (including attorneys' fees and cost of litigation) which Assignor may suffer or incur as a result of Assignee's possession and occupancy including but not limited to ground, air, noise or water pollution or discharge of any Materials caused by Assignee in its use of the Premises;
- (iv) prohibit any of its employees, patients, customers, guests or invitees from smoking cannabis, consuming cannabis products or loitering for such purposes anywhere upon the Premises unless such consumption is specifically permitted by Massachusetts statute or regulation; provided however that Assignee may from time to time use the Premises to hold and conduct educational, health and wellness classes, counseling and meetings on the Premises, and Assignor hereby acknowledges and agrees that such use is a permitted use under this Assignment; and

(v) immediately provide Assignor with copies of all notices received by Assignee, including, without limitation, any notices of violations, notices of responsibility or demand for action, from any federal, state or local authority or official in connection with the presence of Materials in or on the Premises or an allegation that Assignee is causing ground, air, noise or water pollution or that the Assignee's Business is being conducted in violation of any applicable law, regulation or ordinance.

7.3 Notwithstanding any provision of this Assignment to the contrary, Assignor and Assignee agree, acknowledge and understand that Assignee intends to use the Premises as, or in connection with, a Licensed Marijuana Facility regulated pursuant to 105 CMR 725.000 et seq., for so long as such regulation is applicable to Assignee's Business, and that Assignee intends to use the Premises to acquire, cultivate, possess, process (including development of related products such as edible MIPs, tinctures, aerosols, oils, or ointments), transfer, transport, sell, distribute, dispense, or administer marijuana, products containing marijuana, related supplies, or educational materials to registered qualifying patients or their personal caregivers, as now permitted by the laws of the Commonwealth or as permitted by law in the future ("Assignee's Business").

ARTICLE VIII

Maintenance and Repairs

8.1 Assignor's Obligations.

(a) Subject to the provisions of Sections 8.4, 10.1, 10.2 and 13.4 and with the approval of Landlord, Assignor shall keep and maintain in good repair the following portions of the Building: foundation, roof, gutters, downspouts, marquee, structural columns and beams, and exterior walls (excluding the interior surface thereof) and Exterior Areas. Assignor shall not be required to make repairs to any of the above-described portions of the Building necessitated by act, default or negligence of the Assignee, or its officers, agents or employees, licensees, concessionaires or other occupants of the Premises, or those who come upon the Assignee's Business for the purpose of visiting or dealing with any of the foregoing. Assignor shall not be deemed to have committed a breach of any obligations to make repairs unless it shall have made such repairs negligently or unless it shall have received notice from Assignee in writing designating the particular repairs needed and shall have failed to make such repairs within a reasonable time after the receipt of such notice. Assignor's liability in either such case shall be limited to the cost of making the required repairs and in no event shall Assignor be liable for indirect or consequential damages.

(b) Assignor shall maintain regular service and maintenance of the HVAC Systems in accordance with the manufacturer's recommended procedures, including at a

minimum the following: (a) periodic inspections and cleaning of entire system; (b) regular replacement of filters as necessary; (c) service calls as needed; (d) repair and replacement of parts and components. Assignor shall be responsible for the maintenance, repair, upgrade and replacement of the system if and when said system fails, in accordance with the MSA.

(c) Assignor shall make alterations and repairs of whatever nature to the Premises required by applicable laws, ordinances, orders or regulations of any public authority or of any insurer, Board of Fire Underwriters, or similar insurance rating bureau having jurisdiction over the Premises .

8.2 Assignee's Obligations.

(a) Assignee shall keep the Premises in a neat, clean, sanitary condition and shall keep in good repair, excepting only damage caused by fire or other casualty or taking by eminent domain, the following portions of the Premises : the entire interior of the Premises including walls and ceilings; the exterior and interior of the store front; all plumbing, electrical, sewage, air conditioning, ventilating and heating equipment and the wiring, pipes, motors and fixtures used in connection therewith; the exterior and interior portions of all doors and windows, moldings and frames; all automatic door opening equipment; floor coverings; all interior and exterior signs; all loading docks and loading areas used exclusively by the Premises ; and all appliances, meters, fixtures and equipment appurtenant to the Premises .

(b) Assignee shall replace any glass which may be damaged or broken with glass of the same quality. Assignor shall also make available to Assignee the benefit of any builder's guarantee which Assignor may have from time to time. Upon receipt of prior written consent of Assignor, Assignee may paint and refurbish the Premises and restore or replace the floor covering at reasonable intervals. Assignee shall at all times keep the Premises attractive in appearance.

(c) Notwithstanding the above, Assignee shall not be required to make repairs necessitated by the default or negligence of Assignor, its employees, or contractors.

8.3 Manner of Making Repairs; Indemnification. All repairs, alterations, and maintenance work by either Assignor or Assignee shall be done in a good and workmanlike manner using first-class new materials and equipment and in accordance with the requirements of all laws, ordinances, orders or regulations of any public authority or of any insurer or insurance rating bureau having jurisdiction over the Premises .

8.4 Alterations and Additions. Assignee may make alterations, improvements or additions to the Premises only upon prior written approval of Assignor and only in compliance with the MSA. Assignee will assure that any such alterations, additions or improvements neither injure the safety of the structure of the Premises , nor diminish its

value, upon the expiration or other termination of this Assignment, Assignor may require Assignee either to restore the Premises to its condition prior to the making of such alterations, improvements or additions, or to have the Premises remain in its altered condition, provided however that Assignee shall have the sole and unfettered right to remove from the Premises any and all improvements or additions made by and to the Premises by Assignee during the Term.

8.5 Right to Enter. Assignee hereby grants Assignor and its agents a right to entry without charge or abatement of or reduction in rent or payment of damages for the following purposes: (i) to examine the Premises at reasonable times and, from time to time, to show the Premises to prospective purchasers, lenders and tenants; (ii) to make such repairs, improvements, alterations or additions as may be required by this Assignment or by any public authority having jurisdiction, or to facilitate making repairs or improvements to any other part of the Assignee's Business; (iii) to make repairs which Assignee may have failed promptly to make pursuant to Assignee's covenants, hereunder; (iv) to inspect, maintain, repair, upgrade and replace any equipment, fixtures or furnishings; or (v) to construct, install, repair or replace in the Premises or the approaches thereto any utility or waste line or pipe or any agency for the transmission through the Premises of electricity, heat, water, gas or power of any kind. Such right of entry shall adhere to any restrictions placed on such access by Massachusetts law or regulation (E.g., for so long as regulations set forth in 105 CMR 725.110(C)(4) remain applicable, such access may only occur on an "escorted access only" basis, provided however that any Person employed or retained by Assignor may, upon securing a Dispensary Agent designation in accordance with 105 CMR 725.030, exercise such right of entry) for so long as such law or regulation is applicable to Assignee's Business.

8.6 Fixtures. All signs, counters, shelving, equipment, and all other trade fixtures installed by or at the expense of Assignee shall remain the property of Assignee, and Assignee may remove the same at any time or times during the Term, and shall remove the same at the expiration or other termination of this Assignment unless excused in writing by Assignor. Subject to the provisions of the MSA, Assignee shall, at its cost and expense, make any and all repairs to the Premises and the floors and walls thereof as may become necessary by reason of such removal, including painting and patching where necessary. In the event that Assignee shall fail to remove its property or to make such repairs, on or prior to the last day of the Term, Assignor shall have the right to effect such removal and to store Assignee's property in a public warehouse at Assignee's expense, and to make such repairs, and Assignee shall forthwith reimburse Assignor for its costs therefor.

8.7 Yield-up; Removal of Goods. Except as directed by Assignor in writing or as otherwise provided in this Article, upon the termination of this Assignment, Assignee shall immediately remove its goods and effects and peaceably yield-up the Premises ,

broom-clean and in the same good order, repair and condition as it is obligated to maintain during the Term.

ARTICLE IX

Insurance

9.1 Casualty Insurance. During the Term, Assignor shall keep the Building insured against loss or damage by fire and other hazards included with usual "all-risk" coverage, in the amount of \$2 million, and with such deductibles and other coverages as Assignor deems appropriate, and shall list Landlord and Assignee as an additional insured and any lender of the Landlord if so required by any lender thereto.

9.2 Waiver of Subrogation. Assignor and Assignee hereby release each other and each other's officers, directors, employees and agents, from liability or responsibility for any loss or damage to property covered by valid and collectible all-risk insurance, or which would have been covered but for a party's failure to comply with the provisions of Section 9.1 above.

9.3 Non-Liability of Assignor. Assignor shall not be responsible or liable to Assignee for any loss or damage caused by the Assignee, or by its visitors, guests, invitees, employees, agents, contractors, or any other persons occupying or visiting any portion of the Premises.

9.4 Worker's Compensation. Assignee shall maintain worker's compensation insurance covering all persons employed by Assignee.

9.5 Certificates of Insurance. Each policy of insurance which Assignor is required to maintain under the provisions of this Article IX shall be with companies qualified to do business in the Commonwealth of Massachusetts, and shall name Landlord and Assignee as insured parties. Assignor shall maintain certificates of such insurance upon and after the Date of Possession, and thereafter new certificates not later than thirty (30) days prior to the expiration of the policies.

9.6 Increases in Coverage. On at least one occasion during the Term, and during any Extension Period, Assignor and Assignee shall discuss in good faith whether the insurance coverages secured by the parties under Article IX are sufficient to protect the parties' interests. Upon mutual agreement, the parties agree to adjust such coverages, with premiums for such adjustments allocated as set forth in Article IX. Each party will provide written notice to the other of any such adjustment within thirty (30) days.

ARTICLE X

Fire and Other Casualty

10.1 Fire or Other Casualty. In case the Premises or any part thereof shall be damaged or destroyed by fire, or ordered to be demolished by the action of any public authority in consequence of a fire or other casualty, or damaged or destroyed by other casualty, this Assignment shall, unless it is terminated as provided below, remain in full force and effect and Assignor shall at its sole expense, proceeding with all reasonable dispatch, repair or rebuild the Premises in a good and workmanlike manner so as to restore them to the condition they were in immediately prior to such damage, destruction or demolition. Notwithstanding such obligation, Assignor (a) shall not be responsible for any delay which may result from governmental regulations, inability to obtain labor or materials or any other cause beyond Assignor's reasonable control and (b) shall not be required to expend in such repair or rebuilding more than the proceeds of insurance, if any, recovered or recoverable with respect to the damage, destruction or demolition. Subject to the provisions of the MSA, Assignee shall at its expense, proceeding with all reasonable dispatch, repair or replace such of Assignee's Improvements including its fixtures and equipment as may have been damaged or destroyed. Assignee shall not be required to repair or restore fixtures installed by Assignee which have become part of the real estate. There shall be a reasonable abatement of the Annual Fixed Rent payable hereunder from the time of the damage or destruction until completion of the repairs or rebuilding to be made by Assignor. In case seventy-five percent 75% or more of the area of the Premises is destroyed or so damaged by fire or other casualty insured under Assignor's fire and extended coverage insurance policy as to render the Premises untenantable, or in case the Premises shall be materially damaged by any casualty other than those covered by such insurance policy, Assignor may at its election, by notice to Assignee given within sixty (60) days after such destruction or damage, terminate this Assignment.

10.2 Termination Rights. If the Premises are damaged or destroyed by fire or other casualty so as to render the Premises substantially unsuitable for their intended use, Assignee may elect to terminate this Assignment upon thirty (30) days' written notice to Assignor if:

- A. Assignor fails to give written notice within sixty (60) days of the fire or casualty of its intention to restore the Premises; or

- B. Assignor fails to commence restoration of the Premises as above provided within ninety (90) days of the fire or casualty. Assignor's obligations to restore shall (1) be limited to that work for which the proceeds of insurance made available to Assignor by any mortgagee holding a mortgage covering the premises are sufficient to pay in full; and (2) extend only to repair and restoration of the real estate constituting the Premises, expressly exclusive of any and all personal property, trade fixtures and equipment of Assignee. Any balance of net insurance proceeds remaining after payment in full of all work which Assignor is obligated to do shall be retained by Assignor; or
- C. Seventy-five percent (75%) or more of the area of the Premises is destroyed by fire or other casualty; or
- D. Assignee is forced to discontinue operations for at least forty-five (45) cumulative days.

Assignee must provide reasonable written notice within fourteen (14) days after the expiration of the period within which Assignor must act under A. or B., as the case may be.

10.3 Assignor Preference on Insurance Settlement. Assignor shall have the right to make all insurance settlement negotiations and to make a final settlement on any insurance claims affecting its rights under this Assignment.

ARTICLE XI

Eminent Domain

11.1 Definitions. As used in this Assignment, the following words have the following meanings:

- (a) "Award" means the award for or proceeds of any Taking less all expenses in connection therewith, including reasonable attorney's fees.
- (b) "Taking" means the taking of, or damage to, the Premises or the Building or the Assignee's Business or any portion thereof, as the case may be, as the result of the exercise of any power of eminent domain, condemnation, or purchase under threat thereof or in lieu thereof.
- (c) "Taking Date" means the date on which the condemning authority shall have the right to possession of the Premises or the Assignee's Business or any portion thereof, as the case may be.

11.2 Total or Partial Taking of Premises. If all of the Premises shall be taken, except for a Taking for temporary use, this Assignment shall be cancelled automatically as of the Taking Date. If a part amounting to twenty-five percent (25%) or more of the ground

floor area of the Premises shall be taken, Assignee shall have the option to cancel this Assignment. The option to cancel may be exercised within ninety (90) days of the Taking Date by giving Assignee sixty (60) days' written notice that the option has been exercised.

11.3 Abatement and Restoration. If a portion of the Premises shall be taken, except for a Taking for temporary use, and this Assignment shall not be cancelled under Section 11.2, the following shall apply: (a) the Base Rent shall be reduced in the proportion that the area of the Premises so taken bears to the entire area of the Premises ; and (b) Assignor shall restore the remaining portion of the Premises to substantially the same condition they were in prior thereto, to the extent practical, to render it reasonably suitable for Assignee's use, provided, however, that Assignor shall not be obligated to expend an amount greater than the Award for the restoration, and subject to zoning laws and building codes then in existence.

11.4 Taking for Temporary Use. If there is a Taking of the Premises for temporary use, this Assignment shall continue in full force and effect, and Assignee shall continue to comply with Assignee's obligations under this Assignment, except to the extent compliance shall be rendered impossible or impracticable by reason of the Taking.

11.5 Disposition of Awards. All Awards arising from a total or partial Taking of the Premises or of Assignee's leasehold interest awarded to Assignor or Assignee shall belong to and be the property of Assignor without any participation by Assignee. Assignee hereby assigns to Assignor any share of such Award which may be awarded to Assignee, and hereby waives any rights it may have with respect to the loss of its leasehold interest in the Assignment and the Premises as a result of a Taking. Assignee agrees to execute such instruments as may be necessary to effectuate the foregoing assignment, and agrees to turn over to Assignor any Award which may be recovered by it. Notwithstanding the foregoing, Assignee shall be entitled to any separate award for loss of movable trade fixtures installed by it or for relocation expenses, but only if such award is made in addition to the award for loss of leasehold and for interests in the land and buildings.

ARTICLE XII

Assignment and Subletting

Only upon receipt of prior written approval of Assignor, Assignee may assign its obligations or sublet under this Assignment in whole or in part to a third party. Such approval may be withheld for any reason or for no reason at all, and may be withheld unreasonably. If this Assignment shall be further assigned, or if the Premises or any part thereof shall be underlet or occupied by anybody other than Assignee, Assignor may elect nevertheless to collect rent from Assignee. No such assignment, occupancy or collection shall be deemed a waiver or release of Assignee from full performance hereunder. Notwithstanding any assignment or any indulgence granted by Assignor at any time to

any third party, Assignee shall remain fully and primarily liable on this Assignment and shall not be released from performing any of its terms, covenants and conditions unless such primary liability is released by Assignor in writing.

ARTICLE XIII

Defaults and Remedies

13.1 Assignee's Default. The following conditions shall be considered an "Assignee" Default":

- (a) Subject to the provisions of Section 4.2, failure to pay rent or any other charge as and when due under this Assignment with such failure not remedied within ten (10) days after written notice to Assignee by Assignor. Assignee will only have two rights to cure a default in any calendar year and any subsequent failure to pay rent or other charges when due in that same calendar year will be a Default after notice without a right to cure; or
- (b) if the estate hereby created shall be taken on execution or by other process of law; or
- (c) if Assignee shall be liquidated or dissolved or be declared insolvent according to law, or if any assignment shall be made of its property for the benefit of creditors, or if any proceedings, including without limitation proceedings for reorganization or for an "arrangement," shall be commenced by Assignee; or against Assignee under any bankruptcy or insolvency law now or hereafter enacted and the same shall not be dismissed within ninety (90) days from the time of their commencement, provided Assignee is actively contesting the proceeding; or
- (d) if a receiver, guardian, conservator, trustee or assignee, or any other similar officer or person shall be appointed to take charge of all or any part of Assignee's property; or
- (e) if any court shall enter an order with respect to Assignee providing for the modification or alteration of the rights of creditors; or
- (f) if Assignee shall vacate the premises or close for business for a period exceeding three (3) months; or
- (g) if Assignee shall assign or sublet all or any part of the Premises without Assignor's prior written consent; or

- (h) upon any change in Massachusetts law or regulation such that Assignee secures any right to participate in the recreational sale of any marijuana, marijuana plant, marijuana flower, edible marijuana-infused product, marijuana extract or any other marijuana product or by-product, or any license or permission in connection with such purpose; or
- (i) upon any change in the laws or regulations of the United States relative to taxation of controlled substances, including but not limited to any amendment to Section 280E of the Internal Revenue Code, which might change, limit, modify, expand, repeal or otherwise disrupt current law with respect to ordinary and necessary business expenses; or
- (j) upon any change in the laws or regulations of the United States relative to marijuana as a controlled substance, including but not limited to any change to Schedule 1., 21 CFR 1308.11, or the Controlled Substances Act, 21 U.S.C. § 812(b)(1), which might limit, modify, expand, repeal or otherwise disrupt current law with respect to marijuana; or
- (k) if Assignee shall fail to cure any other breach of any of the other terms, provisions, conditions, or covenants contained in this Assignment on Assignee's part to be performed or observed within the time period required, but in no event more than thirty days after notice unless the cure is impossible to achieve within thirty (30) days, in which case the thirty-day period shall be extended for the number of days required to cure.

In the event of a Default (notwithstanding any license, or any former breach of covenant or waiver of the benefit thereof, or consent in a former instance), Assignor shall have the right, at its election, then or at any time thereafter during the continuance of the Default, either: (1) to give Assignee written notice that (i) this Assignment is terminated on a date certain specified in such notice, and (ii) Assignee's right to possession of the Premises shall cease and that this Assignment shall thereupon be terminated; or (2) without demand or notice, to re-enter and take possession of the Premises or any part thereof in the name of the whole and repossess the same as of Assignor's former estate and expel Assignee and those claiming through or under Assignee and remove the effects of both or either (forcibly, if necessary) without being deemed guilty of any manner of trespass and without prejudice to any remedies for arrears of rent or preceding breach of covenants.

Assignee hereby waives all statutory rights (including without limitation rights of redemption, if any), to the extent such rights may be lawfully waived. Should Assignor elect to re-enter and take possession as herein provided, Assignor may either terminate this Assignment or, without terminating this Assignment, re-let the Premises or any part thereof from time to time for such terms and conditions as Assignor may deem advisable.

with the right to make alterations and repairs to the Premises . Assignor shall take reasonable steps to mitigate damages, and Assignor may grant concessions or charge a rental in excess of that provided in this Assignment.

Notwithstanding any provision of this Assignment to the contrary, any right of re-entry exercised by Assignor hereunder shall adhere to Massachusetts law and regulation, and shall occur on an "escorted access only" basis, as set forth in 105 CMR 725.110(C)(4) for so long as such regulation is applicable to Assignee's Business.

13.2 Current Damages. No termination or repossession provided for in this Article shall relieve Assignee of its liability and obligations under this Assignment, all of which shall survive such termination or repossession. In the event of any such termination or repossession, Assignee shall pay the rent and other sums as hereinbefore provided up to the time of such termination; and thereafter Assignee, until the end of what would have been the term of this Assignment in the absence of such termination or repossession and whether or not the Premises shall have been re-let, shall be liable to Assignor for and shall pay Assignor as liquidated current damages (a) the rent and other charges which would be payable hereunder if such termination or repossession had not occurred less (b) the net proceeds, if any, of any re-letting of the Premises , after deducting all Assignor's expenses in connection with such re-letting, including without implied limitation all repossession costs, warehouse charges, brokerage commissions, alteration costs, and expenses of preparation for such re-letting.

13.3 Assignor's Self-Help. If Assignee shall default in the performance or observance of any agreement or condition in this Assignment other than an obligation to pay money to Assignor, and shall not cure such default within thirty (30) days after notice from Assignor specifying the default (or shall not within said period commence to cure such default and thereafter prosecute the curing of such default to completion with due diligence), Assignor may, at its option, without waiving any claim for damages for breach of agreement, at any time thereafter, cure such default for the account of Assignee, and any amount paid or contractual liability incurred by Assignor in so doing shall be deemed paid or incurred for the account of Assignee, and Assignee agrees to reimburse Assignor therefor, or save Assignor harmless therefrom; provided, however, Assignor may immediately cure any such default if the curing of the same is necessary to protect the real estate or Assignor's interest therein, or to prevent injury or damages to persons or property. If Assignee shall fail to reimburse Assignor upon demand for any amount paid for the account of Assignee, such amount shall be added to and become a part of the next or any succeeding payments of rent due plus an additional payment of ten percent (10%) of the amount due on a monthly basis until such sum is paid.

13.4 Assignor's Default. Assignor shall not be deemed to be in default hereunder unless its default shall continue for ninety (90) days, or such additional time as is reasonably required to correct its default, after written notice thereof has been given by

Assignee to Assignor specifying the nature of the alleged default. The obligations of Assignor hereunder shall be binding upon Assignor and each succeeding owner of Assignor's interest hereunder only during the period of such ownership, and Assignor and each succeeding owner shall have no liability whatsoever except for their obligations during each such respective period.

13.5. Limitation on Landlord or Assignor Remedies. Notwithstanding any provision of this Assignment to the contrary, no right of entry, possession or sale, either set forth expressly in this Assignment or arising as a matter of law, shall permit Landlord or Assignor to claim, control, possess, secure, sell or dispose of any marijuana, marijuana plant, marijuana flower, edible marijuana-infused product, marijuana extract or any other marijuana product or by-product. Any such marijuana located on the Premises shall be controlled in accordance with 105 CMR 725.000 et seq., and if provided by law, under the supervision of the Massachusetts Department of Public Health for so long as such regulation is applicable to Assignee's Business.

ARTICLE XIV

Omitted

ARTICLE XV

Arrangements With Mortgagee

15.1 Assignment Subordinate to Mortgage. It is agreed that the rights and interests of Assignee under this Assignment shall be subject and subordinate to any mortgages of record on the Date of Execution, and to any and all advances to be made thereunder, and to the interest thereon, and all modifications, renewals, replacements, and extensions thereof.

15.2 Assignment of Rents. With respect to any assignment by Assignor of Assignor's interest in this Assignment, or the rents payable hereunder, conditional in nature or otherwise, which assignment is made to the holder of a mortgage on the Premises, Assignee agrees that the execution thereof by Assignor, and the acceptance thereof by the holder of such mortgage, shall not be deemed an assumption by such holder of any of the rights of Assignor hereunder, unless such holder shall, by written notice sent to Assignee, specifically elect, or unless such holder shall foreclose the mortgage, take possession of the Premises, and agree in writing to so assume Assignor's rights.

ARTICLE XVI

Miscellaneous Provisions

16.1 Additional Definitions and Interpretations.

(a) The words "Landlord" and "Assignor" and "Assignee" and the pronouns referring thereto, as used in this Assignment, shall mean, where the context requires or admits, the persons or entities named herein as Landlord and Assignor and Assignee, respectively, and their respective heirs, legal representatives, successors and assigns, irrespective of whether singular or plural, masculine, feminine or neuter.

(b) If Assignee shall consist of more than one person or entity, or if there shall be a guarantor of Assignee's obligation, then the liability of all such persons or entities, including the guarantor, if any, shall be joint and several and the word "Assignee," as used in this Assignment, shall include such person or entities, including any guarantors.

16.2 Holding Over. If Assignee or anyone claiming under it shall remain in possession of the Premises or any part thereof after the expiration of the Assignment Term without written agreement between Assignor and Assignee, the party remaining in possession shall, prior to acceptance of rent by Assignor, be deemed a tenant at sufferance, and, after acceptance of rent by Assignor, be deemed a tenant at will subject to the provisions of this Assignment insofar as the same may be made applicable to a tenancy at will; provided, however, that the Base Rent for the period of such tenancy shall be two times the highest rate of Base Rent payable during the Term.

16.3 Showing Premises. Assignor shall have reasonable access to the Premises during the last six (6) months of the Term for the purpose of exhibiting the Premises to prospective tenants and purchasers and for putting up "For Sale" or "For Rent" signs, which signs Assignee agrees not to move, remove, block or otherwise interfere with. Such right of access shall adhere to the strictures of Massachusetts law and regulation, and shall occur on an "escorted access only" basis, as set forth in 105 CMR 725.110(C)(4) for so long as such regulation is applicable to Assignee's Business.

16.4 Mechanic's Lien. Assignee agrees immediately to discharge (by payment, by filing of any necessary bond or otherwise) any mechanic's, materialmen's or other lien against the Premises and/or Assignor's interest therein which may arise out of any payment due for, or purported to be due for, any labor, services, material, supplies, or equipment alleged to have been furnished to or for Assignee in, upon or about the Premises.

16.5 No Brokerage. Assignee warrants and represents that it is not now and has never been represented by a realtor or broker in connection with this Assignment. Assignor warrants and represents that it has dealt with no broker in connection with the consummation of this Assignment.

16.6 Notices. Whenever, by the terms of this Assignment, any notice, consent or other communication relating to this Assignment shall or may be given, such notice shall be given in writing and deemed to have been given (i) when delivered or refused by hand during regular business hours, (ii) three (3) days after being sent by United States Postal Service, registered or certified mail, postage prepaid, receipt requested, (iii) the next business day if sent by a reputable national overnight express mail service that provides tracing and proof of receipt or refusal of items mailed, (iv) when sent if sent by facsimile during business hours, addressed to Seller or Buyer, as the case may be, at the address or addresses or facsimile number set forth below or such other addresses as the parties may designate in a notice similarly sent or (v) when sent by electronic mail. Notice by counsel to a party to counsel for the other party shall constitute notice from such party. Notwithstanding the foregoing, written notice addressed to Assignee and delivered to Assignee at the Premises shall be sufficient notice and deemed duly given upon tender of delivery.

Any notice to the Landlord shall be copies, via first class mail, or by electronic mail, to:

Wojtkowski Bros. Inc.
1548 W. Housatonic Street
Pittsfield, Massachusetts 01201
albert@plt.com

Any notice to Assignor shall be copies, via first class mail, or by electronic mail, to:

KO Resources LLC.
100 North Street Suite 405
Pittsfield, Massachusetts 01201
[REDACTED]

Any notice to Assignee shall be copies, via first class mail, or by electronic mail, to:

BR Inc.
501 Dalton Avenue
Pittsfield, Massachusetts 01201
[REDACTED]

16.7 No Waiver. Failure of Assignor to complain of any act or omission on the part of Assignee, no matter how long the same may continue, shall not be deemed to be a

waiver by Assignor of any of its rights hereunder. No waiver by Assignor at any time, express or implied, of any breach of any provisions of this Assignment shall be deemed a waiver of a breach of any other provision of this Assignment or a consent to any subsequent breach of the same or of any other provision. If any action by Assignee shall require Assignor's consent or approval, Assignor's consent to or approval of such action on any one occasion shall not be deemed a consent to or approval of such action on any subsequent occasion or a consent to or approval of any other action on the same or any subsequent occasion. No payment by Assignee or acceptance by Assignor of a lesser amount than shall be due from Assignee to Assignor shall be deemed to be anything but payment on account and the acceptance by Assignor of a check for a lesser amount with an endorsement or statement thereon or upon a letter accompanying said check that said lesser amount is payment in full shall not be deemed an accord and satisfaction and Assignor may accept said check without prejudice to recover the balance due or pursue any other remedy.

16.8 Force Majeure. In the event that either party shall be delayed or hindered in or prevented from the performance of any act hereunder, other than paying money, by reason of strikes, lockouts, labor troubles, inability to procure materials, failure of power, restrictive governmental laws or regulations, riots insurrection, war or other reasons of a like nature not the fault of the party delayed in performing work or doing acts required under the terms of this Assignment, then performance of such act shall be excused for the period of delay and the period of such party's performance of any such delay. The provisions of this Section shall in no event operate to excuse Assignee from the prompt payment of any rent or other payments required by this Assignment. In any case where work is to be paid for out of insurance proceeds or condemnation awards, due allowance shall be made, both to the party required to perform such work and to the party required to make such payments, for delays in the collection of such proceeds or awards.

16.9 Recording. Assignee shall not record this Assignment. Upon request by Assignor or Landlord, the parties shall execute a notice of assignment in statutory form setting forth the Commencement Date, Term and Extension Periods, if any, and such other information as may be required under Massachusetts law.

16.10 Late Charges; Bad Checks. In the event (a) the rent and/or any additional charges are not paid within five (5) days of the due date, or (b) of a dishonored check from Assignee, Assignee shall pay Assignor an amount equal to Fifty dollars (\$50.00) for each such occurrence. In the event that two (2) or more of Assignee's checks are dishonored, Assignor shall have the right, in addition to all other rights under this Assignment, to demand all future payments by certified or bank check or money order. The grace period herein provided shall in no way modify or stay Assignee's obligation to pay rent on the first day of each month, nor shall same preclude Assignor from pursuing the remedies under Article XIII or as otherwise allowed by law.

16.11 Paragraph Headings. The paragraph headings throughout this instrument are for convenience and reference only, and the words contained therein shall in no way be held to explain, modify, amplify or aid in the construction, interpretation, or meaning of the provisions of this Assignment.

16.12 Governing Law. This Assignment and the performance thereof shall be governed, interpreted, construed and regulated by the laws of the Commonwealth of Massachusetts.

16.13 Separability; Construction and Interpretation. If any term or provision of this Assignment, or provision of this Assignment, or the application thereof to any person or circumstance shall, to any extent, be invalid or unenforceable, the remainder of this Assignment, or the application of such term or provision to persons or circumstances other than those as to which it is held invalid or unenforceable, shall not be affected thereby, and each term and provision of this Assignment shall be valid and be enforced to the fullest extent permitted by law. It is the intention of the parties hereto that if any provision of this Assignment is capable of two constructions, one of which would render the provision valid, then the provision shall have the meaning which renders it valid.

16.14 Entire Agreement. This Assignment shall constitute the only agreement between the parties relative to Assignee's use and occupancy of Premises . The parties anticipate other agreements relative to Assignee's Business which the parties anticipate may occur at the Premises . No oral statements and no prior or contemporaneous written matter not specifically incorporated herein shall be of any force or effect. This Agreement shall not be modified except by writing executed by both parties.

16.15 Execution. This Assignment may be executed in any number of original counterparts. Each fully executed counterpart shall be deemed an original for all purposes.

16.16 Signage. In the event that signage is allowed under local zoning ordinances to be placed on the Premises, Assignee shall have the exclusive right to do so. Assignor, by executing this Assignment, grants Assignee the exclusive right permission to erect and maintain a signage on the Premises at the sole expense of Assignee, provided such acts are in conformance with the MSA.

EXECUTED as a sealed instrument.

ASSIGNOR:

ASSIGNEE:

1

Exhibit A

Deed

QUITCLAIM DEED

OHANA REALTY, LLC, a Massachusetts limited liability company of Pittsfield, Berkshire County, Massachusetts, for consideration paid in the amount of **SIX HUNDRED TWENTY-FIVE THOUSAND and 00/100 (\$625,000.00) DOLLARS**, grant to **WOJTKOWSKI BROS., INC.**, a Massachusetts corporation, whose business address is 1548 W. Housatonic Street, Pittsfield, Massachusetts 01201, with **QUITCLAIM COVENANTS**, the land with buildings and improvements thereon located in said Pittsfield, Berkshire County, Massachusetts, bounded and described as follows:

Beginning at a point in the northerly line of the Mass. State Highway Routes 8 and 9, known locally as Dalton Avenue, which point marks the southeasterly corner of a parcel of land conveyed by Ronald E. Oliveira Trustee of Poor Associates Realty Trust to C.C. R. Real Estate Trust by deed dated January 24, 1970 and recorded in Berkshire Middle District Registry of Deeds in Book 920, Page 622;

Running thence North 18 degrees, 14 minutes, 45 seconds West, along the easterly line of said land so conveyed to C. C. R. Real Estate Trust, a distance of 200.00 feet to a point marking the northeasterly corner thereof;

Running thence South 71 degrees, 45 minutes, 15 seconds West, along the northerly line of the above-mentioned land so conveyed to C. C. R. Real Estate Trust, a distance of 87.00 feet to a point marking the northwesterly corner thereof, said point also marks the northeasterly corner of a parcel of land conveyed by All-State of Virginia Incorporated to The Prudential Insurance Company of America by deed dated June 17, 1958 and recorded in the above-mentioned Registry of Deeds in Book 673, Page 403, said point is further described as marking the southeasterly corner of a parcel of land conveyed by Frank N. Morganstern, Executor, to Kenneth D. Conway, Trustee of Del and Ken's Realty Trust, by deed dated July 27, 1970 and recorded in the above-mentioned Registry of Deeds in Book 892, Page 494;

Running thence North 18 degrees, 14 minutes, 45 seconds West, along the easterly line of said land so conveyed to Kenneth D. Conway, Trustee of Del and Ken's Realty Trust, a distance of 350.00 feet to a point;

Running thence North 71 degrees, 45 minutes, 15 seconds East, along a line that forms a right angle with the last-above-described course, and being also along land of Martin Berezin, a distance of 322.00 feet to a point in the easterly line of land of the Grantor herein, being also in the westerly line of a parcel of land conveyed by H. J. Bridgmen, Inc. to Abbott Carson Combes, Jr. by deed dated January 26, 1953 and recorded in the above-herein-mentioned Registry of Deeds in Book 594, Page 31, which parcel of land is now or formerly owned by Abbott Carson Combes, III, under the terms of Berkshire Probate Court Docket No. 66463;

Running thence South 18 degrees, 14 minutes, 45 seconds East, along a line that forms a right angle with the last above-described course, being also along the easterly line of land of the Grantor herein, and being also along the westerly line of land of the above-mentioned land of Abbott Carson Combes, III, a distance of 73.30 feet to a point;

Running thence South 15 degrees, 57 minutes, 00 seconds West, along the southeasterly line of land of the grantor herein, being also along the northwesterly line of said land of Abbott Carson Combes, III, a distance of 334.55 to a point;

Running thence North 71 degrees, 45 minutes, 15 seconds East, along the southerly line of said land of Abbott Carson Combes, III, a distance of 15.35 feet to a point, which point also marks the northwesterly corner of a parcel of land conveyed by Berkshire Bank & Trust Company, dated June 5, 1970 and recorded in the above-mentioned Registry of Deeds in Book 892, Page 65;

Running thence South 18 degrees, 14 minutes, 45 seconds East along the easterly line of the Grantor herein, being also along the westerly line of said land so conveyed to Dreikorn's Bakery, Inc., a distance of 200.00 feet to a point in the said northerly line of Dalton Avenue, which point marks the southwesterly corner of said land so conveyed to Dreikorn's Bakery, Inc. and which point is further described as being 40.70 feet westerly of Massachusetts Highway Bound set opposite Station 73.00 of the Commonwealth of Massachusetts Department of Public Works record plan for the above-herein-mentioned State Highway Routes 8 and 9;

Running thence South 71 degrees, 45 minutes, 15 seconds West, along the northerly line of Dalton Avenue, a distance of 62.35 feet to the place of beginning

Subject to and with the benefit of a gas and water easement dated Nov. 12, 1976, given to the grantor herein by Martin Berezin and recorded in the aforesaid Registry of Deeds in Book 982, Page 734.

The above-described parcel of land is a portion of Parcel One and all of Parcel Three, conveyed by 495 Dalton Avenue, Inc., to Max and Carol Linda Realty Trust by deed dated October 25, 1959 and recorded in Berkshire Middle District Registry of Deeds in Book 698, Page 58.

The "Grantor herein" referred to in this description is Irving I. Siegel and Robert R. Siegel, Trustees of Max and Carol Linda Realty Trust, and its successors and/or assigns.

The above-described parcel of land is conveyed subject also to an easement taken by eminent domain by the City of Pittsfield, Mass., under City Council Order 165A, Series of 1963, signed by the Mayor of Pittsfield, Mass. on September 12, 1963 and recorded in Berkshire Middle District Registry of Deeds in Book 771, Page 348;

The above-described parcel of land is conveyed subject also to a fifty foot wide right of way conveyed by Earle Kriger, Trustee of the Max and Carol Linda Realty Trust to Ronald E. Oliveira, Trustee of Poor Associates Realty Trust, dated December 24, 1970, and recorded in said Registry in Book 899, Page 414.

This conveyance is also subject to an easement for water drainage granted to the Pittsfield Housing Authority by Earle Kriger, Trustee of Max and Carol Linda Realty Trust, dated December 10, 1968 and recorded in said Registry in Book 868, Page 292&c.

The above described parcel of land is conveyed subject to a water and sewer easement from Irving I. Siegel and Robert R. Siegel, Trustees of Max and Carol Linda Realty Trust to Kenneth Conway Trustee of Del and Ken's Realty Trust dated July 21, 1975 and recorded in said Registry in Book 1033, Page 1027.

This conveyance is subject to an Order of Conditions issued by the Pittsfield Conservation Commission recorded December 8, 1997 in said Registry of Deeds in Book 1583, Page 913 as affected by a Partial Certificate of Compliance recorded December 2, 1998 in Book 1634, Page 409.

This conveyance is subject to a Massachusetts Department of Environmental Protection Order of Conditions recorded in said Registry in Book 1749, Page 263&c and another Massachusetts Department of Environmental Protection Order of Conditions recorded in said Registry in Book 3966, Page 35&c.

Being all and the same premises conveyed to the Grantor herein by deed of DJ&J, Inc. dated and recorded April 4, 2008 in the Berkshire Middle District Registry of Deeds in Book 4024, Page 146.

This conveyance is made in the ordinary course of the grantor's business and does not constitute all or substantially all of the Grantor's Massachusetts assets.

Real estate taxes for the fiscal year having been apportioned between the parties hereto, this conveyance is made subject to said taxes which the grantees hereby assume and agree to pay.

WITNESS my hand and seal this 21st day of April, 2016

OHANA REALTY, LLC

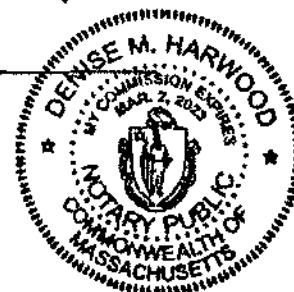
By Trevor P. Volastro
TREVOR P. VOLASTRO, Manager

COMMONWEALTH OF MASSACHUSETTS

BERKSHIRE, SS.

On this 21st day of April, 2016, before me, the undersigned notary public, personally appeared TREVOR P. VOLASTRO, manager of OHANA REALTY, LLC proved to me through satisfactory evidence of identification, which was personal knowledge and acquaintance, to be the person whose name is signed on the preceding or attached document, and acknowledged to me that he signed it voluntarily for its stated purpose.

Denise M. Harwood
Denise M. Harwood
My Commission expires: 03/02/23



FIRST AMENDMENT TO COMMERCIAL ASSIGNMENT AND SUBLEASE

This First Amendment relates to a certain Commercial Assignment and Sublease ("Assignment/Sublease") executed on December 1, 2017 by KO Resources LLC ("Assignor" or "KOR") and BR, Inc. f/k/a Khem Organics Inc. ("Assignee" or "BRI"). Said Assignment/Sublease relates to land, together with building and improvements thereon, located at 501 Dalton Ave, Pittsfield, Massachusetts.

The Assignor and Assignee hereby agree as follows:

Whereas, the Assignment/Sublease provides in Section 1.2 that Assignee will pay Base Rent of \$68.00 per square foot annually, Triple Net, with First Extension Period Rent of \$76.50 per square foot annually, Second Extension Period Rent of \$88.45 per square foot annually, and Third Extension Period Rent \$117.64 per square foot annually.

Whereas, the parties desire to amend the Assignment/Sublease such that Base Rent shall be \$40.00 per square foot annually, Triple Net, with Extension Period Rent fixed at \$40.00 per square foot annually.

Whereas, the parties desire to amend the Assignment/Sublease in the following certain respect.

Now, therefore, in consideration of Ten Dollars (\$10.00), the mutual covenants contained herein and other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, Assignor and Assignee agree as follows:

1. All capitalized terms used herein shall have the same meaning as set forth in the Assignment/Sublease unless otherwise defined herein.
2. Section 1.2 is hereby amended by striking the text styled "Base Rent" and inserting in place thereof the following text:

Base Rent: \$40.00 per square foot annually, Triple Net (\$1,072,000.00 annually; \$89,333.33 monthly).

3. Section 1.2 is hereby amended by striking the text styled "First Extension Period Rent" and inserting in place thereof the following text:

First Extension Period Rent: \$40.00 per square foot annually.

4. Section 1.2 is hereby amended by striking the text styled "Second Extension Period Rent" and inserting in place thereof the following text:

Second Extension Period Rent: \$40.00 per square foot annually.

5. Section 1.2 is hereby amended by striking the text styled "Third Extension Period Rent" and inserting in place thereof the following text:

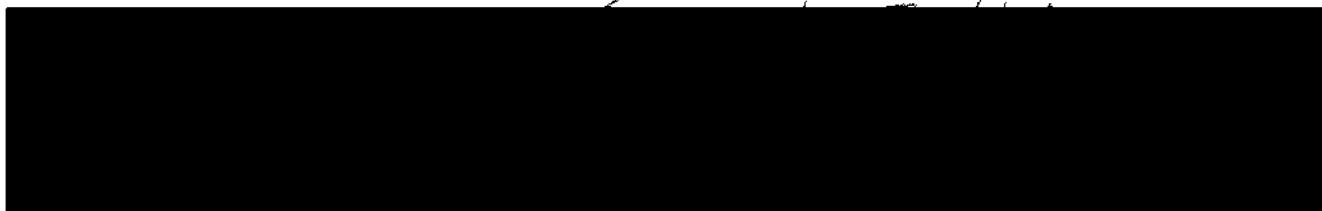
Third Extension Period Rent: \$40.00 per square foot annually.

6. This Amendment shall be effective as of the date of its execution.
7. All terms and conditions in the Lease not expressly amended hereby shall remain in full force and effect.

EXECUTED as a sealed instrument this 5 day of January 2018.

ASSIGNOR:

ASSIGNEE:



18. Describe the experience, and length of experience, of the Corporation's Chief Executive Officer, Chief Operations Officer, and Chief Financial Officer with providing health care services.

[REDACTED] has provided health care services to patients in the ER, ICU and other hospital-based settings. He has held an RN license in Massachusetts for more than 5 years. He has been affiliated with St. Peter's Hospital (Trinity Health) in Albany and Berkshire Health Systems in Pittsfield. After completing nursing school, he finished rotations at BMC in Pittsfield and at Fairview Hospital in Gt Barrington. Among other disciplines, JM trained in the management of chronic pain management. He has since developed expertise in ICU care, including the management of pain in chronically ill patients.

[REDACTED] has devoted his nursing career treating patients suffering from acute and chronic pain. In the ICU, his work has focused on cancer treatment, pain management and anesthesiology in community-based and hospital settings. He has extensive clinical experience, and has worked with surgeons, PCPs, RNs, ICU techs and other health care professionals to coordinate plans for pain management and comprehensive care.

As an RN, [REDACTED] has partnered with specialists and patient PCPs to craft pain management therapies for chronically ill patients. He has experience in pharmacology and drug therapies designed to address acute pain. He consults with physicians from a range of medical disciplines, including anesthesiology, oncology, physical therapy and ER medicine. More recently, he has trained in providing chronic pain assessment in conjunction with substance abuse treatment, opioid therapy screening and cognitive behavioral disorders.

As an RN, [REDACTED] worked at Berkshire Meadows in Gt Barrington, a Chapter 766 residential facility for children suffering from severe developmental disabilities, including autism, down syndrome, cerebral palsy and a variety of neurological disorders. [REDACTED] provided hands-on health care for the disabled children living at the facility. Working with medical professionals, physical therapy staff, orthopedic specialists and others, [REDACTED] communicated with patients and their families, learned about specific patient needs and worked with Berkshire Meadow staff to coordinate care.

COO [REDACTED] has extensive experience in designing and preparing cannabis medicine. [REDACTED] has served as director of cultivation at Maine Organic Therapy Inc, a non-profit cultivation and dispensary formed in 2010 to serve patients in Ellsworth. [REDACTED] has also served on a consulting basis as director of plant science to Canuvo Inc., a Maine non-profit supplying medicinal grade cannabis strains to patients in the Biddeford area. At both organizations, he has used his cultivation skills, MIP expertise and knowledge of plant science to prepare medicine designed to meet individual patient requirements. His usual practice is to interact with dispensary agents (and from time to time directly with patients) in order to design a cannabis product suitable for patient use.

CFO [REDACTED] a CPA, has no experience providing health care services.

22. Describe the types and forms of Marijuana Infused Products ("MIPs") that the RMD intends to produce, if any.

Khem will provide an abundant selection of MIPs designed to allow patients to custom tailor their medicinal regimen. Many patients have differing conditions that will require a specific mode of ingestion. Under the direction of COO [REDACTED], Khem will produce high THC, high CBD, and mixed ratio MIPs for our patients to match their medicine with their specific ailments. Khem will utilize fresh, local, and organic ingredients while providing patient specific MIPs when allergies or intolerances are a factor in the patient's selection of medicine.

Upon specific requests from our patients, our staff will be able to produce less common, patient specific medicine. MIPs that Khem will regularly produce will include, but not limited to, the following: vaporization cartridges (an alternative to combustion); various forms of non-psychoactive medicine; supercritical extracted CO2 oil; cookies, brownies and chocolates and other confectionaries; glycerin and ethanol tinctures (via capsules, syringes, dropper and spray bottles); sublingual lozenges for patients who have trouble swallowing; cannabis-infused mineral waters; juiced cannabis; cooking oils; and transdermal applications such as patches and salves.

23. Provide a summary of the RMD's methods of producing MIPs, if the RMD intends to produce MIPs.

Khem will manufacture and store MIP's in a commercial grade, state of the art processing facility in compliance with §725.105(D) and §725.500. Khem MIPs production facility will adhere to requirements per §725.105(C). All employees will complete a ServSafe Food Handler Course and examination, by Cannabis Trainers Inc. of Denver.

Extraction methods will be used to process marijuana and isolate specific desirable cannabinoids. Refined extractions will be used to infuse MIPs at desired dosages. Khem will utilize Apecks's Fully Automated CO2 Botanical Extraction system to produce a safe extraction of high medicinal value. The FDA classifies CO2 as non-toxic and GRAS. Dry-sieve & ice-water extraction methods will be used to produce clean, safe extractions which requires the use of water and ice as a solvent.

Marijuana infused oil, butter and tinctures will be produced primarily for production of baked goods and other MIPs. Khem will use proprietary software platform to conduct inventory management and POS systems. Such technology will allow RMD to track production of MIPs from raw cannabis to finished product. MIPs will be inventoried and packaged in plain, opaque, tamper-proof, child-proof containers, in accordance with §725.110(E).

34. Provide a summary of the RMD's plans for providing patient education.

Khem will educate patients about medical marijuana, and help make informed choices about the products. Upon registering with Khem, patient cardholders will review and sign our Patient Policy Form, in which access to educational materials will be explained.

Khem staff will encourage patients to take advantage of our educational resources, including interactive multimedia, pamphlets, and informative articles on Khem's website, all of which will be provided in multilingual verbal and nonverbal forms. Khem's materials will allow patients to track their selections, dosage, mode of ingestion, and associated effects with each strain. This methodology will help patients hone their medicinal regiments, while allowing staff to become familiar with specific patient needs. Seminars and counseling sessions will be held from time to time, and will explore different topics guided by industry professionals and Khem staff.

35. Provide a summary of the RMD's operating procedures for patient or personal caregiver home-delivery, if the RMD plans to provide home-delivery services.

Khem Home Delivery Service (HDS) will be safe, secure, and closely monitored to be sure it is meeting patient demand. All HDS delivery transports will be conducted in a manner compliant with § 725.110(E). Khem will select certain dispensary agents to participate in HDS. These agents will undergo training prior to performing job functions.

A secure touchtone and digital menu will be provided for patients to submit orders for HDS. Orders will be filled by agents, packaged with an order form and stored in white opaque, ASTM certified, childproof bag. Orders for HDS will be placed in an additional, large, white opaque child proof bag.

Each HDS will require two agents. Prior to departure, staff will follow the transportation procedures described in response to question 27. At the time of departure, Khem will provide dispensary agents with the required paperwork and a hard copy of a randomly generated delivery route.

One agent, obligated to remain in the vehicle at all times, will record arrivals and departures in hard copy and digital forms using MJ Freeway's software. The second agent, delivering medicine to the patient at home, will record the transaction using MJ Freeway's mobile POS capability. InterGuard Employee Monitoring Software will record all phone and tablet activity during HDS. Khem's operating procedures for dispensing marijuana through HDS will adhere to §725.105(F), and will be subject to review and improvement by Khem's CEO and COO at least bi-annually.

36. Provide a summary of the RMD's policies and procedures for the provision of marijuana for medical use to registered qualifying patients with verified financial hardship without charge or at less than the market price.

In accordance with §725.004, Khem will provide a comprehensive program to offer discounted marijuana to patients with documented verified financial hardship. Patients will be deemed eligible for Financial Assistance (FA) upon presentation of proof of any one (1) of the following:

- Enrollment in MassHealth
- Enrollment in Supplemental Security Income
- Individual income not in excess of 300% FPL
- Current receipt of unemployment benefits
- Status as a wounded or disabled veteran

Khem will ensure that FA records remain confidential at all times, with access limited to authorized Khem employees. Khem will closely monitor the transactions and status of all FA patients. Khem will ensure that patients remain eligible for FA while also tracking potential diversion. Khem will provide free or reduced cost personal home delivery for FA patients within the Khem service area. Khem believes that the FA program will advance and complement its non-profit mission of serving patients. Therefore, Khem intends to review its FA program from time to time, and at least annually, to assure that it adequately serves patients and complies with §725.100(A)(6).

37. Provide a summary of the training(s) that the RMD intends to provide to Dispensary Agents.

Khem's CEO and COO will lead Khem's training program for dispensary agents (DAs). In depth training for all DAs will ensure maximum efficiency and productivity in all aspects of operations and management. Khem intends to provide all staff with a detailed Employee Handbook, clearly describing all provisions and requirements for employment.

Khem will provide a general orientation for DAs. DAs will receive digital and hard copies of the Handbook and 105 CMR 725.000 et seq. Training will focus on patient confidentiality, sensitivity, security, anti-diversion training, and other protocols. After completion of the orientation, DAs will sign a form acknowledging an adequate understanding of the Handbook and DPH regulations. Orientation will not count towards the minimum annual 8 hours of training required by §725.105(H).

Khem will devote those hours to providing extensive job-specific training. Performed by the CEO or COO, the training will include an intensive overview of the job duties, along with a shadowing process until DAs are competent to meet the demands of the position in a responsible and patient-focused manner.

As required by §725.105(H), additional mandatory and voluntary training will be provided from time to time throughout the year. DAs will be required to maintain certifications unique to their positions and will be incentivized to pursue training and certificate programs.