

**IN THE SUPREME COURT OF THE  
STATE OF NEVADA**

NUVEDA, LLC,

Petitioner,

vs

EIGHTH JUDICIAL DISTRICT  
COURT OF THE STATE OF  
NEVADA, IN AND FOR THE  
COUNTY OF CLARK, THE  
HONORABLE ELIZABETH  
GONZALEZ, DISTRICT JUDGE,

Respondent,

SHANE TERRY,

Real Party in Interest.

Electronically Filed  
Jun 09 2021 02:02 p.m.  
Elizabeth A. Brown  
Clerk of Supreme Court

Supreme Court Case No. 82767

Case: A-20-817363-B

Lead Case: A-17-755479-B

Other Consolidated Cases with Lead  
Case:

A-19-791405-C and A-19-796300-B

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**APPENDIX FOR PETITION FOR WRIT OF PROHIBITION OR, IN THE  
ALTERNATIVE, PETITION FOR WRIT OF MANDAMUS (Volume XII)**

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LAW OFFICE OF MITCHELL STIPP  
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DATED this 9th day of June, 2021.

LAW OFFICE OF MITCHELL STIPP

A handwritten signature in black ink, appearing to read "Mitchell Stipp", is written over a horizontal line.

MITCHELL STIPP, ESQ.

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# EXHIBIT “6”

NUVEDA'S APPENDIX 0852

**OPERATING AGREEMENT  
OF  
CWNV, LLC  
A NEVADA LIMITED LIABILITY COMPANY**

**EFFECTIVE AS OF MARCH 22, 2016**

**OPERATING AGREEMENT  
OF  
CWNV, LLC,  
a Nevada Limited Liability Company**

This Operating Agreement is made and entered to be effective into as of the 22<sup>nd</sup> day of March, 2016, by the undersigned, who constitute all of the initial members of CWNV, LLC, also referenced as CWNV, a Nevada limited liability company (the "Company"), with reference to the following facts:

A. On January 21, 2016, Articles of Organization for the Company were filed in the Office of the Nevada Secretary of State; and

B. The initial members of the Company desire to adopt and approve an operating agreement for the Company.

Now, therefore, the initial members of the Company hereby set forth as the operating agreement for the Company, in accordance with the laws of the State of Nevada, and upon the terms and subject to the conditions set forth herein, the following agreement:

**ARTICLE I**

**DEFINITIONS**

1.01 The following terms used in this Operating Agreement shall have the following meanings (unless otherwise expressly provided herein);

(a) "Articles of Organization" shall mean the Articles of Organization of CWNV, LLC, also referenced as CWNV, LLC, a Nevada limited liability company, as filed with the Secretary of State of Nevada as the same may be amended from time to time.

(b) "Capital Account" as of any given date shall mean the Capital Contribution to the Company by a Member as adjusted up to the date in question pursuant to Article VIII.

(c) "Capital Contribution" shall mean any contribution to the capital of the Company in cash or property by a Member whenever made as adjusted from time to time to reflect properly any additional contributions or withdrawals by the Members. "Initial Capital Contribution" shall mean the initial contribution to the capital of the Company pursuant to this Operating Agreement.

(d) "Capital Interest" shall mean the proportion that a Member's positive Capital Account bears to the aggregate positive Capital Accounts of all Members whose Capital Accounts have positive balances as may be adjusted from time to time.

(e) "Code" shall mean the Internal Revenue Code of 1986 or corresponding provisions of subsequent superseding federal revenue laws.

(f) "Deficit Capital Account" shall mean with respect to any Member, the deficit balance, if any, in such Member's Capital Account as of the end of the taxable year, after giving effect to the following adjustments:

(i) credit to such Capital Account any amount which such Member is obligated to restore under Section 1.704-1(b)(2)(ii)(c) of the Treasury Regulations, as well as any addition thereto pursuant to the next to last sentence of Sections 1.704-2(g)(1) and (i)(5) of the Treasury Regulations, after taking into account thereunder any changes during such year in partnership minimum gain (as determined in accordance with Section 1.704-2(d) of the Treasury Regulations) and in the minimum gain attributable to any partner nonrecourse debt (as determined under Section 1.704-2(i)(3) of the Treasury Regulations); and

(ii) debit to such Capital Account the items described in Sections 1.704-1(b)(2)(ii)(d)(4), (5) and (6) of the Treasury Regulations.

This definition of Deficit Capital Account is intended to comply with the provision of Treasury Regulations Section 1.704-1(b)(2)(ii)(d) and 1.704-2, and will be interpreted consistently with those provisions.

(g) "Distributable Cash" means all cash, revenues and funds received by the Company from Company operations, less the sum of the following to the extent paid or set aside by the Company: (i) all principal and interest payments on indebtedness of the Company and all other sums paid to lenders; (ii) all cash expenditures incurred incident to the operation of the Company's business; and (iii) such Reserves as the Managers deem reasonably necessary to the proper operation of the Company's business.

(h) "Economic Interest" shall mean a Member's or Economic Interest Owner's share of one or more of the Company's Net Profits, Net Losses and distributions of the Company's assets pursuant to this Operating Agreement and the Nevada 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 or Managers.

(i) "Economic Interest Owner" shall mean the owner of an Economic Interest who is not a Member.

(j) "Entity" shall mean any general partnership, limited partnership, limited liability company, corporation, joint venture, trust, business trust, cooperative or association or any foreign trust or foreign business organization.

(k) "Fiscal Year" shall mean the Company's fiscal year, which shall be the calendar year.

(l) "Gifting Member" shall mean any Member or Economic Interest Owner who gifts, bequeaths or otherwise transfers for no consideration (by operation of law or otherwise, except with respect to bankruptcy) all or any part of its Membership Interest or Economic Interest.

(m) "Majority Interest" shall mean one or more Membership Interests which taken together exceed 50% of the aggregate of all Membership Interests.

(n) "Manager" shall mean one or more managers. If at any time there is more than one Manager, the term "Manager" as used herein shall refer to all of the Managers, except as otherwise expressly stated herein. The term "Director", if used in any Company documents, shall be the same as the term "Manager", and meetings of Managers may be referenced as meetings of the "Board of Managers" or "Board of Directors", synonymously and interchangeably.



(o) "Member" shall mean each party identified on Exhibit "A" to this Operating Agreement (attached hereto and incorporated herein by this reference) as a Member ("Initial Member") and each party who may hereafter become a Member. To the extent a Manager has purchased Membership Interests in the Company, such Manager will have all the rights of a Member with respect to such Membership Interests, and the term "Member" as used herein shall include a Manager to the extent such Manager has purchased such Membership Interests in the Company. If a Person is a Member immediately prior to the purchase or other acquisition by such Person of an Economic Interest, such Person shall have the rights of a Member with respect to such purchased or otherwise acquired Membership Interest or Economic Interest, as the case may be.

(p) "Membership Interest" shall mean a Member's entire interest in the Company including such Member's Economic Interest and the right to participate in the management of the business and affairs of the Company, including the right to vote on, consent to, or otherwise participate in any decision or action of or by the Members granted pursuant to this Operating Agreement and the Nevada Act.

(q) "Net Profits" and "Net Losses" shall mean the income, gain, loss, deductions and credits of the Company in the aggregate or separately stated, as appropriate, determined in accordance with accounting principles applied on a consistent basis using the cash method of accounting, at the close of each fiscal year on the Company's information tax return filed for federal income tax purposes.

(r) "Nevada Act" shall mean Chapter 86 of the Nevada Revised Statutes ("NRS"), as the same may be amended from time to time.

(s) "Operating Agreement" shall mean this Operating Agreement as originally executed and as amended from time to time.

(t) "Person" shall mean any natural person or Entity, and the heirs, executors, administrators, legal representatives, successors, and assigns of such natural person or Entity where the context so permits.

(u) "Reserves" shall mean, with respect to any fiscal period, funds set aside or amounts allocated during such period to reserves which shall be maintained in amounts deemed sufficient by the Manager for working capital and to pay taxes, insurance, debt service or other costs or expenses incident to the ownership or operation of the Company's business.

(v) "Selling Member" shall mean any Member that sells, assigns, pledges, hypothecates or otherwise transfers for consideration all or any portion of the Member's Membership Interest or Economic Interest by operation of law or otherwise.

(w) "Transfer" shall mean any sale, assignment, pledge, hypothecation, exchange, gift or any other transfer, or any lien, levy, charging order or other imposition against the interest of a Member. A "Transferor" is a Person who disposes of an interest by a Transfer; a "Transferee" is a Person who acquires an interest by a Transfer. The following may, by a Vote of the Members, be deemed to be a Transfer and a Withdrawal Event upon written notice to the Transferor and Transferee:

(i) A change in the general partner or general partners of a partnership Member;

(ii) The cumulative transfer or other change, within a twelve month period, of in excess of 33% of the voting power of a corporate Member, other than a Member having a class securities registered under Section 12 of the Securities Exchange Act of 1934.

(iii) A change in the trustees of a trust Member;

(iv) The appointment of a Proxy or other delegation of voting power or agreement therefor with a duration in excess of twelve (12) months; and

(v) A change in at least a majority of the managers of a manager-managed limited liability company or at least a majority of the members of member-managed limited liability company.

(x) "Transferring Member" shall collectively mean a Selling Member and a Gifting Member.

(y) "Treasury Regulations" shall include proposed, temporary and final regulations promulgated under the Code in effect as of the date of filing the Articles of Organization and the corresponding sections of any regulations subsequently issued that amend or supersede such regulations.

(z) "Vote of the Manager" shall mean the vote or written consent of the majority of the number of Managers (unless otherwise provided by law or this Operating Agreement).

(aa) "Vote of the Members," unless otherwise provided by law or this Operating Agreement, shall mean the vote or written consent of Members holding a Majority Interest.

## ARTICLE II

### FORMATION OF COMPANY

2.01 Formation. On January 21, 2016, the Company was organized as a Nevada limited liability company by having filed on its behalf Articles of Organization with the Nevada Secretary of State pursuant to the Nevada Act. In the event of a conflict between the Articles of Organization and this Operating Agreement, the Articles of Organization shall govern.

2.02 Name. The name of the Company is CWNV, LLC, a Nevada limited liability company.

2.03 Offices. The Company's office in Nevada for maintaining such records as are required under the Nevada Act shall be 611 South 6<sup>th</sup> Street, Las Vegas, Nevada 89101. The Company may locate its offices and maintain Company records at any other place or places as the Manager may from time to time deem advisable.

2.04 Agent for Service of Process. The Company's initial Registered Agent is Brian C. Padgett, Esq., having a street address of 611 South 6<sup>th</sup> Street, Las Vegas, Nevada 89101. The Registered Agent and such Registered Agent's business street address(es) may be changed from time to time by filing the new address(es) and/or the name of the new Registered Agent with the Nevada Secretary of State pursuant to the Nevada Act.

2.05 Term. The term of the Company shall be perpetual from the date of filing of Articles of Organization with the Secretary of State of the State of Nevada, unless the Company is earlier dissolved in accordance with either the provisions of this Operating Agreement or the Nevada Act.

## ARTICLE III

### PURPOSE OF COMPANY

3.01 Purpose. The Company is organized for all purposes permitted by law.

## ARTICLE IV

### NAMES AND ADDRESSES OF MEMBERS

4.01 The names and addresses of the Initial Members are set forth in Exhibit "A" hereto.

## ARTICLE V

### RIGHTS AND DUTIES OF MANAGERS

5.01 Management. The management of the business and affairs of the Company shall be vested in a Board of Managers (the "Managers"). Subject to the provisions of this Operating Agreement, the Managers shall direct, manage and control the business of the Company to the best of the Manager's ability. Except for Major Decisions (defined in Section 5.03 below), Unanimous Decisions (defined in Section 5.03 below), any other situation in which the approval of the Members is expressly required by this Operating Agreement, by nonwaivable provisions of applicable law, or by resolution (made subsequent to the date of this Operating Agreement) ratified by a Vote of the Members, the Manager shall have full and complete authority, power and discretion to manage and control the business, affairs and properties of the Company, to make all decisions regarding those matters and to perform any and all other acts or activities which may be reasonably required in light of the Company's business and objectives.

5.02 Number, Tenure and Qualifications. The number of managers constituting the Managers of the Company shall never be fewer than three (3), two of whom shall be nominated, elected and designated by CWNevada, LLC ("CW"), and the remaining manager shall be nominated, elected and designated by NuVeda, LLC ("NuVeda"). Notwithstanding anything contained herein to the contrary and at all times during the existence of the Company, NuVeda shall have the right to nominate, elect and designate the requisite number of managers constituting just less than a majority of the managers, so long as NuVeda, its successor or its permitted assignee is a member of CWNV. The number of Managers of the Company shall be fixed from time to time by the Vote of the Members and shall always be an odd number. Subject to the foregoing manager election rights of both CW and NuVeda, each manager shall hold office until such manager's successor shall have been elected and qualified by the Vote of the Members, which shall include the Manager's vote if he is a Member. Elections of Managers shall be held during the month in which occurs the anniversary date of the filing of the Company's Articles of Organization (the Election Month). Any other provisions of this Operating Agreement notwithstanding but subject to the manager election rights of both CW and NuVeda, Members shall be deemed to have notice that Managers are to be elected during the Election Month and shall notify the Manager by registered letter of their vote if they desire to replace any current Manager. Unless by the end of the Election Month, a replacement to a current Manager has been elected by the Vote of the Members subject to the foregoing manager election rights, then such Managers as are currently serving shall continue to hold office until the end of the next Election Month (unless removed by a Vote of the Members at an earlier time) and shall be considered to have been re-elected for the purposes of NRS § 86.291. Managers need not be residents of the State of Nevada or Members of the Company. The initial Managers of the Company are set forth in Exhibit "A" hereto. Upon any change in the Manager, Exhibit "A" shall be amended to reflect this change.

### 5.03 Certain Powers of Manager.

1. Except as set forth in Section 5.01 above and this Section 5.03, the Managers shall have the authority to make all everyday decisions, as fully as if the Member(s) were themselves making such decisions and in lieu thereof. The following "Major Decisions" must be made by a Vote of the Managers:

- (a) confess any judgment against the Company in an amount in excess of \$50,000;  
and

The following "Unanimous Decisions" must be made by the unanimous vote of the Managers:

- (a) Admit a new member to the Company, excluding Transfer under Article X.
- (b) sell, exchange or otherwise dispose of all or substantially all of the assets of the Company in a single transaction or series of transactions outside the Company's ordinary course of business;
- (c) encumber all or substantially all of the assets of the Company in a single lending transaction or a series of lending transaction outside the Company's ordinary course of business;
- (d) file any voluntary petition in bankruptcy on behalf of the Company, the consenting to the filing of any involuntary petition in bankruptcy against the Company; the filing of any petition seeking, or consenting to, reorganization or relief under any applicable federal or state law relating to bankruptcy or insolvency; the consenting to the appointment of a receiver, liquidator, assignee, trustee, sequestrator (or other similar official) of the Company or a substantial part of its property; the making of any assignment for the benefit of creditors; the admission in writing of the Company's inability to pay its debts generally as they become due; or the taking of any action by the Company in furtherance of any such action;
- (e) notwithstanding that it may constitute a conflict of interest, engage in any transaction with a Member or Manager of the Company, or any affiliate thereof, including, without limitation, any loan from a Member, Manager or affiliate thereof to the Company, and only so long as the terms and conditions of such transaction, on an overall basis, are fair and reasonable to the Company and are at least as favorable to the Company as those that are generally available from Persons capable of similarly performing them and in similar transactions between parties operating at arm's length; and
- (f) dissolve the Company.
- (g) merge, convert, exchange, reorganize or consolidate the Company with any other person or entity who is not an existing Member of the Company.

2. The Managers shall have the authority to take any other action or make any other decision which is not expressly reserved to the Member(s) either by law or by this Agreement. The Managers may, upon a Vote of the Manager, employ and delegate specific functions to other Persons or Entities to carry-out the day-to-day business operations of the Company. The Managers shall have the authority to create one or more committees or boards, under the terms and conditions prescribed by the Managers, to perform various functions that the Managers deem appropriate, including without limitation those identified on Exhibit "B" attached hereto and incorporated herein by this reference. The Managers shall obtain and maintain necessary insurance policies, including, without limitation, general liability covering the operations of the Company. In addition, the Managers shall provide monthly financial statements to the Members and carry out the terms and provisions identified on Exhibit "C" attached hereto and incorporated herein by this reference.

3. Unless authorized to do so by this Operating Agreement or by a Vote of the Manager of the Company, no attorney-in-fact, employee or other agent of the Company shall have any power or authority to bind the Company in any way, to pledge its credit or to render it liable pecuniarily for any purpose. No Member shall have any power or authority to bind the Company unless the Member has been authorized by a Vote of the Manager

to act as an agent of the Company in accordance with the previous sentence.

5.04 Liability for Certain Acts. Each Manager shall perform the duties as Manager in good faith, in a manner the Manager reasonably believes to be in or not opposed to the best interests of the Company. A Manager who so performs the duties of Manager shall not have any liability by reason of being or having been Manager of the Company. The Manager does not, in any way, guarantee the return of the Members' Capital Contributions or a profit for the Members from the operations of the Company.

5.05 Managers Have No Exclusive Duty to Company. No Manager shall be required to manage the Company as the Manager's sole and exclusive function and any Manager may have other business interests and may engage in other activities in addition to those relating to the Company. Neither the Company nor any Member shall have any right, by virtue of this Operating Agreement, to share or participate in such other investments or activities of the Manager or to the income or proceeds derived therefrom. The Manager shall incur no liability to the Company or to any of the Members as a result of engaging in any other business or venture.

5.06 Bank Accounts. The Manager may from time to time open bank accounts in the name of the Company, and Managers shall be the sole signatories thereon, unless the Manager determines otherwise.

5.07 Indemnity of the Manager, Employees and Other Agents. To the maximum extent permitted under the Nevada Act, the Company shall indemnify each Manager and make advances for expenses to the maximum extent permitted under the Nevada Act. The Company shall indemnify its employees and other agents who are not Managers to the fullest extent permitted by law, provided that such indemnification in any given situation is approved by Vote of the Members.

5.08 Resignation; Removal. Any Manager of the Company may resign at any time by giving written notice to the Members of the Company. The resignation of any Manager shall take effect upon receipt of notice thereof or at such later time as shall be specified in such notice; and, unless otherwise specified therein, the acceptance of such resignation shall not be necessary to make it effective. The resignation of a Manager who is also a Member shall not affect the Manager's rights as a Member and shall not constitute a withdrawal of a Member. A Manager who is nominated and elected by NuVeda may not be removed except, in addition to any other required vote set forth herein or required by the Nevada Act, with the written consent or approval of NuVeda. A Manager who is nominated and elected by CW may not be removed except, in addition to any other required vote set forth herein or required by the Nevada Act, with the written consent or approval of CW.

5.09 Vacancies. Any vacancy occurring for any reason in the number of Managers of the Company may be filled by the Vote of the Members; provided, however, that in the event of a resignation, removal, death or disability of a Manager elected by NuVeda, NuVeda shall nominate and elect the replacement Manager to fill such vacancy and, in the event of a resignation, removal, death or disability of a Manager elected by CW, CW shall nominate and elect the replacement Manager to fill such vacancy. Subject to the election rights of NuVeda as set forth in Section 5.02 above, any Manager's position to be filled by reason of an increase in the number of Managers shall be filled by the Vote of the Members. A Manager elected to fill a vacancy shall be elected for the unexpired term of the manager's predecessor in office and shall hold office until the expiration of such term and until the Manager's successor shall be elected and shall qualify or until the Manager's earlier death, resignation or removal. A Manager chosen to fill a position resulting from an increase in the number of Managers shall hold office until the last day of the month in which occurs the anniversary date of the filing of the Company's Articles of Organization and until the Manager's successor shall be elected and shall qualify, or until the Manager's earlier death, resignation or removal.

5.10 Salaries. The salaries and other compensation of each Manager shall be equal in amount and fixed from time to time by the Vote of the Members, and no Manager shall be prevented from receiving such salary by reason of the fact that he is also a Member of the Company.

5.11 Meetings of the Managers. A meeting of the Managers may be called by any Manager. A Manager may call the meeting by giving written notice of demand for such meeting to every Manager. Regardless of which Manager calls the meeting, the notice must be given no fewer than five (5) nor more than twenty (20) days before the meeting date. The notice must contain the date, time and place of the meeting, and it must contain a statement of the purposes of the meeting, along with any other information required by the Nevada Act. A waiver of notice signed by a Manager, whether before, at or after the meeting, shall be the equivalent of notice. Unless all Managers agree to the holding of a meeting at another place, all meetings of the Managers shall be held at the principal place of business of the Company. A conference among Managers by any means of communication through which the participants may simultaneously hear each other during the conference constitutes attendance at the meeting in person or by proxy if all other requirements for a meeting are met. There is no requirement that the Managers have a regularly scheduled meeting, whether annually or otherwise.

5.12 Quorum. A majority of the Managers must be present at a meeting for there to be a quorum to vote on such action. Once a Manager is present for any purpose at a meeting, the Manager is deemed present for quorum purposes for the remainder of that meeting and for any adjournment of that meeting, unless a new record date is or must be set for that adjourned meeting. A meeting may be adjourned and notice of any adjourned meeting is not necessary if the time and place to which the meeting is adjourned are announced at the

meeting at which the adjournment is taken. At any adjourned meeting at which a quorum of any voting group shall be present, any business may be transacted by such voting group which might have been transacted at the meeting as originally called.

5.13 Voting. Each Manager shall have one vote.

5.14 Action by Managers Without a Meeting. Action required or permitted to be taken at a meeting of Managers may be taken by unanimous written consent of the Managers without a meeting if the action is evidenced by one or more written consents describing the action taken, signed by each Manager. Action taken under this Section is effective when all Managers have signed the consent, unless the consent specifies a different effective date.

## ARTICLE VI

### RIGHTS AND OBLIGATIONS OF MEMBERS

6.01 Limitation of Liability. Each Member's liability shall be limited as set forth in this Operating Agreement, the Nevada Act and other applicable law.

6.02 Company Debt Liability. A Member will not be personally liable for any debts or losses of the Company beyond the Member's respective Capital Contributions and any obligation of the Member under Section 8.01 or 8.02 to make Capital Contributions, except as provided in Section 6.06 herein or as otherwise required by law.

6.03 Information. The Manager shall maintain at the office of the Company, and shall make available to Members during ordinary business hours to inspection and copying (at the Member's expense) the following:

(a) A current list of the full name and last known business address of each Member and Manager separately identifying the Members in alphabetical order and the managers, if any, in alphabetical order;

(b) A copy of the filed Articles of Organization and all amendments thereto, together with executed copies of any powers of attorney pursuant to which any document has been executed;

(c) Copies of the Company's federal income tax returns and reports, if any, for the three (3) most recent years;

(d) Copies of any then effective written operating agreement and of any financial statements of the Company for the three (3) most recent years; and

(e) Unless contained in the Articles of Organization, a writing setting out:

(i) The amount of cash and a description and statement of the agreed value of the other property or services contributed by each Member and which each Member has agreed to contribute;

(ii) The items as which or events on the happening of which any additional contributions agreed to be made by each Member are to be made; and

(iii) Any right of a Member to receive, or of a Manager to make, any distribution to a Member which includes a return of all or any part of the Member's contribution.

6.04 Company Books. In accordance with Section 9.09 herein, the Manager shall maintain and preserve, during the term of the Company, and for five (5) years thereafter, all accounts, books, and other

relevant Company documents. Each Member shall have the right to inspect and copy such Company documents at the requesting Member's expense.

6.05 Priority and Return of Capital. Except as may be expressly provided in Article IX, no Member or Economic Interest Owner shall have priority over any other Member or Economic Interest Owner, either as to the return of Capital Contributions or as to Net Profits, Net Losses or distributions; provided that this Section shall not apply to loans (as distinguished from Capital Contributions) which a Member has made to the Company.

6.06 Liability of a Member to the Company.

(a) A Member who rightfully receives the return in whole or in part of its contribution is nevertheless liable to the Company only to the extent now or hereafter provided by the Nevada Act.

(b) A Member who receives a distribution made by the Company in violation of this Operating Agreement or law is liable to the Company for a period of six years after such distribution.

## ARTICLE VII

### MEETINGS OF MEMBERS

7.01 Special Meetings. Special meetings of the Members, for any purpose, unless otherwise prescribed by statute, may be called by any Manager or Member. Members may participate in a meeting by means of a telephone conference or similar method of communication by which all individuals participating in the meeting can hear each other. Telephonic participation in a meeting constitutes presence in person at the meeting.

7.02 Place of Meetings. The Manager or Person calling the meeting may designate any place, either within or outside the State of Nevada, as the place of meeting for any meeting of the Members. If no designation is made, the place of meeting shall be the office of the Company designated in Section 2.03.

7.03 Notice of Meetings. Except as provided in Section 7.05, written notice stating the place, day and hour of the meeting and the purpose or purposes for which the meeting is called shall be delivered not less than five (5) nor more than fifty (50) days before the date of the meeting, either personally or by mail, by or at the direction of the Manager, to each Member entitled to vote at such meeting. If mailed, such notice shall be deemed to be delivered two business days after being deposited in the United States mail, addressed to the Member at the Member's address as it appears on the books of the Company, with postage thereon prepaid.

7.04 Waiver of Notice. If all of the Members shall meet at any time and place, either within or outside of the State of Nevada, and fail to object to the holding of a meeting at such time and place, such meeting shall be valid without call or notice, and at such meeting lawful action may be taken. When any notice is required to be given to any Member, a waiver thereof in writing signed by the person entitled to such notice, whether before, at, or after the time stated therein, shall be equivalent to the giving of such notice.

7.05 Record Date. For the purpose of determining Members entitled to notice of or to vote at any meeting of Members or any adjournment thereof, or Members entitled to receive payment of any distribution, or in order to make a determination of Members for any other purpose, the date on which notice of the meeting is mailed or the date on which the resolution declaring such distribution is adopted, as the case may be, shall be the record date for such determination of Members. When a determination of Members entitled to vote at any meeting of Members has been made as provided in this Section, such determination shall apply to any adjournment thereof.

7.06 Quorum. Members holding at least sixty six and two-thirds percent (66 2/3%) of all the Membership Interests, represented in person or by proxy, shall constitute a quorum at any meeting of Members; however, if at least sixty six and two-thirds (66 2/3%) of all Membership Interests, represented in person or by



proxy, are not present after proper notice has been delivered pursuant to Section 7.03 above, then a majority of the Membership Interest shall constitute a quorum at any meeting of Members. In the absence of a quorum at any such meeting, a majority of the Membership Interests so represented may adjourn the meeting from time to time for a period not to exceed 60 days without further notice. However, if the adjournment is for more than 60 days, or if after the adjournment a new record date is fixed for the adjourned meeting, a notice of the adjourned meeting shall be given to each Member of record entitled to vote at the meeting. At such adjourned meeting at which a quorum shall be present or represented, any business may be transacted which might have been transacted at the meeting as originally noticed. The Members present at a duly organized meeting may continue to transact business until adjournment, notwithstanding the withdrawal during such meeting of that number of Membership Interests whose absence would cause less than a quorum.

7.07 Manner of Acting. In any Vote of the Members, unless otherwise expressly provided herein or required under applicable law, Members who have an interest (economic or otherwise) in the outcome of any particular matter upon which the Members vote or consent may vote or consent upon any such matter and their Membership Interest, vote or consent, as the case may be, shall be counted in the determination of whether the requisite matter was approved by the Vote of the Members; provided, however, that any transaction involving a Member who has an interest (economic or otherwise) must, in addition to the necessary approval set forth herein, be, on an overall basis, fair and reasonable to the Company and are at least as favorable to the Company as those that are generally available from Persons capable of similarly performing them and in similar transactions between parties operating at arm's length.

7.08 Proxies. 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 Managers of the Company before or at the time of the meeting. No proxy shall be valid after eleven months from the date of its execution, unless otherwise provided in the proxy.

7.09 Action by Members Without a Meeting. Action required or permitted to be taken at a meeting of Members may be taken by unanimous written consent without a meeting if the action is evidenced by one or more written consents describing the action taken, signed by each Member entitled to vote and delivered to the Managers of the Company for inclusion in the minutes or for filing with the Company records. Action taken under this Section is effective when all Members entitled to vote have signed the consent, unless the consent specifies a different effective date. The record date for determining Members entitled to take action without a meeting shall be the date the first Member signs a written consent.

## ARTICLE VIII

### CONTRIBUTIONS TO THE COMPANY AND CAPITAL ACCOUNTS

8.01 Members' Capital Contributions. Each Member shall contribute such amount as is set forth in Exhibit A hereto as its share of the Initial Capital Contribution or subsequent Capital Contribution.

8.02 Additional Contributions. Except as set forth in Section 8.01 and this Section 8.02, no Member shall be required to make any Capital Contributions. If upon the Vote of the Manager, in the exercise of reasonable business judgment, determines that additional Capital Contributions are necessary or appropriate in connection with the conduct of the Company's business (including without limitation, expansion or diversification) (the "Additional Capital Contributions"), then the Members shall make Additional Capital Contributions to the Company, in proportion to their respective Membership Interests, in an amount equal to such required capital at the time designated by the Manager, provided, that: (i) such designated time shall be no less than 30 days following the date of written notice of the need for Additional Capital Contributions, unless the Members unanimously agree to a shorter time period; and (ii) notwithstanding anything contained herein to the contrary, NuVeda is not required to make any Additional Capital Contributions. If any Member (other than NuVeda) fails to make Additional Capital Contributions as and when required to be made pursuant to this Section 8.02, then the Membership Interest of such non-paying Member shall be adjusted to an amount equal to a fraction (expressed as a percentage), the numerator of

which is the aggregate Capital Contributions made by such non-paying Member and the denominator of which is the sum of the aggregate Capital Contributions made by all of the Members but not including the Membership Interest of NuVeda as NuVeda's Membership Interest shall not be adjusted in any manner in the event of any Additional Capital Contributions. The Membership Interest of the other Members shall be increased by the amount of such reduction in proportion to their respective Membership Interests immediately prior to such increase but not including the Membership Interest of NuVeda. The Members acknowledge and understand that CW is required to provide all funding and capital contributions to the Company necessary to fully satisfy the requirements under Section 1.1(e) of the Purchase Agreement (as defined in Section 13.16).

#### 8.03 Capital Accounts.

(a) A separate Capital Account will be maintained for each Member. Each Member's Capital Account will be increased by (1) the amount of money contributed by such Member to the Company; (2) the fair market value of property contributed by such Member to the Company (net of liabilities secured by such contributed property that the Company is considered to assume or take subject to under Section 752 of the Code); (3) allocations to such Member of Net Profits and Net Losses; and (4) allocations to such Member of income described in Section 705(a)(1)(B) of the Code. Each Member's Capital Account will be decreased by (1) the amount of money distributed to such Member by the Company; (2) the fair market value of property distributed to such Member by the Company (net of liabilities secured by such distributed property that such Member is considered to assume or take subject to under Section 752 of the Code); (3) allocations to such Member of expenditures described in Section 705(a)(2)(B) of the Code; and (4) allocations to the account of such Member of Company loss and deduction as set forth in such Regulations, taking into account adjustments to reflect book value.

(b) In the event of a sale or exchange of a Membership Interest or an Economic Interest in the Company, the Capital Account of the transferor shall become the Capital Account of the transferee to the extent it relates to the transferred Membership Interest or Economic Interest in accordance with Section 1.704-1(b)(2)(iv) of the Treasury Regulations.

(c) The manner in which Capital Accounts are to be maintained pursuant to this Section 8.03 is intended to comply with the requirements of Section 704(b) of the Code 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 pursuant to the preceding provisions of this Section 8.03 should be modified in order to comply with Section 704(b) of the Code and the Treasury Regulations thereunder, then notwithstanding anything to the contrary contained in the preceding provisions of this Section 8.03, 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) Upon liquidation of the Company (or any Member's Membership Interest or Economic Interest Owner's Economic Interest), liquidating distributions will be made pro rata in accordance with the positive Capital Account balances of the Members and Economic Interest Owners, as determined after taking into account all Capital Account adjustments for the Company's taxable year during which the liquidation occurs. Liquidation proceeds will be paid within sixty days of the end of the taxable year (or, if later, within 120 days after the date of the liquidation).

(e) Except as otherwise required in the Nevada Act (and subject to Section 8.01 and 8.02), 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.

8.04 Withdrawal or Reduction of Members' Contributions to Capital.

(a) A Member shall not receive out of the Company's property any part of its Capital Contribution 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) A Member, irrespective of the nature of its Capital Contribution, has only the right to demand and receive cash in return for its Capital Contribution.

ARTICLE IX

ALLOCATIONS, INCOME TAX, DISTRIBUTIONS, ELECTIONS AND REPORTS

9.01 Allocations of Profits and Losses from Operations. The Net Profits and Net Losses of the Company for each fiscal year will be allocated pro rata in proportion to the Member's Membership Interest.

9.02 Special Allocations to Capital Accounts. Notwithstanding Section 9.01 hereof:

(a) No allocations of loss, deduction and/or expenditures described in Section 705(a)(2)(B) of the Code shall be charged to the Capital Accounts of any Member if such allocation would cause such Member to have a Deficit Capital Account. The amount of the loss, deduction and/or Code Section 705(a)(2)(B) expenditure which would have caused a Member to have a Deficit Capital Account shall instead be charged to the Capital Account of any Members which would not have a Deficit Capital Account as a result of the allocation, in proportion to their respective Capital Contributions, or, if no such Members exist, then to the Members in accordance with their interests in Company profits pursuant to Section 9.01.

(b) In the event any Member unexpectedly receives any adjustments, allocations, or distributions described in Sections 1.704-1(b)(2)(ii)(d)(4), (5), or (6) of the Treasury Regulations, which create or increase a Deficit Capital Account of such Member, then items of Company income and gain (consisting of a pro rata portion of each item of Company income, including gross income, and gain for such year and, if necessary, for subsequent years) shall be specially credited to the Capital Account of such Member in an amount and manner sufficient to eliminate, to the extent required by the Treasury Regulations, the Deficit Capital Account so created as quickly as possible. It is the intent that this Section 9.02(b) be interpreted to comply with the alternate test for economic effect set forth in Section 1.704-1(b)(2)(ii)(d) of the Treasury Regulations.

(c) In the event any Member would have a Deficit Capital Account at the end of any Company taxable year which is in excess of the sum of any amount that such Member is obligated to restore to the Company under Treasury Regulations Section 1.704-1(b)(2)(ii)(c) and such Member's share of minimum gain as defined in Section 1.704-2(g)(1) of the Treasury Regulations (which is also treated as an obligation to restore in accordance with Section 1.704-1(b)(2)(ii)(d) of the Treasury Regulations), the Capital Account of such Member shall be specially credited with items of Membership income (including gross income) and gain in the amount of such excess as quickly as possible.

(d) Notwithstanding any other provision of this Section 9.02, if there is a net decrease in the Company's minimum gain as defined in Treasury Regulation Section 1.704-2(d) during a taxable year of the Company, then, the Capital Accounts of each Member shall be allocated items of income (including gross income) and gain for such year (and if necessary for subsequent years) equal to that Member's share of the net decrease in Company minimum gain. This Section 9.02(d) is intended to comply with the minimum gain chargeback requirement of Section 1.704-2 of the Treasury Regulations and shall be interpreted consistently therewith. If in any taxable year that the Company has a net decrease in the Company's minimum gain, if the minimum gain chargeback requirement would cause a distortion in the economic arrangement among the Members and it is not expected that the Company will have sufficient other income to correct that distortion, the Managers may in their discretion (and shall, if requested to do so by a Member) seek to have the Internal Revenue Service waive the minimum gain chargeback requirement in accordance with Treasury Regulation Section 1.704-2(f)(4).

(e) Items of Company loss, deduction and expenditures described in Section 705(a)(2)(B) which are attributable to any nonrecourse debt of the Company and are characterized as partner (Member) nonrecourse deductions under Section 1.704-2(i) of the Treasury Regulations shall be allocated to the Members' Capital Accounts in accordance with said Section 1.704-2(i) of the Treasury Regulations.

(f) Beginning in the first taxable year in which there are allocations of "nonrecourse deductions" (as described in Section 1.704-2(b) of the Treasury Regulations) such deductions shall be allocated to the Members in accordance with, and as a part of, the allocations of Company profit or loss for such period.

(g) In accordance with Section 704(c)(1)(A) of the Code and Section 1.704-1(b)(2)(i)(iv) of the Treasury Regulations, if a member contributes property with a fair market value that differs from its adjusted basis at the time of contribution, income, gain, loss and deductions with respect to the property shall (solely for federal income 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 and its fair market value at the time of contribution.

(h) Pursuant to Section 704(c)(1)(B) of the Code, if any contributed property is distributed by the Company other than to the contributing Member within five years of being contributed, then, except as provided in Section 704(c)(2) of the Code, the contributing Member shall be treated as recognizing gain or loss from the sale of such property in an amount equal to the gain or loss that would have been allocated to such Member under Section 704(c)(1)(A) of the Code if the property had been sold at its fair market value at the time of the distribution.

(i) In the case of any distribution by the Company to a Member or Economic Interest Owner, such Member or Economic Interest Owner shall be treated as recognizing gain in an amount equal to the lesser of:

(1) the excess (if any) of (A) the fair market value of the property (other than money) received in the distribution over (B) the adjusted basis of such Member's Membership Interest or Economic Interest Owner's Economic Interest in the Company immediately before the distribution reduced (but not below zero) by the amount of money received in the distribution, or

(2) the Net Precontribution Gain (as defined in Section 737(b) of the Code) of the Member or Economic Interest Owner. The Net Precontribution Gain means the net gain (if any) which would have been recognized by the distributee Member or Economic Interest Owner under Section 704(c)(1)(B) of the Code of all property which (i) had been contributed to the Company within five years of the distribution, and (ii) is held by the Company immediately before the distribution, had been distributed by the Company to another Member or Economic Interest Owner. If any portion of the property distributed consists of property which had been contributed by the distributee Member or Economic Interest Owner to the Company, then such property shall not be taken into account under this Section 9.02(i) and shall not be taken into account in determining the amount of the Net Precontribution Gain. If the property distributed consists of an interest in an entity, the preceding sentence shall not apply to the extent that the value of such interest is attributable to the property contributed to such entity after such interest had been contributed to the Company.

(j) In connection with a Capital Contribution of money or other property (other than a de minimis amount) by a new or existing Member as consideration for a Membership Interest, or in connection with the liquidation of the Company or a distribution of money or other property (other than a de minimis amount) by the Company to a retiring Member or Economic Interest Owner as consideration for an Economic Interest or Membership Interest, the Capital Accounts of the Members and Economic Interest Owners shall be adjusted to reflect a revaluation of Company property (including intangible assets) in accordance with Treasury Regulation Section 1.704-1(b)(2)(iv)(f). If under Section 1.704-1(b)(2)(iv)(f) of the Treasury Regulations, Company property that has been revalued is properly reflected in the Capital Accounts and on the books of the Company at a book

value that differs from the adjusted tax basis of such property, then depreciation, depletion, amortization and gain or loss with respect to such property shall be shared among the Members and Economic Interest Owners in a manner that takes account of the variation between the adjusted tax basis of such property and its book value, in the same manner as variations between the adjusted tax basis and fair market value of property contributed to the Company are taken into account in determining the Members' shares of tax items under Section 704(c) of the Code.

(k) All recapture of income tax deductions resulting from sale or disposition of Company property shall be allocated to the Member, Members, Economic Interest Owner or Economic Interest Owners to whom the deduction that gave rise to such recapture was allocated hereunder to the extent that such Person is allocated any gain from the sale or other disposition of such property.

(l) Any credit or charge to the Capital Accounts of the Members and Economic Interest Owners pursuant to Sections 9.02(b),(c), and/or (d), hereof shall be taken into account in computing subsequent allocations of profits and losses pursuant to Section 9.01, so that the net amount of any items charged or credited to Capital Accounts pursuant to Sections 9.01 and 9.02 shall to the extent possible, be equal to the net amount that would have been allocated to the Capital Account of each Member pursuant to the provisions of this Article IX if the special allocations required by Sections 9.02(b), (c), and/or (d), hereof had not occurred.

9.03 Distributions. All distributions of Distributable Cash and Property shall be made quarterly or at such other time as determined by a Vote of the Members and in accordance with the Nevada Act. 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 from the Company shall be treated as amounts distributed to the relevant Member or Members pursuant to this Section 9.03. Except as otherwise provided under Section 8.03(d) relating to liquidating distributions and notwithstanding anything else contained herein to the contrary, any distributions of Distributable Cash and Property shall be made to the Members pro rata in accordance with their respective Membership Interests.

9.04 Limitation Upon Distributions. No distribution shall be declared and paid unless, after the distribution is made, the assets of the Company are in excess of all liabilities of the Company, except liabilities to Members on account of their contributions.

9.05 Accounting Principles. The profits and losses of the Company shall be determined in accordance with accounting principles applied on a consistent basis using the cash method of accounting. It is intended that the Company will elect those accounting methods which provide the Company with the greatest tax benefits.

9.06 Interest On and Return of Capital Contributions. No Member shall be entitled to interest on its Capital Contribution or to return of its Capital Contribution, except as otherwise specifically provided for herein.

9.07 Intentionally Omitted.

9.08 Accounting Period. The Company's accounting period shall be the Fiscal Year.

9.09 Records, Audits and Reports. At the expense of the Company, the Manager shall maintain records and accounts of all operations and expenditures of the Company. At a minimum the Company shall keep at its office the following records:

- (a) The documents described in Section 6.03;
- (b) A list of the full name and last known business, residence or mailing address of each past Member, Economic Interest Owner and Manager, to the extent known;
- (c) Copies of any writings permitted or required with respect to a Member's obligation to contribute cash, property or services;

- (d) Minutes of every annual, special meeting and court-ordered meeting; and
- (e) Any written consents obtained from Members for actions taken by Members without a meeting.

9.10 Returns and Other Elections. The Manager 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 within a reasonable time after the end of the Company's fiscal year.

All elections permitted to be made by the Company under federal or state laws shall be made by the Manager in the Manager's sole discretion, provided that the Manager shall make any tax election directed by a Vote of the Members.

## ARTICLE X

### TRANSFERABILITY AND OBLIGATION TO SELL

10.01 General. Except as otherwise specifically provided herein, no Member shall have the right to:

- (a) sell, assign, pledge, hypothecate, transfer, exchange or otherwise transfer for consideration (collectively, "sell"),
- (b) gift, bequeath or otherwise transfer for no consideration (whether or not by operation of law, except in the case of bankruptcy)

all or any part of the Member's Membership Interest without the approval of a majority of Members, whose consent shall not be unreasonably withheld, consistent with the provisions of this Article and all applicable laws and regulations. In addition to all other requirements relating to a Transfer herein, no Transfer shall occur and be deemed effective unless and until the necessary approval from any regulatory authority having jurisdiction over any business of the Company is obtained for such Transfer and any attempted Transfer absent such approval shall be null and void and of no force and effect.

#### 10.02 Right of First Refusal.

(a) A Selling Member that desires to sell all or any portion of its Membership Interest in the Company to a third party purchaser shall obtain from such third party purchaser a bona fide written offer to purchase such interest, stating the terms and conditions upon which the purchase is to be made and the consideration offered therefor. The Selling Member shall give written notification to the Company and the remaining Members, by certified mail or personal delivery, of its intention to so transfer such interest, furnishing to the remaining Members a copy of the aforesaid written offer to purchase such interest.

(b) The remaining Members, and each of them shall, on a basis pro rata to their Membership Interest or on a basis pro rata to the Membership Interests of those remaining Members exercising their right of first refusal, have the right to exercise a right of first refusal to purchase all (but not less than all) of the interest proposed to be sold by the Selling Member upon the same terms and conditions as stated in the aforesaid written offer to purchase by giving written notification to the Selling Member, by certified mail or personal delivery, of their intention to do so within ten (10) days after receiving written notice from the Selling Member. The failure of all the remaining Members (or any one or more of them) to so notify the Selling Member of their desire to exercise this right of first refusal within said ten (10) day period shall result in the termination of the right of first

refusal and the Selling Member shall be entitled to consummate the sale of its interest in the Company, or such portion of its interest, if any, with respect to which the right of first refusal has not been exercised, to such third party purchaser.

In the event the remaining Members (or any one or more of the remaining Members) give written notice to the Selling Member of their desire to exercise this right of first refusal and to purchase all of the Selling Member's interest in the Company which the Selling Member desires to sell upon the same terms and conditions as are stated in the aforesaid written offer to purchase, the remaining Members shall have the right to designate the time, date and place of closing, provided that the date of closing shall be within thirty (30) days after receipt of written notification from the Selling Member of the third party offer to purchase.

10.03 [Section Intentionally Left Blank]

10.04 Recognition of the Transfer of a Membership Interest. Except as otherwise set forth in Section 10.01 of this Operating Agreement, in addition to the requirements of Section 10.02, if the remaining Members do not exercise the right of first refusal in Section 10.02 so as to acquire all of the Selling Member's interest in the Company, then the Selling Member may transfer any such remaining interest to the third party purchaser in terms identical to those offered under Section 10.02; provided, however, that such proposed transfer of a Member's Membership Interest to a Transferee that is not a Member must be approved by a majority of the Members prior to the Transfer, and said approval shall not be unreasonably withheld. Upon approval by a majority of the Members, the Transferee shall be admitted as a Member and have all rights held by the Transferor prior to the Transfer.

(a) If the Transferee is Admitted as a Member, Admission as a Member is conditioned upon execution of the Operating Agreement, as amended, without limitation, on Exhibit A by the change in membership, execution and filing of amended Articles of Organization, if necessary, and such other instruments of transfer, assignment and assumption and such other certificates, representations and documents that the Manager or remaining Members may deem necessary or desirable.

10.05 Manager's Right to Suspend; Mandatory Obligation to Surrender Membership Interest and/or Economic Interest. All Members acknowledge that the Company, from time to time, may engage in business activities that may be regulated by governmental authorities, and that each Member must comply with all requirements of such governmental authorities.

(a) If any Member is charged with any federal or state criminal offense that, in the judgment of the Managers, may affect the business activities of the Company, then the Managers may suspend the charged Member's rights to participate in the affairs of the Company and may withhold any distributions to which the charged member would otherwise be entitled, until the resolution of such charges, and the Member shall comply with any requirements of such resolution, with respect to its interests in the Company.

(b) If any Member is convicted of any federal or state criminal offense that, in the judgment of the Managers, may affect the business activities of the Company, then the convicted Member shall transfer all of its interests in the Company to the Company, in accord with the provisions of Section 10.06.

(c) If any regulatory authority having jurisdiction over any business of the Company determines that an existing Member is no longer suitable to maintain its Membership Interest or Economic Interest in the Company and such regulatory authority expressly requires that such Member be removed from the Company in order for the Company to maintain its licenses, then the questioned Member shall transfer all of its interests in the Company to the Company, in accord with the provisions of Section 10.06. Notwithstanding anything contained herein to the contrary, this Section 10.05(c) shall only take effect after obtaining all the necessary Transfer Approvals as defined in the Purchase Agreement and consummating and closing on the transactions described in the Purchase Agreement.

(d) Upon the death of any Member, all of the deceased Member's interests in the Company shall be transferred to the Company, in accord with the provisions of Section 10.06.

(e) If any Member desires to sell its interests in the Company as evidenced by a written notice to the Company of the Member's desire to sell its interests, without an offer from a third party, then the Company (and/or any of the remaining Members) may purchase the selling Member's interests, in accord with the provisions of Section 10.06.

10.06 Procedures regarding Suspended, Surrendered and Transferred Interests. Upon any of the circumstances or events identified in Section 10.05(b)-(e) of this Agreement, the Company and the transferring Member shall agree on the value of the interests being transferred. If no agreement is reached within thirty (30) days of such a circumstance or event, then the Selling Member and the Company shall each be entitled to obtain an appraisal from an appraiser qualified by training and experience to value business interests, including recognition of discounts based on minority interests (if any). The Selling Member and the Company shall cooperate in providing information reasonably requested by each appraiser. The appraisers shall complete their appraisals within thirty (30) days of being assigned to conduct the appraisals. If the two appraisers conclude that the value of the Selling Member's interests is a number within ten percent (10%) of the average of the two appraisals, then the average shall be the value of the Selling Member's interests and paid by the Company in at least equal quarterly installments for a period of no more than five (5) years from the signing of documents confirming the transfer. If the two appraisers conclude that the value of the Selling Member's interests is a number greater than ten percent (10%) of the average of the two appraisals, then the two appraisers shall confer with each other to select a third appraiser, who shall then, within thirty (30) days, appraise the Selling Member's interests and whose opinion thereof shall be the value of the Selling Member's interests and paid by the Company in at least equal quarterly installments for a period of no more than five (5) years from the date of the third appraiser's opinion. If the two initial appraisers cannot agree on a third appraiser, then either the Selling Member or the Company may petition a court of competent jurisdiction for appointment of an appraiser.

## ARTICLE XI

### ADDITIONAL MEMBER INTERESTS

From the date of the formation of the Company, any Person acceptable to the Members by their unanimous vote may become a Member in this Company by the issuance by the Company of Membership Interests for such consideration as the Members by their unanimous votes shall determine, subject to the terms and conditions of this Operating Agreement. No new Members shall be entitled to any retroactive allocation of losses, income or expense deductions incurred by the Company unless the new Member is a Transferee and such retroactive allocation is permitted by applicable law and with the written consent of the transferring Member. The Manager may, at the Manager's option, at the time a Member (other than a Transferee) is admitted, 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 a new Member for that portion of the Company's tax year in which a Member was admitted in accordance with the provisions of Section 706(d) of the Code and the Treasury Regulations promulgated thereunder.

## ARTICLE XII

### DISSOLUTION AND TERMINATION

#### 12.01 Dissolution.

(a) The Company shall be dissolved upon the occurrence of the following events:

(i) When the period fixed for the duration of the Company shall expire pursuant to Section 2.05 hereof;



(ii) By the unanimous written agreement of all Members; or

(iii) Upon the death, retirement, resignation, expulsion under Section 10.05, bankruptcy or dissolution of a Member or occurrence of any other event which terminates the continued membership of a Member in the Company (a "Withdrawal Event"), unless the business of the Company is continued by the consent of a majority in interest of all the remaining Members within 90 days after the Withdrawal Event and there are at least two remaining Members. Such consents shall be mailed or hand delivered to the office of the Company set forth in Section 2.03 hereof (or to such other address designated by the Manager) no later than 50 days after each Withdrawal Event or transfer by Member of its entire Membership Interest.

(b) As soon as possible following the occurrence of any of the events specified in this Section 12.01 effecting the dissolution of the Company, the appropriate representative of the Company shall execute a statement of intent to dissolve in such form as shall be prescribed by the Nevada Secretary of State and file same with the Nevada Secretary of State's office.

(c) If a Member who is a natural person dies or a court of competent jurisdiction adjudges the Member to be incompetent to manage the Member's person or his property, the Member's executor, administrator, guardian, conservator, or other legal representative may exercise all of the Member's rights for the purpose of settling the Member's estate or administering the Member's property.

(d) Except as expressly permitted in this Operating Agreement, a Member shall not voluntarily resign or take any other voluntary action which directly causes a Withdrawal Event. Unless otherwise approved by a Vote of the Members, a Member who resigns (a "Resigning Member") or whose Membership Interest is otherwise terminated by virtue of a Withdrawal Event, regardless of whether such Withdrawal Event was the result of a voluntary act by such Member, shall not be entitled to receive any distributions to which such Member would not have been entitled had such Member remained a Member. Except as otherwise expressly provided herein, a Resigning Member shall become an Economic Interest Owner. Damages for breach of this Section 12.01(e) shall be monetary damages only (and not specific performance), and such damages may be offset against distributions by the Company to which the Resigning Member would otherwise be entitled.

12.02 Effect of Filing of Statement of Intent to Dissolve. Upon the filing by the Nevada Secretary of State of a statement of intent to dissolve, 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 a certificate of dissolution has been issued by the Secretary of State or until a decree dissolving the Company has been entered by a court of competent jurisdiction.

12.03 Winding Up, Liquidation and Distribution of Assets.

(a) Upon dissolution, an accounting shall be made by the Company's independent accountants 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 Manager 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 Manager shall:

(i) Sell or otherwise liquidate all of the Company's assets as promptly as practicable (except to the extent the Manager may determine to distribute any assets to the Members in kind),

(ii) Allocate any profit or loss resulting from such sales to the Members' and Economic Interest Owners' Capital Accounts in accordance with Article IX hereof,

(iii) Discharge all liabilities of the Company, including liabilities to Members and

Economic Interest Owners who are creditors, to the extent otherwise permitted by law, other than liabilities to Members and Economic Interest Owners for distributions, and establish such Reserves as may be reasonably necessary to provide for contingent liabilities of the Company (for purposes of determining the Capital Accounts of the Members and Economic Interest Owners, the amounts of such Reserves shall be deemed to be an expense of the Company),

(iv) Distribute the remaining assets in the following order:

(1) 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 a Vote of the Members. 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 Economic Interest Owners shall be adjusted pursuant to the provisions of Article IX and Section 8.03 of this Operating Agreement to reflect such deemed sale.

(2) The positive balance (if any) of each Member's and Economic Interest Owner's Capital Account (as determined after taking into account all Capital Account adjustments for the Company's taxable year during which the liquidation occurs) shall be distributed to the Members pro rata based upon each Member's Capital Account, either in cash or in kind, as determined by the Manager(s), with any assets distributed in kind being valued for this purpose at their fair market value as determined pursuant to Section 12.03(b)(i). Any such distributions to the Members in respect of their Capital Accounts shall be made in accordance with the time requirements set forth in Section 1.704-1(b)(2)(ii)(b)(2) of the Treasury Regulations.

(c) Notwithstanding anything to the contrary in this Operating Agreement, upon a liquidation within the meaning of Section 1.704-1(b)(2)(ii)(g) of the Treasury Regulations, if any Member or Economic Interest Owner has a Deficit Capital Account (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 Person shall have no obligation to make any Capital Contribution, and the negative balance of such Person's Capital Account shall not be considered a debt owed by such Person 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 Manager(s) 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.

12.04 Articles of Dissolution. When all debts, liabilities and obligations have been paid and discharged or adequate provisions have been made therefor and all of the remaining property and assets have been distributed to the Members, articles of dissolution shall be executed in duplicate and verified by the person signing the articles, which articles shall set forth the information required by the Nevada Act. Duplicate originals of such articles of dissolution shall be delivered to the Nevada Secretary of State.

12.05 Certificate of Dissolution. Upon the issuance of the certificate of dissolution, the existence of the Company shall cease, except for the purpose of suits, other proceedings and appropriate action as provided in the Nevada Act. The Manager shall have authority to distribute any Company property discovered after dissolution, convey real estate and take such other action as may be necessary on behalf of and in the name of the Company.

12.06 Return of Contribution Nonrecourse to Other Members. Except as provided by law or as expressly provided in this Operating Agreement, upon dissolution, each Member and Economic Interest Owner shall look solely to the assets of the Company for the return of its Capital Contribution. If the Company property

remaining after the payment or discharge of the debts and liabilities of the Company is insufficient to return the cash contribution of one or more Members or Economic Interest Owners, such Persons shall have no recourse against any other Member or Economic Interest Owner.

### ARTICLE XIII

#### MISCELLANEOUS PROVISIONS

13.01 Notices. Any notice, demand, or communication required or permitted to be given by any provision of this Operating Agreement shall be deemed to have been sufficiently given or served for all purposes if in writing and delivered personally to the party or to an executive officer of the party to whom the same is directed or, if sent by registered or certified mail, postage and charges prepaid, addressed to the Member's and/or Company's address, as appropriate, which is set forth in this Operating Agreement. Except as otherwise provided herein, any such notice shall be deemed to be given two 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.

13.02 Application of Nevada Law. This Operating Agreement, and the application of interpretation hereof, shall be governed exclusively by its terms and by the laws of the State of Nevada, and specifically the Nevada Act.

13.03 Waiver of Action for Partition. Each Member and Economic Interest Owner irrevocably waives during the term of the Company any right that it may have to maintain any action for partition with respect to the property of the Company.

13.04 Amendments. This Operating Agreement may not be amended except by the unanimous written agreement of all of the Members.

13.05 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.

13.06 Construction. Whenever the singular number is used in this Operating Agreement and when required by the context, the same shall include the plural and vice versa, and the masculine gender shall include the feminine and neuter genders and vice versa.

13.07 Headings. The headings in this Operating 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 Operating Agreement or any provision hereof.

13.08 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 Operating Agreement shall not prevent a subsequent act, which would have originally constituted a violation, from having the effect of an original violation.

13.09 Rights and Remedies Cumulative. The rights and remedies provided by this Operating 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. Said rights and remedies are given in addition to any other rights the parties may have by law, statute, ordinance or otherwise.

13.10 Severability. If any provision of this Operating Agreement or the application thereof to any person or circumstance shall be invalid, illegal or unenforceable to any extent, the remainder of this Operating Agreement and the application thereof shall not be affected and shall be enforceable to the fullest extent permitted by law.

*pgm*

13.11 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 Operating Agreement, their respective heirs, legal representatives, successors and assigns.

13.12 Creditors. None of the provisions of this Operating Agreement shall be for the benefit of or enforceable by any creditors of the Company.

13.13 Counterparts. This Operating Agreement may be executed in counterparts, each of which shall be deemed an original but all of which shall constitute one and the same instrument.

13.14 Rule Against Perpetuities. The parties hereto intend that the Rule against Perpetuities (and any similar rule of law) not be applicable to any provisions of this Operating Agreement. However, notwithstanding anything to the contrary in this Operating Agreement, if any provision in this Operating Agreement would be invalid or unenforceable because of the Rule against Perpetuities or any similar rule of law but for this Section 13.14, the parties hereto hereby agree that any future interest which is created pursuant to said provisions shall cease if it is not vested within twenty-one years after the death of the survivor of the group composed of the initial Members who are natural persons and their issue who are living on the date of this Operating Agreement and their issue, if any, who are living on the effective date of this Operating Agreement.

13.15 Investment Representations. The undersigned Members, if any, understand (1) that the Membership Interests and Economic Interests evidenced by this Operating Agreement have not been registered under the Securities Act of 1933, the Nevada Securities Act or any other state securities laws (the "Securities Acts") because the Company is issuing these Membership Interests and Economic Interests in reliance upon the exemptions from the registrations requirements of the Securities Acts providing for issuance of securities not involving a public offering, (2) that the Company has relied upon the fact that the Membership Interests and Economic Interests are to be held by each Member for investment, and (3) that exemption from registrations under the Securities Acts would not be available if the Membership Interests and Economic Interests were acquired by a Member with a view to distribution.

Accordingly, each Member hereby confirms to the Company that such Member is acquiring the Membership Interests for such own Member's account, for investment and not with a view to the resale or distribution thereof. Each Member agrees not to transfer, sell or offer for sale any portion of the Membership Interests unless there is an effective registration or other qualification relating thereto under the Securities Act of 1933 and under any applicable state securities laws or unless the holder of Membership Interests delivers to the Company an opinion of counsel, satisfactory to the Company, that such registration or other qualification under such Act and applicable state securities laws is not required in connection with such transfer, offer or sale. Each Member understands that the Company is under no obligation to register Membership Interests or Economic Interests or to assist any Member or Economic Interest Owner in complying with any exemption from registration under the Acts if a Member or Economic Interest Owner should at a later date, wish to dispose of a Membership Interest or Economic Interest. Furthermore, each Member realizes that the Membership Interests and Economic Interests are unlikely to qualify for disposition under Rule 144 of the Securities and Exchange Commission unless such Member is not an "affiliate" of the Company and the Membership Interest or Economic Interest has been beneficially owned and fully paid for by such Member or Economic Interest Owner for at least three years.

13.16 Membership Interest Purchase Agreement. Nothing herein limits, amends, precludes or prohibits the continued requirements, duties and obligations of each Member and the Company pursuant and subject to that certain Membership Interest Purchase Agreement (the "Purchase Agreement") dated as of December 6, 2015 by and among CW, the Company, NuVeda, Clark NMSD LLC, a Nevada limited liability company ("Clark") and Nye Natural Medicinal Solutions LLC, a Nevada limited liability company ("Nye") and the terms therein. However, that Exhibit "C" hereto replaces and supersedes in full Schedule I to the Purchase Agreement. The Purchase Agreement is attached hereto as Exhibit "D" and incorporated herein by this reference. If any provisions or terms of this Operating Agreement conflict with the provisions or terms of the Purchase Agreement, the provisions or terms of the Purchase Agreement shall control.

*[CERTIFICATION AND SIGNATURES ON NEXT PAGE]*

CERTIFICATE

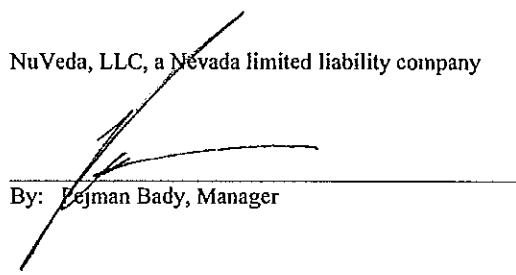
The undersigned hereby agrees, acknowledges and certifies that the foregoing Operating Agreement, consisting of Twenty-Five (25) pages, excluding this page, constitutes the Operating Agreement of CWNV, LLC, effective as of January 21, 2016.

MEMBERS:

CWNeveda, LLC, a Nevada limited liability company

  
By: Brian C. Padgett, Manager

NuVeda, LLC, a Nevada limited liability company

  
By: Pejman Bady, Manager

**EXHIBIT "A"**  
**Initial Members and Managers**  
**(as of January 21, 2016)**

<b><u>Initial Members/ Address</u></b>	<b><u>Capital Contribution</u></b>	<b><u>Membership Interest</u></b>
CWNeveda, LLC Brian Padgett, Manager 611 South 6 <sup>th</sup> Street Las Vegas, NV 89101	Full Construction Funding, Goods, Services, and Specified Debt Service	65%
NuVeda, LLC Pejman Bady, Manager P.O. Box 6255 Pahrump, NV 89041	Medical Marijuana Licenses as referenced in the Purchase Agreement	35%

**Initial Managers/Address**

Brian Padgett  
611 South 6<sup>th</sup> Street  
Las Vegas, NV 89101

Jason Thompson  
611 South 6<sup>th</sup> Street  
Las Vegas, NV 89101

Pejman Bady  
P.O. Box 6255  
Pahrump, NV 89041

**EXHIBIT "B"**  
**Boards and Committees**

Pursuant to Section 5.03(2) of the Operating Agreement of the Company, the Managers may (but shall not be required to) form boards and committees to advise the Managers and perform certain functions delegated to them by the Managers. The functions so delegated shall be identified by the Managers, but any such boards or committees shall not have authority to bind the Company, but shall only provide advice to the Managers (unless the specific delegation authorizes specific authority to a particular board or committee). Any such boards or committees may include Members, Managers, or individuals who are neither members nor managers of the Company. The Managers shall have the power to provide compensation and reimbursements to Members, Managers, and other individuals serving on such boards or committees, in such amounts and upon such terms as the Managers may determine from time to time, including the entering into of consulting or other contracts for services provided to the Company. Boards and committees which the Managers may form, by way of example and not by limitation, include the following:

1. *Community Advisory Board*, which may include persons with knowledge, skills and experience of value to the Company in areas such as law, law enforcement, medicine, community affairs, government, accounting, addictive behaviors, education, real estate, regulatory matters, biology, horticulture, diversity, and insurance.
2. *Audit and/or Finance Committee*, which may include persons with knowledge, skills and experience of value to the Company in accounting, financing, corporate and LLC structure, taxation, insurance, budgeting, financial planning, and related areas.
3. *Compliance Committee*, which may include persons with knowledge, skills and experience of value to the Company in regulatory, corporate and LLC compliance matters, corporate and LLC governance, state, federal and international concerns, social responsibilities, investigations, and business practices in contracting, hiring, security, and asset protection.
4. *Risk Management Committee*, which may include persons with knowledge, skills and experience of value to the Company in insurance, security, hazardous substances and related issues.



**EXHIBIT "C"**  
**Managers' Duties, Coordination with CW Nevada, LLC, and Other Matters**

1. **Budget:** An annual budget of all revenues and expenses shall be prepared by the Managers on or before November 30 of each year, for the ensuing year. The budget shall be approved by all the Managers on or before December 31 of each year, for the ensuing year, subject to any revisions thereof as approved by the Managers. If the annual budget as a whole is not completed and approved by all the Managers by the date set forth above, then: (i) any items or portions thereof that have been specifically prepared and approved by the Managers will become operative immediately; and (ii) the Managers may use and expend, in respect of noncapital or recurring expenses in any quarter of the then current calendar year, an amount up to the budget amount for the corresponding quarter of the immediately preceding calendar year, as set forth in the annual budget that was last prepared and approved by the Managers, after giving effect to any material changes or prospect thereof to the Company or its properties during the prior year; provided, if any contract approved as part of any prior prepared and approved annual budget provides for automatic increases in costs thereunder after the beginning of the then current calendar year, then the Managers may use and expend an amount equal to the budget amount for the respective corresponding period of the immediately preceding calendar year, as set forth in the Annual Budget last prepared and approved, plus the amount of the automatic increases in costs. In addition to the monthly financial statements, the Managers shall prepare (or cause to be prepared) quarterly reports showing actual operating results compared to the budget for that time period, along with a written explanation of any variances in excess of ten (10%) percent of such budgeted amount.
2. **Marketing:** The business of the Company shall be operated under the name "The Green House", which name is also used for the business of CW Nevada, LLC ("CW"). The Managers shall review and approve marketing and branding programs that will be shared, along with the costs thereto, by the Company and CW. Individual advertising costs for each dispensary, such as directional signs and billboards, will be paid by the company that owns the particular dispensary promoted by such individual advertising items. The Company, along with, and in the same capacity as, CW, shall be party to any expansion of "The Green House" to any other states.
3. **Inventory Control:** Each CW and CWNV dispensary shall have access to the same inventory and the same pricing, suitable for the particular space and other circumstances of each dispensary; provided, however, that CW and the Company will allow NuVeda and its affiliates to have access of up to thirty percent (30%) of the shelf space in each CWNV dispensary, provided the products contained in that inventory are of high quality, sell from the applicable CWNV dispensary within a commercially reasonable amount of time, and the CWNV dispensary basis in the inventory is of the average wholesale price of similar grade materials.
4. **Delivery:** Each CW and CWNV dispensary will be allocated deliveries made within its municipality, regardless of which entity makes particular deliveries, unless such delivery is outside the other dispensaries' operating hours.
5. **Timeline:** CW and CWNV anticipate that all dispensaries will be completed on or about May 1, 2016, provided, however, that the completion for the City of Las Vegas location is dependent on the construction being done to re-build the destroyed location. CW and CWNV anticipate that the first cultivation and production facility under the Nye cultivation license shall be completed and able to be operated by the end of 2016, with such facility built as a first class facility at approximately 25,000 square feet. The development of phase 2 of such facility shall commence thereafter as determined by the market demand and a Vote of Managers, with such first class development consisting of approximately an additional 25,000 square feet.
6. **Licenses:** The Managers shall perform all acts necessary to protect the licenses of CW, CWNV and the licenses being transferred to CWNV under the Purchase Agreement, including meeting the State of Nevada's compliance deadline. If a CWNV license, or a license being transferred under the terms of the Purchase Agreement, is forfeited because the Managers are unable to meet the current May 1, 2016 compliance

deadline (or any extension thereof) or is otherwise forfeited or terminated for any reason, then the managers of CW shall designate and provide a CW license of the same type to CWNV at its cost and build to a similar standard as originally planned.

7. **Lost Profits:** If the first cultivation and production facility is not completed and able to be operated by the end of 2016, CW shall compensate CWNV for profits CWNV did not earn for the period beginning January 1, 2017, until the first cultivation and production facility is completed and able to be operated. The calculation of those unearned profits shall be made by multiplying (i) the number of days elapsing from January 1, 2017, until that facility is completed and opened for business by (ii) the amount of profits made by CWNV from operations of that facility for the same number of days beginning with the date that facility is completed and opened for business (the "Profit Period"). The unearned profits shall be paid in full to CWNV on the expiration date of the Profit Period.
8. **Expansion:** Should CW expand operations to other states beyond Nevada, CWNV shall have the right of first refusal to expand alongside CW, at its own cost, into those other states beyond Nevada. The Members shall also work together in good faith to expand CWNV and obtain more MME licenses as is practicable and in the best interests of CWNV.

# EXHIBIT “7”

NUVEDA'S APPENDIX 0882

LEASE AGREEMENT  
(Triple Net (NNN) Lease)

THIS LEASE AGREEMENT (the "Lease") is entered into and effective as of February 1, 2016 (Date) Between 2113 Investors LLC, a Nevada LLC (Landlord) and CWNV LLC, a Nevada LLC (Tenant).

Landlord and Tenant agree as follows:

1. LEASE SUMMARY.

- a. Leased Premises. The leased commercial real estate i) consists of an agreed area of approximately 3,423 rentable square feet (the "Premises"); ii) is located on the land legally described on attached Exhibit B; and iii) is commonly known as 1320 South 3<sup>rd</sup> Street, Las Vegas, Nevada 89104 (address). The Premises do not include, and Landlord reserves, the exterior walls and roof of the building in which the Premises are located (the "Building"), the land beneath the Building, the pipes and ducts, conduits, wires, fixtures, and equipment above the suspended ceiling; and the structural elements of the Building. The Building, the land upon which it is situated, all other improvements located on such land, and all common areas appurtenant to the Building are referred to as the "Property." The Building Property as of the date of this Lease consist of an agreed area of <sup>3,423</sup> 3,800 rentable square feet
- b. Lease Commencement Date. The term of this Lease shall be for a period of 60 months and shall commence on February 1, 2016 or such earlier or later date as provided in Section 3 (the "Commencement Date").
- c. Lease Termination Date. The term of this Lease shall terminate at midnight on January 31, 2021 or such earlier or later date as provided in Section 3 (the "Termination Date"). Tenant shall have an option to extend this Lease for three five (5) year periods. The extensions shall be at market rates at the commencement of each extension.
- d. Base Rent. The base monthly rent shall be as stated in Exhibit A "rent rider". Rent shall be payable at Landlord's address shown in Section 1 (i) below, or such other place designated in writing by Landlord.
- e. CAM Fees. The initial lease CAM fees shall be charged to tenant at cost. Tenant shall pay the invoices as presented within 30 days. CAM fees include Property Taxes, Casualty and Liability Insurance and other costs not attributable to the landlord's cost.
- f. Security Deposit Upon execution of this Lease, Tenant shall deliver to Landlord the sum of \$ ~~12,450.00~~ to be held as a security deposit pursuant to Section 5 below. The security deposit shall be in the form of cash, direct deposit to Landlord's bank account or check drawn on a US Bank.
- g. Permitted Use. The Premises shall be used for any legal purpose (the "Permitted Use"). Tenant must maintain all required licenses and permits.

*[Handwritten initials]*

CWNV LLC Lease

3<sup>rd</sup> Street Las Vegas

2113 Investors LLC

*[Handwritten initials]*

**LEASE AGREEMENT**  
**(Triple Net (NNN) Lease)**  
**(Continued)**

**i. Notice and Payment Addresses.**

Landlord: 2113 Investors LLC  
11115 Kilkerran Ct  
Las Vegas, Nevada 89141-4356  
Email: [Joe90275@gmail.com](mailto:Joe90275@gmail.com)

Tenant: CWNV LLC  
4145 Alibaba Lane Suite A  
Las Vegas, NV 89118  
Email: [JasonThompson@CWNVNevada.com](mailto:JasonThompson@CWNVNevada.com)

- j. **Tenant's Pro Rata Share.** Landlord and Tenant agree that Tenant's Pro Rata Share is 100.0%, based on the ratio of the agreed rentable area of the Premises to the agreed rentable area of the Building and all other buildings on the Property as of the date of this Lease. Any adjustment to the Premises' or Building's rentable floor area measurements will be reflected in an adjustment to Tenant's Base Rent or Pro Rata Share.

**2. PREMISES.**

- a. **Lease of Premises.** Landlord leases to Tenant, and Tenant leases from Landlord, the Premises upon the terms specified in this Lease.
- b. **Acceptance of Premises.** Landlord and Tenant agree that the premises will be available to Tenant from the first day of the lease. However, the improvements specified in Exhibit C will be made by the landlord during the Tenants occupancy. Tenant Improvements will be made in a reasonable time frame. Schedules for improvements will be forwarded to Tenant by Landlord for reasonable approval by Tenant. The approval shall not be unreasonably withheld.
- c. **Tenant Improvements.** Attached Exhibit C sets forth all Landlord's Work, if any, and all tenant improvements to be completed by Tenant (the "Tenant's Work"), if any, that will be performed on the Premises. Responsibility for design, payment and performance of all such work shall be as set forth on attached Exhibit C. If Tenant fails to notify Landlord of any defects in the Landlord's Work within thirty (30) days of delivery of possession to Tenant, Tenant shall be deemed to have accepted the Premises in their then condition. If Tenant discovers any major defects in the Landlord's Work during this 30-day period that would prevent Tenant from using the Premises for the Permitted Use, Tenant shall notify Landlord and the Commencement Date shall be delayed until after Landlord has notified Tenant that Landlord has corrected the major defects and Tenant has had five (5) days to inspect and approve the Premises. The Commencement Date shall not be delayed if Tenant's inspection reveals minor defects in the Landlord's Work that will not prevent Tenant from using the Premises for the Permitted Use. Tenant shall prepare a punch list of all minor defects in Landlord's Work and provide the punch list to Landlord, which Landlord shall promptly correct.

**LEASE AGREEMENT**  
**(Triple Net (NNN) Lease)**  
**(Continued)**

3. **TERM.** The term of this Lease shall commence on the Commencement Date specified in Section 1.
- a. **Early Possession.** If Landlord permits Tenant to possess and occupy the Premises prior to the Commencement Date specified in Section 1, then such early occupancy shall not advance the Commencement Date or the Termination Date set forth in Section 1, but otherwise all terms and conditions of this Lease, except rent and CAM fee payments, shall nevertheless apply during the period of early occupancy before the Commencement Date.
  - b. **Delayed Possession.** Landlord shall act diligently to make the Premises available to Tenant; provided, however, neither Landlord nor any agent or employee of Landlord shall be liable for any damage or loss due to Landlord's inability or failure to deliver possession of the Premises to Tenant as provided in this Lease. If possession is delayed, the Commencement Date set forth in Section 1 shall also be delayed. In addition, the Termination Date set forth in Section 1 shall be modified so that the length of the Lease term remains the same. If Landlord does not deliver possession of the Premises to Tenant within sixty days (sixty (60) days if not filled in) after the Commencement Date specified in Section 1, Tenant may elect to cancel this Lease by giving written notice to Landlord within ten (10) days after such time period ends. If Tenant gives such notice of cancellation, the Lease shall be cancelled, all prepaid rent and security deposits shall be refunded to Tenant, and neither Landlord nor Tenant shall have any further obligations to the other. The first "Lease year" shall commence on the Commencement Date and shall end on the date which is twelve (12) months from the end of the month in which the Commencement Date occurs. Each successive Lease year during the initial term and any extension terms shall be twelve (12) months, commencing on the first day following the end of the preceding Lease year. To the extent that the tenant improvements are not completed in time for the Tenant to occupy or take possession of the Premises on the Commencement Date due to the failure of Tenant to fulfill any of its obligations under this Lease, the Lease shall nevertheless commence on the Commencement Date set forth in Section 1.
4. **RENT.**
- a. **Payment of Rent.** Tenant shall pay Landlord without notice, demand, deduction or offset, in lawful money of the United States, the monthly Base Rent stated in Section 1 in advance on or before the first day of each month during the Lease term beginning on the Commencement Date and shall also pay any other additional payments due to Landlord ("Additional-Rent"), including Operating Costs (collectively the "Rent") when required under this Lease. Payments for any partial month at the beginning or end of the Lease shall be prorated. All payments due to Landlord under this Lease, including late fees and interest, shall also constitute Additional Rent, and upon failure of Tenant to pay any such costs, charges or expenses, Landlord shall have the same rights and remedies as otherwise provided in this Lease for the failure of Tenant to pay rent.
  - b. **Triple Net Lease.** This Lease is what is commonly called a "Net, Net, Net" or "triple-net" Lease, which means that, except as otherwise expressly provided herein, Landlord shall receive all Base Rent free and clear of any and all other impositions, taxes, liens, charges or expenses of any nature whatsoever in connection with the ownership and operation of the Premises. In addition to Base Rent, Tenant shall pay to the parties respectively entitled thereto, or satisfy directly, all Additional Rent and other impositions, insurance premiums, repair and maintenance charges, and any other charges, costs, obligations, liabilities, requirements, and expenses, including without limitation the Operating Costs described in Section 8, which arise with regard to the Premises or may be contemplated under any other provision of the Lease during its term, except for costs and expenses expressly made the obligation of Landlord in this Lease.

**LEASE AGREEMENT**  
**(Triple Net (NNN) Lease)**  
**(Continued)**

- c. **Late Charges; Default Interest.** If any sums payable by Tenant to Landlord under this Lease are not received within five (5) business days after their due date, Tenant shall pay Landlord an amount equal to the greater of \$100 or five percent (5%) of the delinquent amount for the cost of collecting and handling such late payment in addition to the amount due and as Additional Rent. All delinquent sums payable by Tenant to Landlord and not paid within five (5) business days after their due date shall, at Landlord's option, bear interest at the rate of fifteen percent (15%) per annum, or the highest rate of interest allowable by law, whichever is less (the "Default Rate"). Interest on all delinquent amounts shall be calculated from the original due date to the date of payment.
- d. **Less Than Full Payment.** Landlord's acceptance of less than the full amount of any payment due from Tenant shall not be deemed an accord and satisfaction or compromise of such payment unless Landlord specifically consents in writing to payment of such lesser sum as an accord and satisfaction or compromise of the amount which Landlord claims. Any portion that remains to be paid by Tenant shall be subject to the late charges and default interest provisions of this Section 4.
5. **SECURITY DEPOSIT.** Upon execution of this Lease, Tenant shall deliver to Landlord the security deposit specified in Section 1 above. Landlord's obligations with respect to the security deposit are those of a debtor and not of a trustee, and Landlord may commingle the security deposit with its other funds. If Tenant breaches any covenant or condition of this Lease, including but not limited to the payment of Rent, Landlord may apply all or any part of the security deposit to the payment of any sum in default and any damage suffered by Landlord as a result of Tenant's breach. Tenant acknowledges, however, that the security deposit shall not be considered as a measure of Tenant's damages in case of default by Tenant, and any payment to Landlord from the security deposit shall not be construed as a payment of liquidated damages for Tenant's default. If Landlord applies the security deposit as contemplated by this Section, Tenant shall, within five (5) days after written demand therefore by Landlord, deposit with Landlord the amount so applied. If Tenant complies with all of the covenants and conditions of this Lease throughout the Lease term, the security deposit shall be repaid to Tenant without interest within thirty (30) days after the surrender of the Premises by Tenant in the condition required hereunder by Section 13 of this Lease.
6. **USES.** The Premises shall be used only for the Permitted Use specified in Section 1 above, and for no other business or purpose without the prior written consent of Landlord. No act shall be done on or around the Premises that is unlawful or that will increase the existing rate of insurance on the Premises, the Building, or the Property, or cause the cancellation of any insurance on the Premises, the Building, or the Property. Tenant shall not commit or allow to be committed any waste upon the Premises, or any public or private nuisance. Tenant shall not do or permit anything to be done on the Premises, the Building, or the Property which will obstruct or interfere with the rights of other tenants or occupants of the Property, or their employees, officers, agents, servants, contractors, customers, clients, visitors, guests, or other licensees or invitees or to injure or annoy such persons.
7. **COMPLIANCE WITH LAWS.** Tenant shall not cause or permit the Premises to be used in any way which violates any law, ordinance, or governmental regulation or order. Landlord represents to Tenant that, as of the Commencement Date, to Landlord's knowledge, but without duty of investigation, and with the exception of any Tenant's Work, the Premises comply with all applicable laws, rules, regulations, or orders, including without limitation, the Americans With Disabilities Act, if applicable, and Landlord shall be responsible to promptly cure at its sole cost any noncompliance which existed on the Commencement Date. Tenant shall be responsible for complying with all laws applicable to the Premises as a result of the Permitted Use, and Tenant shall be responsible for making any changes or alterations as may be required by law, rule, regulation, or order for Tenant's Permitted Use at its sole cost and expense. Otherwise, if changes or alterations are required by law, rule, regulation, or order unrelated to the Permitted Use, Landlord shall make changes and alterations at its expense.
8. **OPERATING COSTS.**

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CWNV LLC Lease

3<sup>rd</sup> Street Las Vegas

2113 Investors LLC

a. **Definition.** As used herein, "Operating Costs" shall mean all costs of operating, maintaining and repairing the Premises, the Building, and the Property, determined in accordance with generally accepted accounting principles, and including without limitation the following: all taxes and assessments (including, but not limited to, real and personal property taxes and assessments, local improvement district assessments and other special purpose assessments, and taxes on rent or gross receipts); insurance premiums paid by Landlord and (to the extent used) deductibles for insurance applicable to the Property; water, sewer and all other utility charges (other than utilities separately metered and paid directly by Tenant or other tenants); janitorial and all other cleaning services; refuse and trash removal; supplies, materials, tools, and equipment used in the operation, repair, and maintenance of the Property; refurbishing and repainting; carpet replacement; to the extent serving areas other than just the Premises, heating, ventilation and air conditioning ("HVAC") service and repair and replacement of HVAC when necessary; elevator service and repair and replacement of elevators when necessary; pest control; lighting systems, fire detection and security services; landscape maintenance; management (fees and/or personnel costs); parking lot, road, sidewalk and driveway patching, resurfacing and maintenance; snow and ice removal; repair, maintenance, and, where reasonably required, replacement of signage; amortization of capital improvements as Landlord may in the future install to comply with governmental regulations and rules or undertaken in good faith with a reasonable expectation of reducing operating costs (the useful life of which shall be a reasonable period of time as determined by Landlord); costs of legal services (except those incurred directly relating to a particular occupant of the Building); and accounting services, labor, supplies, materials and tools. Landlord and Tenant agree that if the Building is not ninety percent (90%) occupied during any calendar year (including the Base Year, if applicable), on a monthly average, then those portions of the Operating Costs that are driven by occupancy rates, as reasonably determined by Landlord, shall be increased to reflect the Operating Costs of the Building as though it were ninety percent (90%) occupied and Tenant's Pro Rata Share of Operating Costs shall be based upon Operating Costs as so adjusted. Operating Costs shall not include: Landlord's income tax or general corporate overhead; depreciation on the Building or equipment therein; loan payments; real estate broker's commissions; capital improvements to or major repairs of the Building shell (i.e., the Building structure, exterior walls, roof, and structural floors and foundations), except as described above; or any costs regarding the operation, maintenance and repair of the Premises, the Building, or the Property paid directly by Tenant or other tenants in the Building, or otherwise reimbursed to Landlord. If Tenant is renting a pad separate from any other structures on the Property for which Landlord separately furnishes the services described in this paragraph, then the term "Operating Costs" shall not include those costs of operating, repairing, and maintaining the enclosed mall which can be separately allocated to the tenants of the other structures. Operating Costs which cannot be separately allocated to the tenants of other structures may include but are not limited to: insurance premiums; taxes and assessments; management (fees and/or personnel costs); exterior lighting; parking lot, road, sidewalk and driveway patching, resurfacing and maintenance; snow and ice removal; and costs of legal services and accounting services.

b. **TRIPLE NET COSTS.** As additional Rent, Tenant shall pay to the Landlord the triple net costs at actual cost within 30 days of invoice from the Landlord.

**9. UTILITIES AND SERVICES.**

Tenant shall furnish all utilities including, but not limited to, electric, gas, water, septic tank service, telephone, trash, Internet, cable service and other services which Tenant requires with respect to the Premises, and shall pay, at Tenant's sole expense, the cost of all utilities separately metered to the Premises, and of all other utilities and other services which Tenant requires with respect to the Premises.

**10. TAXES.** Tenant shall pay all taxes, assessments, liens and license fees ("Taxes") levied, assessed or imposed by any authority having the direct or indirect power to tax or assess any such liens, related to or required by Tenant's use of the Premises as well as all Taxes on Tenant's personal property located on the Premises.

**LEASE AGREEMENT**  
(Triple Net (NNN) Lease)  
(Continued)

**11. COMMON AREAS.**

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CWNV LLC Lease

3<sup>rd</sup> Street Las Vegas

2113 Investors LLC



a. **Definition.** The term "Common Areas" means all areas, facilities and building systems that are provided and designated from time to time by Landlord for the general non-exclusive use and convenience of Tenant with other tenants and which are not leased or held for the exclusive use of a particular tenant. No such areas and facilities exist within the Property,

12. **ALTERATIONS.** Tenant may make alterations, additions or improvements to the Premises, including any Tenant Work identified on attached Exhibit C (the "Alterations"), only with the prior written consent of Landlord, which, with respect to Alterations not affecting the structural components of the Premises or utility systems therein, shall not be unreasonably withheld, conditioned, or delayed. Landlord shall have thirty (30) days in which to respond to Tenant's request for any Alterations so long as such request includes the name of Tenant's contractors and reasonably detailed plans and specifications therefor. The term "Alterations" shall not include the installation of shelves, movable partitions, Tenant's equipment, and trade fixtures that may be performed without damaging existing improvements or the structural integrity of the Premises, the Building, or the Property, and Landlord's consent shall not be required for Tenant's installation or removal of those items. Tenant shall perform all work at Tenant's expense and in compliance with all applicable laws and shall complete all Alterations in accordance with plans and specifications approved by Landlord, using contractors approved by Landlord, and in a manner so as not to unreasonably interfere with other tenants. Tenant shall pay, when due, or furnish a bond for payment (as set forth in Section 20) all claims for labor or materials furnished to or for Tenant at or for use in the Premises, which claims are or may be secured by any mechanics' or materialmen's liens against the Premises or the Property or any interest therein. Tenant shall remove all Alterations at the end of the Lease term unless Landlord conditioned its consent upon Tenant leaving a specified Alteration at the Premises, in which case Tenant shall not remove such Alteration, and it shall become Landlord's property. Tenant shall immediately repair any damage to the Premises caused by removal of Alterations.

13. **REPAIRS AND MAINTENANCE; SURRENDER.** Tenant shall, at its sole expense, maintain the entire Premises in good condition and promptly make all non-structural repairs and replacements necessary to keep the Premises safe and in good condition, including all HVAC components and other utilities and systems to the extent exclusively serving the Premises. Landlord shall maintain and repair the Building structure, foundation, subfloor, exterior walls, roof structure and surface, and HVAC components and other utilities and systems serving more than just the Premises, and the Common Areas, the costs of which shall be included as an Operating Cost. Tenant shall not damage any demising wall or disturb the structural integrity of the Premises, the Building, or the Property and shall promptly repair any damage or injury done to any such demising walls or structural elements caused by Tenant or its employees, officers, agents, servants, contractors, customers, clients, visitors, guests, or other licensees or invitees. Notwithstanding anything in this Section to the contrary, Tenant shall not be responsible for any repairs to the Premises made necessary by the negligence or willful misconduct of Landlord or its employees, officers, agents, servants, contractors, customers, clients, visitors, guests, or other licensees or invitees therein. If Tenant fails to perform Tenant's obligations under this Section, Landlord may at Landlord's option enter upon the Premises after ten (10) days' prior notice to Tenant and put the same in good order, condition and repair and the cost thereof together with interest thereon at the default rate set forth in Section 4 shall be due and payable as additional rent to Landlord together with Tenant's next installment of Base Rent. Upon expiration of the Lease term, whether by lapse of time or otherwise, Tenant shall promptly and peacefully surrender the Premises, together with all keys, to Landlord in as good condition as when received by Tenant from Landlord or as thereafter improved, reasonable wear and tear and insured casualty excepted.

**LEASE AGREEMENT**  
**(Triple Net (NNN) Lease)**  
**(Continued)**

**14. ACCESS AND RIGHT OF ENTRY.** After twenty-four (24) hours' notice from Landlord (except in cases of emergency, when no notice shall be required), Tenant shall permit Landlord and its agents, employees and contractors to enter the Premises at all reasonable times to make repairs, inspections, alterations or improvements, provided that Landlord shall use reasonable efforts to minimize interference with Tenant's use and enjoyment of the Premises. This Section shall not impose any repair or other obligation upon Landlord not expressly stated elsewhere in this Lease. After reasonable notice to Tenant, Landlord shall have the right to enter the Premises for the purpose of (a) showing the Premises to prospective purchasers or lenders at any time, and to prospective tenants within one hundred eighty (180) days prior to the expiration or sooner termination of the Lease term; and (b) posting "for lease" signs within one hundred eighty (180) days prior to the expiration or sooner termination of the Lease term.

**15. SIGNAGE.** Tenant shall obtain Landlord's written consent as to size, location, materials, method of attachment, and appearance, before installing any signs upon the Premises. Tenant shall install any approved signage at Tenant's sole expense and in compliance with all applicable laws. Tenant shall not damage or deface the Premises in installing or removing signage and shall repair any injury or damage to the Premises caused by such installation or removal.

**16. DESTRUCTION OR CONDEMNATION.**

**a. Damage and Repair.** If the Premises or the portion of the Building or the Property necessary for Tenant's occupancy are partially damaged but not rendered untenable, by fire or other insured casualty, then Landlord shall diligently restore the Premises and the portion of the Property necessary for Tenant's occupancy to the extent required below and this Lease shall not terminate. Tenant may, however, terminate the Lease if Landlord is unable to restore the Premises within six (6) months of the casualty event by giving twenty (20) days written notice of termination.

The Premises or the portion of the Building or the Property necessary for Tenant's occupancy shall not be deemed untenable if twenty-five percent (25%) or less of each of those areas is damaged. If insurance proceeds are not available or are not sufficient to pay the entire cost of restoring the Premises, or if Landlord's lender does not permit all or any part of the insurance proceeds to be applied toward restoration, then Landlord may elect to terminate this Lease and keep the insurance proceeds, by notifying Tenant within sixty (60) days of the date of such casualty.

If the Premises, the portion of the Building or the Property necessary for Tenant's occupancy, or fifty percent (50%) or more of the rentable area of the Property are entirely destroyed, or partially damaged and rendered untenable, by fire or other casualty, Landlord may, at its option: (a) terminate this Lease as provided herein, or (b) restore the Premises and the portion of the Property necessary for Tenant's occupancy to their previous condition to the extent required below; provided, however, if such casualty event occurs during the last six (6) months of the Lease term (after considering any option to extend the term timely exercised by Tenant) then either Tenant or Landlord may elect to terminate the Lease. If, within sixty (60) days after receipt by Landlord from Tenant of written notice that Tenant deems the Premises or the portion of the Property necessary for Tenant's occupancy untenable, Landlord fails to notify Tenant of its election to restore those areas, or if Landlord is unable to restore those areas within six (6) months of the date of the casualty event, then Tenant may elect to terminate the Lease upon twenty (20) days' notice to Landlord unless Landlord, within such twenty (20) day period, notifies Tenant that it will in fact restore the Premises or actually completes such restoration work to the extent required below, as applicable.

If Landlord restores the Premises or the Property under this Section, Landlord shall proceed with reasonable diligence to complete the work, and the Rent shall be abated in the same proportion as the untenable portion of the Premises bears to the whole Premises, provided that there shall be a Rent abatement only if the damage or destruction of the Premises or the Property did not result from, or was not contributed to directly or indirectly by the act, fault or neglect of Tenant, or Tenant's employees, officers, agents, servants, contractors, customers, clients, visitors, guests, or other licensees or invitees. No damages, compensation or claim shall be payable by Landlord for inconvenience, loss of business or annoyance directly, incidentally or consequentially arising from any repair or restoration of any portion of

**LEASE AGREEMENT**  
**(Triple Net (NNN) Lease)**  
**(Continued)**

the Premises or the Property. Landlord shall have no obligation to carry insurance of any kind for the protection of Tenant; any alterations or improvements paid for by Tenant; any Tenant's Work identified in Exhibit C (regardless of who may have completed them); Tenant's furniture; or on any fixtures, equipment, improvements or appurtenances of Tenant under this Lease, and Landlord's restoration obligations hereunder shall not include any obligation to repair any damage thereto or replace the same.

- b. **Condemnation.** If the Premises, the portion of the Building or the Property necessary for Tenant's occupancy, or 50% or more of the rentable area of the Property are made untenable by eminent domain, or conveyed under a threat of condemnation, this Lease shall terminate at the option of either Landlord or Tenant as of the earlier of the date title vests in the condemning authority or the condemning authority first has possession of the Premises or the portion of the Property taken by the condemning authority. All Rents and other payments shall be paid to that date.

If the condemning authority takes a portion of the Premises or of the Building or the Property necessary for Tenant's occupancy that does not render them untenable, then this Lease shall continue in full force and effect and the Rent shall be equitably reduced based on the proportion by which the floor area of any structures is reduced. The reduction in Rent shall be effective on the earlier of the date the condemning authority first has possession of such portion or title vests in the condemning authority. The Premises or the portion of the Building or the Property necessary for Tenant's occupancy shall not be deemed untenable if twenty-five percent (25%) or less of each of those areas is condemned. Landlord shall be entitled to the entire award from the condemning authority attributable to the value of the Premises or the Building or the Property and Tenant shall make no claim for the value of its leasehold. Tenant shall be permitted to make a separate claim against the condemning authority for moving expenses if Tenant may terminate the Lease under this Section, provided that in no event shall Tenant's claim reduce Landlord's award.

**17. INSURANCE.**

- a. **Tenant's Liability Insurance.** During the Lease term, Tenant shall pay for and maintain commercial general liability insurance with broad form property damage and contractual liability endorsements. This policy shall name Landlord, its property manager (if any), and other parties designated by Landlord as additional insureds using an endorsement form acceptable to Landlord, and shall insure Tenant's activities and those of Tenant's employees, officers, agents, servants, contractors, customers, clients, visitors, guests, or other licensees or invitees with respect to the Premises against loss, damage or liability for personal injury or bodily injury (including death) or loss or damage to property with a combined single limit of not less than \$2,000,000, and a deductible of not more than \$10,000. Tenant's insurance will be primary and noncontributory with any liability insurance carried by Landlord. Landlord may also require Tenant to obtain and maintain business income coverage for at least six (6) months, business auto liability coverage, and, if applicable to Tenant's Permitted Use, liquor liability insurance and/or warehouseman's coverage.
- b. **Tenant's Property Insurance.** During the Lease term, Tenant shall pay for and maintain special form clauses of loss coverage property insurance (with coverage for earthquake if required by Landlord's lender and, if the Premises are situated in a flood plain, flood damage) for all of Tenant's personal property, fixtures and equipment in the amount of their full replacement value, with a deductible of not more than \$5,000.
- c. **Miscellaneous.** Tenant's insurance required under this Section shall be with companies rated A-VII or better in Best's Insurance Guide, and which are admitted in the State in which the Premises are located. No insurance policy shall be cancelled or reduced in coverage and each such policy shall provide that it is not subject to cancellation or a reduction in coverage except after thirty (30) days prior written notice to Landlord. Tenant shall deliver to Landlord upon commencement of the Lease and from time to time thereafter, copies of the insurance policies or evidence of insurance and copies of endorsements required by this Section. In no event shall the limits of such policies be considered as limiting the liability of Tenant under this Lease. If Tenant fails to acquire or maintain any insurance or provide any policy or evidence of insurance required by this Section, and such failure continues for three (3) days after

**LEASE AGREEMENT**  
**(Triple Net (NNN) Lease)**  
**(Continued)**

notice from Landlord, Landlord may, but shall not be required to, obtain such insurance for Landlord's benefit and Tenant shall reimburse Landlord for the costs of such insurance upon demand. Such amounts shall be Additional Rent payable by Tenant hereunder and in the event of non-payment thereof, Landlord shall have the same rights and remedies with respect to such non-payment as it has with respect to any other non-payment of Rent hereunder.

- d. **Landlord's Insurance.** Landlord shall carry special form clauses of loss coverage property insurance of the Building shell and core in the amount of their full replacement value, liability insurance with respect to the Common Areas, and such other insurance of such types and amounts as Landlord, in its discretion, shall deem reasonably appropriate. The cost of any such insurance shall be included in the Operating Costs, and if such insurance is provided by a "blanket policy" insuring other parties or locations in addition to the Building, then only the portion of the premiums allocable to the Building and Property shall be included in the Operating Costs.
- e. **Waiver of Subrogation.** Landlord and Tenant hereby release each other and any other tenant, their agents or employees, from responsibility for, and waive their entire claim of recovery for any loss or damage arising from any cause covered by property insurance required to be carried or otherwise carried by each of them. Each party shall provide notice to the property insurance carrier or carriers of this mutual waiver of subrogation, and shall cause its respective property insurance carriers to waive all rights of subrogation against the other. This waiver shall not apply to the extent of the deductible amounts to any such property policies or to the extent of liabilities exceeding the limits of such policies.

**18. INDEMNIFICATION.**

- a. **Indemnification by Tenant.** Tenant shall defend, indemnify, and hold Landlord and its property manager (if any) harmless against all liabilities, damages, costs, and expenses, including attorneys' fees, for personal injury, bodily injury (including death) or property damage arising from any negligent or wrongful act or omission of Tenant or Tenant's employees, officers, agents, servants, contractors, customers, clients, visitors, guests, or other licensees or invitees on or around the Premises or the Property, or arising from any breach of this Lease by Tenant. Tenant shall use legal counsel reasonably acceptable to Landlord in defense of any action within Tenant's defense obligation.
- b. **Indemnification by Landlord.** Landlord shall defend, indemnify and hold Tenant harmless against all liabilities, damages, costs, and expenses, including attorneys' fees, for personal injury, bodily injury (including death) or property damage arising from any negligent or wrongful act or omission of Landlord or Landlord's employees, officers, agents, servants, contractors, customers, clients, visitors, guests, or other licensees or invitees on or around the Premises or the Property, or arising from any breach of this Lease by Landlord. Landlord shall use legal counsel reasonably acceptable to Tenant in defense of any action within Landlord's defense obligation.
- c. **Waiver of Immunity.** Landlord and Tenant each specifically and expressly waive any immunity that each may be granted under Nevada Worker's Compensation Act. Neither party's indemnity obligations under this Lease shall be limited by any limitation on the amount or type of damages, compensation, or benefits payable to or for any third party under the Worker Compensation Acts, Disability Benefit Acts or other employee benefit acts.
- d. **Exemption of Landlord from Liability.** Except to the extent of claims arising out of Landlord's gross negligence or intentional misconduct, Landlord shall not be liable for injury to Tenant's business or assets or any loss of income therefrom or for damage to any property of Tenant or of its employees, officers, agents, servants, contractors, customers, clients, visitors, guests, or other licensees or invitees, or any other person in or about the Premises or the Property.
- e. **Survival.** The provisions of this Section 18 shall survive expiration or termination of this Lease.



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**(Triple Net (NNN) Lease)**  
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**19. ASSIGNMENT AND SUBLETTING.** Tenant shall not assign, sublet, mortgage, encumber or otherwise transfer any interest in this Lease (collectively referred to as a "Transfer") or any part of the Premises, without first obtaining Landlord's written consent, which shall not be unreasonably withheld, conditioned, or delayed. No Transfer shall relieve Tenant of any liability under this Lease notwithstanding Landlord's consent to such Transfer. Consent to any Transfer shall not operate as a waiver of the necessity for Landlord's consent to any subsequent Transfer. In connection with each request for consent to a Transfer, Tenant shall pay the reasonable cost of processing same, including attorneys' fees, upon demand of Landlord, up to a maximum of \$1,250.

If Tenant is a partnership, limited liability company, corporation, or other entity, any transfer of this Lease by merger, consolidation, redemption or liquidation, or any change in the ownership of, or power to vote, which singularly or collectively represents a majority of the beneficial interest in Tenant, shall constitute a Transfer under this Section.

As a condition to Landlord's approval, if given, any potential assignee or sublessee otherwise approved by Landlord shall assume all obligations of Tenant under this Lease and shall be jointly and severally liable with Tenant and any guarantor, if required, for the payment of Rent and performance of all terms of this Lease. In connection with any Transfer, Tenant shall provide Landlord with copies of all assignments, subleases and assumption agreement or documents.

**20. LIENS.** Tenant shall not subject the Landlord's assets to any liens or claims of lien. Tenant shall keep the Premises free from any liens created by or through Tenant. Tenant shall indemnify and hold Landlord harmless from liability for any such liens including, without limitation, liens arising from any Alterations. If a lien is filed against the Premises by any person claiming by, through or under Tenant, Tenant shall, within ten (10) days after Landlord's demand, at Tenant's expense, either remove the lien or furnish to Landlord a bond in form and amount and issued by a surety satisfactory to Landlord, indemnifying Landlord and the Premises against all liabilities, costs and expenses, including attorneys' fees, which Landlord could reasonably incur as a result of such lien.

**21. DEFAULT.** The following occurrences shall each constitute a default by Tenant (an "Event of Default"):

- a. **Failure To Pay.** Failure by Tenant to pay any sum, including Rent, due under this Lease following five (5) days' notice from Landlord of the failure to pay.
- b. **Vacation/Abandonment.** Vacation by Tenant of the Premises (defined as an absence for at least fifteen (15) consecutive days without prior notice to Landlord), or abandonment by Tenant of the Premises (defined as an absence of five (5) days or more while Tenant is in breach of some other term of this Lease). Tenant's vacation or abandonment of the Premises shall not be subject to any notice or right to cure.
- c. **Insolvency.** Tenant's insolvency or bankruptcy (whether voluntary or involuntary); or appointment of a receiver, assignee or other liquidating officer for Tenant's business; provided, however, that in the event of any involuntary bankruptcy or other insolvency proceeding, the existence of such proceeding shall constitute an Event of Default only if such proceeding is not dismissed or vacated within sixty (60) days after its institution or commencement.
- d. **Levy or Execution.** The taking of Tenant's interest in this Lease or the Premises, or any part thereof, by execution or other process of law directed against Tenant, or attachment of Tenant's interest in this Lease by any creditor of Tenant, if such attachment is not discharged within fifteen (15) days after being levied.
- e. **Other Non-Monetary Defaults.** The breach by Tenant of any agreement, term or covenant of this Lease other than one requiring the payment of money and not otherwise enumerated in this Section or elsewhere in this Lease, which breach continues for a period of thirty (30) days after notice by Landlord to Tenant of the breach.

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(Triple Net (NNN) Lease)  
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- f. **Failure to Take Possession.** Failure by Tenant to take possession of the Premises on the Commencement Date or failure by Tenant to commence any Tenant Improvement in a timely fashion.

Landlord shall not be in default unless Landlord fails to perform obligations required of Landlord within a reasonable time, but in no event less than thirty (30) days after notice by Tenant to Landlord. If Landlord fails to cure any such default within the allotted time, Tenant's sole remedy shall be to seek actual money damages (but not consequential or punitive damages) for loss arising from Landlord's failure to discharge its obligations under this Lease. Nothing herein contained shall relieve Landlord from its duty to perform of any of its obligations to the standard prescribed in this Lease.

Any notice periods granted herein shall be deemed to run concurrently with and not in addition to any default notice periods required by law.

**22. REMEDIES.** Landlord shall have the following remedies upon an Event of Default. Landlord's rights and remedies under this Lease shall be cumulative, and none shall exclude any other right or remedy allowed by law.

- a. **Termination of Lease.** Landlord may terminate Tenant's interest under the Lease, but no act by Landlord other than notice of termination from Landlord to Tenant shall terminate this Lease. The Lease shall terminate on the date specified in the notice of termination. Upon termination of this Lease, Tenant will remain liable to Landlord for damages in an amount equal to the Rent and other sums that would have been owing by Tenant under this Lease for the balance of the Lease term, less the net proceeds, if any, of any reletting of the Premises by Landlord subsequent to the termination, after deducting all of Landlord's Reletting Expenses (as defined below). Landlord shall be entitled to either collect damages from Tenant monthly on the days on which rent or other amounts would have been payable under the Lease, or alternatively, Landlord may accelerate Tenant's obligations under the Lease and recover from Tenant: (i) unpaid rent which had been earned at the time of termination; (ii) the amount by which the unpaid rent which would have been earned after termination until the time of award exceeds the amount of rent loss that Tenant proves could reasonably have been avoided; (iii) the amount by which the unpaid rent for the balance of the term of the Lease after the time of award exceeds the amount of rent loss that Tenant proves could reasonably be avoided (discounting such amount by the discount rate of the Federal Reserve Bank of San Francisco at the time of the award, plus 1%); and (iv) any other amount necessary to compensate Landlord for all the detriment proximately caused by Tenant's failure to perform its obligations under the Lease, or which in the ordinary course would be likely to result from the Event of Default, including without limitation Reletting Expenses described below.

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**(Triple Net (NNN) Lease)**  
**(Continued)**

- b. **Re-Entry and Reletting.** Landlord may continue this Lease in full force and effect, and without demand or notice, re-enter and take possession of the Premises or any part thereof, expel the Tenant from the Premises and anyone claiming through or under the Tenant, and remove the personal property of either. Landlord may relet the Premises, or any part of them, in Landlord's or Tenant's name for the account of Tenant, for such period of time and at such other terms and conditions as Landlord, in its discretion, may determine. Landlord may collect and receive the rents for the Premises. To the fullest extent permitted by law, the proceeds of any reletting shall be applied: first, to pay Landlord all Reletting Expenses (defined below); second, to pay any indebtedness of Tenant to Landlord other than rent; third, to the rent due and unpaid hereunder; and fourth, the residue, if any, shall be held by Landlord and applied in payment of other or future obligations of Tenant to Landlord as the same may become due and payable, and Tenant shall not be entitled to receive any portion of such revenue. Re-entry or taking possession of the Premises by Landlord under this Section shall not be construed as an election on Landlord's part to terminate this Lease, unless a notice of termination is given to Tenant. Landlord reserves the right following any re-entry or reletting, or both, under this Section to exercise its right to terminate the Lease. Tenant will pay Landlord the Rent and other sums which would be payable under this Lease if repossession had not occurred, less the net proceeds, if any, after reletting the Premises and after deducting Landlord's Reletting Expenses. "Reletting Expenses" is defined to include all expenses incurred by Landlord in connection with reletting the Premises, including without limitation, all repossession costs, brokerage commissions and costs for securing new tenants, attorneys' fees, remodeling and repair costs, costs for removing persons or property, costs for storing Tenant's property and equipment, and costs of tenant improvements and rent concessions granted by Landlord to any new Tenant, prorated over the life of the new lease.
- c. **Waiver of Redemption Rights.** Tenant, for itself, and on behalf of any and all persons claiming through or under Tenant, including creditors of all kinds, hereby waives and surrenders all rights and privileges which they may have under any present or future law, to redeem the Premises or to have a continuance of this Lease for the Lease term, or any extension thereof.
- d. **Nonpayment of Additional Rent.** All costs which Tenant is obligated to pay to Landlord pursuant to this Lease shall in the event of nonpayment be treated as if they were payments of Rent, and Landlord shall have the same rights it has with respect to nonpayment of Rent.
- e. **Failure to Remove Property.** If Tenant fails to remove any of its property from the Premises at Landlord's request following an uncured Event of Default, Landlord may, at its option, remove and store the property at Tenant's expense and risk. If Tenant does not pay the storage cost within five (5) days of Landlord's request, Landlord may, at its option, have any or all of such property sold at public or private sale (and Landlord may become a purchaser at such sale), in such manner as Landlord deems proper, without notice to Tenant. Landlord shall apply the proceeds of such sale: (i) to the expense of such sale, including reasonable attorneys' fees actually incurred; (ii) to the payment of the costs or charges for storing such property; (iii) to the payment of any other sums of money which may then be or thereafter become due Landlord from Tenant under any of the terms hereof; and (iv) the balance, if any, to Tenant. Nothing in this Section shall limit Landlord's right to sell Tenant's personal property as permitted by law or to foreclose Landlord's lien for unpaid rent.
- 23. MORTGAGE SUBORDINATION AND ATTORNMEN** This Lease shall automatically be subordinate to any mortgage or deed of trust created by Landlord which is now existing or hereafter placed upon the Premises including any advances, interest, modifications, renewals, replacements or extensions ("Landlord's Mortgage"). Tenant shall attorn to the holder of any Landlord's Mortgage or any party acquiring the Premises at any sale or other proceeding under any Landlord's Mortgage provided the acquiring party assumes the obligations of Landlord under this Lease. Tenant shall promptly and in no event later than fifteen (15) days after request execute, acknowledge and deliver documents which the holder of any Landlord's Mortgage may reasonably require as further evidence of this subordination and attornment. Notwithstanding the foregoing, Tenant's obligations under this Section to subordinate in the future are conditioned on the holder of each Landlord's Mortgage and each party acquiring the Premises at any sale or other proceeding under any such Landlord's Mortgage not disturbing Tenant's occupancy and other rights under this Lease, so long as no uncured Event of Default by Tenant exists.

24. **NON-WAIVER.** Landlord's waiver of any breach of any provision contained in this Lease shall not be deemed to be a waiver of the same provision for subsequent acts of Tenant. The acceptance by Landlord of Rent or other amounts due by Tenant hereunder shall not be deemed to be a waiver of any previous breach by Tenant.
25. **HOLDOVER.** If Tenant shall, without the written consent of Landlord, remain in possession of the Premises and fail to return them to Landlord after the expiration or termination of this Lease, the tenancy shall be a holdover tenancy and shall be on a month-to-month basis, which may be terminated according to Nevada law. During such tenancy, Tenant agrees to pay to Landlord 150% of the rate of rental last payable under this Lease, unless a different rate is agreed upon by Landlord. All other terms of the Lease shall remain in effect. Tenant acknowledges and agrees that this Section does not grant any right to Tenant to holdover, and that Tenant may also be liable to Landlord for any and all damages or expenses which Landlord may have to incur as a result of Tenant's holdover.
26. **NOTICES.** All notices under this Lease shall be in writing and effective (i) when delivered in person or via overnight courier to the other party, (ii) three (3) days after being sent by registered or certified mail to the other party at the address set forth in Section 1; or (iii) upon confirmed transmission by email to the other party at the email addresses set forth in Section 1. The addresses for notices and payment of rent set forth in Section 1 may be modified by either party only by written notice delivered in conformance with this Section.
27. **COSTS AND ATTORNEYS' FEES.** If Tenant or Landlord engage the services of an attorney to collect monies due or to bring any action for any relief against the other, declaratory or otherwise, arising out of this Lease, including any suit by Landlord for the recovery of Rent or other payments, or possession of the Premises, the losing party shall pay the prevailing party a reasonable sum for attorneys' fees in such action, whether in mediation or arbitration, at trial, on appeal, or in any bankruptcy proceeding.
28. **ESTOPPEL CERTIFICATES.** Tenant shall, from time to time, upon written request of Landlord, execute, acknowledge and deliver to Landlord or its designee a written statement specifying the following, subject to any modifications necessary to make such statements true and complete: (i) the total rentable square footage of the Premises; (ii) the date the Lease term commenced and the date it expires; (iii) the amount of minimum monthly Rent and the date to which such Rent has been paid; (iv) that this Lease is in full force and effect and has not been assigned, modified, supplemented or amended in any way; (v) that this Lease represents the entire agreement between the parties; (vi) that all obligations under this Lease to be performed by either party have been satisfied; (vii) that there are no existing claims, defenses or offsets which the Tenant has against the enforcement of this Lease by Landlord; (viii) the amount of Rent, if any, that Tenant paid in advance; (ix) the amount of security that Tenant deposited with Landlord; (x) if Tenant has sublet all or a portion of the Premises or assigned its interest in the Lease and to whom; (xi) if Tenant has any option to extend the Lease or option to purchase the Premises; and (xii) such other factual matters concerning the Lease or the Premises as Landlord may reasonably request. Tenant acknowledges and agrees that any statement delivered pursuant to this Section may be relied upon by a prospective purchaser of Landlord's interest or assignee of any mortgage or new mortgagee of Landlord's interest in the Premises. If Tenant shall fail to respond within ten (10) days to Landlord's request for the statement required by this Section, Landlord may provide the statement and Tenant shall be deemed to have admitted the accuracy of the information provided by Landlord.



**LEASE AGREEMENT**  
**(Triple Net (NNN) Lease)**  
**(Continued)**

29. **TRANSFER OF LANDLORD'S INTEREST.** This Lease shall be assignable by Landlord without the consent of Tenant. In the event of any transfer or transfers of Landlord's interest in the Premises, other than a transfer for collateral purposes only, upon the assumption of this Lease by the transferee, Landlord shall be automatically relieved of obligations and liabilities accruing from and after the date of such transfer, including any liability for any retained security deposit or prepaid rent, for which the transferee shall be liable, and Tenant shall attorn to the transferee.
30. **LANDLORD'S LIABILITY.** Anything in this Lease to the contrary notwithstanding, covenants, undertakings and agreements herein made on the part of Landlord are made and intended not as personal covenants, undertakings and agreements for the purpose of binding Landlord personally or the assets of Landlord but are made and intended for the purpose of binding only the Landlord's interest in the Premises, as the same may from time to time be encumbered. In no event shall Landlord or its partners, shareholders, or members, as the case may be, ever be personally liable hereunder.
31. **RIGHT TO PERFORM.** If Tenant shall fail to timely pay any sum or perform any other act on its part to be performed hereunder, Landlord may make any such payment or perform any such other act on Tenant's behalf. Tenant shall, within ten (10) days of demand, reimburse Landlord for its expenses incurred in making such payment or performance. Landlord shall (in addition to any other right or remedy of Landlord provided by law) have the same rights and remedies in the event of the nonpayment of sums due under this Section as in the case of default by Tenant in the payment of Rent.
32. **QUIET ENJOYMENT.** So long as Tenant pays the Rent and performs all of its obligations in this Lease, Tenant's possession of the Premises will not be disturbed by Landlord or anyone claiming by, through or under Landlord.
33. **MERGER.** The voluntary or other surrender of this Lease by Tenant, or a mutual cancellation thereof, shall not work a merger and shall, at the option of the Landlord, terminate all or any existing subtenancies or may, at the option of Landlord, operate as an assignment to Landlord of any or all of such subtenancies.
34. **Right of first refusal.** In the event that the landlord intends to either offer or accept an offer for the purchase of the property, the Tenant shall have the right to purchase the property under the terms defined in paragraph 37 of this lease. Such purchase must be made within 60 days of the notice of intent to sell, which Landlord must convey to tenant within three days of receipt of offer.

**LEASE AGREEMENT**  
(Triple Net (NNN) Lease)  
(Continued)

**35. HAZARDOUS MATERIAL.** As used herein, the term "Hazardous Material" means any hazardous, dangerous, toxic or harmful substance, material or waste including biomedical waste which is or becomes regulated by any local governmental authority, the State of Nevada or the United States Government, due to its potential harm to the health, safety or welfare of humans or the environment. Landlord represents and warrants to Tenant that, to Landlord's knowledge without duty of investigation, there is no Hazardous Material on, in, or under the Premises as of the Commencement Date except as may otherwise have been disclosed to Tenant in writing before the execution of this Lease. If there is any Hazardous Material on, in, or under the Premises as of the Commencement Date which has been or thereafter becomes unlawfully released through no fault of Tenant, then Landlord shall indemnify, defend and hold Tenant harmless from any and all claims, judgments, damages, penalties, fines, costs, liabilities or losses including without limitation sums paid in settlement of claims, attorneys' fees, consultant fees and expert fees, incurred or suffered by Tenant either during or after the Lease term as the result of such contamination.

Tenant shall not cause or permit any Hazardous Material to be brought upon, kept, or used in or about, or disposed of on the Premises or the Property by Tenant, its employees, officers, agents, servants, contractors, customers, clients, visitors, guests, or other licensees or invitees, except with Landlord's prior consent and then only upon strict compliance with all applicable federal, state and local laws, regulations, codes and ordinances. If Tenant breaches the obligations stated in the preceding sentence, then Tenant shall indemnify, defend and hold Landlord harmless from any and all claims, judgments, damages, penalties, fines, costs, liabilities or losses including, without limitation, diminution in the value of the Premises or the Property; damages for the loss or restriction on use of rentable or usable space or of any amenity of the Premises or the Property, or elsewhere; damages arising from any adverse impact on marketing of space at the Premises or the Property; and sums paid in settlement of claims, attorneys' fees, consultant fees and expert fees incurred or suffered by Landlord either during or after the Lease term. These indemnifications by Landlord and Tenant include, without limitation, costs incurred in connection with any investigation of site conditions or any clean-up, remedial, removal or restoration work, whether or not required by any federal, state or local governmental agency or political subdivision, because of Hazardous Material present in the Premises, or in soil or ground water on or under the Premises. Tenant shall immediately notify Landlord of any inquiry, investigation or notice that Tenant may receive from any third party regarding the actual or suspected presence of Hazardous Material on the Premises.

Without limiting the foregoing, if the presence of any Hazardous Material brought upon, kept or used in or about the Premises or the Property by Tenant, its employees, officers, agents, servants, contractors, customers, clients, visitors, guests, or other licensees or invitees, results in any unlawful release of any Hazardous Materials on the Premises or the Property, Tenant shall promptly take all actions, at its sole expense, as are necessary to return the Premises or the Property to the condition existing prior to the release of any such Hazardous Material; provided that Landlord's approval of such actions shall first be obtained, which approval may be withheld at Landlord's sole discretion. The provisions of this Section 32 shall survive expiration or termination of this Lease.

**LEASE AGREEMENT**  
(Triple Net (NNN) Lease)  
(Continued)

**36. GENERAL**

- a. **Heirs and Assigns.** This Lease shall apply to and be binding upon Landlord and Tenant and their respective heirs, executors, administrators, successors and assigns.
- b. **Brokers' Fees.** Tenant represents and warrants to Landlord that except for Tenant's Broker, if any, described and disclosed in Section 37 of this Lease, it has not engaged any broker, finder or other person who would be entitled to any commission or fees for the negotiation, execution or delivery of this Lease and shall indemnify and hold harmless Landlord against any loss, cost, liability or expense incurred by Landlord as a result of any claim asserted by any such broker, finder or other person on the basis of any arrangements or agreements made or alleged to have been made by or on behalf of Tenant. Landlord

represents and warrants to Tenant that except for Landlord's Broker, if any, described and disclosed in Section 37 of this Lease, it has not engaged any broker, finder or other person who would be entitled to any commission or fees for the negotiation, execution or delivery of this Lease and shall indemnify and hold harmless Tenant against any loss, cost, liability or expense incurred by Tenant as a result of any claim asserted by any such broker, finder or other person on the basis of any arrangements or agreements made or alleged to have been made by or on behalf of Landlord.

- c. **Entire Agreement.** This Lease contains all of the covenants and agreements between Landlord and Tenant relating to the Premises. No prior or contemporaneous agreements or understandings pertaining to the Lease shall be valid or of any force or effect and the covenants and agreements of this Lease shall not be altered, modified or amended except in writing, signed by Landlord and Tenant.
- d. **Severability.** Any provision of this Lease which shall prove to be invalid, void or illegal shall in no way affect, impair or invalidate any other provision of this Lease.
- e. **Force Majeure.** Time periods for either party's performance under any provisions of this Lease (excluding payment of Rent) shall be extended for periods of time during which the party's performance is prevented due to circumstances beyond such party's control, including without limitation, fires, floods, earthquakes, lockouts, strikes, embargoes, governmental regulations, acts of God, public enemy, war or other strife.
- f. **Governing Law.** This Lease shall be governed by and construed in accordance with the laws of the State of Nevada.
- g. **Memorandum of Lease.** Neither this Lease nor any memorandum or "short form" thereof shall be recorded without Landlord's prior consent.
- h. **Submission of Lease Form Not an Offer.** One party's submission of this Lease to the other for review shall not constitute an offer to lease the Premises. This Lease shall not become effective and binding upon Landlord and Tenant until it has been fully signed by both of them.
- i. **No Light, Air or View Easement.** Tenant has not been granted an easement or other right for light, air or view to or from the Premises. Any diminution or shutting off of light, air or view by any structure which may be erected on or adjacent to the Building shall in no way effect this Lease or the obligations of Tenant hereunder or impose any liability on Landlord.
- j. **Authority of Parties.** Each party signing this Lease represents and warrants to the other that it has the authority to enter into this Lease, that the execution and delivery of this Lease has been duly authorized, and that upon such execution and delivery, this Lease shall be binding upon and enforceable against the party on signing.
- k. **Time.** "Day" as used herein means a calendar day and "business day" means any day on which commercial banks are generally open for business in the state where the Premises are situated. Any period of time which would otherwise end on a non-business day shall be extended to the next following business day. Time is of the essence of this Lease.


**LEASE AGREEMENT**  
**(Triple Net (NNN) Lease) (Continued)**

37. **OPTION TO PURCHASE** Lessee has the option to purchase the property. Lessbr agrees to sell such properties for \$938,000.00 if purchase occurs before the end of the first year of this lease. The option is also available in years 2 through 5 of this lease for the amount of \$1,031,800.00. Lessee must be current and fully paid for rents and other payments required as a part of this lease.

38. **EXHIBITS AND RIDERS.** The following exhibits and riders are made a part of this Lease, and the terms thereof shall control over any inconsistent provision in the sections of this Lease:

Exhibit A Rent Rider  
Exhibit B Legal Description of the  
Property Exhibit C Tenant  
Immmvement Schedule

2113 Investors LLC  
LANDLORD

  
BY Joseph E. Kennedy  
ITS: Managing Member

CWNV LLC  
TENANT

  
BY Brian C. Padgett  
ITS: Managing Member

## EXHIBIT A RENT RIDER

### RENTAL RATES

<del>February 1<sup>st</sup>, 2016 to April 30<sup>th</sup>, 2016</del>	<del>\$4,225.00 per month</del>
<i>July</i> <del>May 1<sup>st</sup>, 2016 to January 30<sup>st</sup>, 2017</del>	<i>June</i> \$8,450.00 per month
<i>July</i> <del>February 1<sup>st</sup>, 2017 to January 30<sup>st</sup>, 2018</del>	<i>June</i> \$8,700.00 per month
<i>July</i> <del>February 1<sup>st</sup>, 2018 to January 30<sup>st</sup>, 2019</del>	<i>June</i> \$8,950.00 per month
<i>July</i> <del>February 1<sup>st</sup>, 2019 to January 30<sup>st</sup>, 2020</del>	<i>June</i> \$9,250.00 per month
<i>July</i> <del>February 1<sup>st</sup>, 2020 to January 30<sup>st</sup>, 2021</del>	<i>June</i> \$9,550.00 per month

CAM charges shall be paid by lessee as they become due. Cam Charges include Property Taxes, Casualty and Liability Insurance and miscellaneous charges associated with the maintenance of the property.

#### Totals for Lease term:

Year 1~	<i>\$10140</i> <del>\$88,725.00</del> + CAM
Year 2~	\$104,400.00 + CAM
Year 3~	\$107,400.00 + CAM
Year 4~	\$111,000.00 + CAM
Year 5~	\$114,600.00 + CAM

## EXHIBIT B

### Legal Description

LOTS FOURTEEN (14) AND FIFTEEN (15) IN BLOCK FIFTEEN (15) OF BOULDER ADDITION TO THE CITY OF LAS VEGAS, AS SHOWN BY MAP THEREOF ON FILE IN BOOK 1 OF PLATS, PAGE 52 IN THE OFFICE OF THE COUNTY RECORDER OF CLARK COUNTY, NEVADA.

**EXHIBIT C**  
[Tenant Improvement Schedule]

1. Tenant Improvements to be Completed by Landlord  
NONE
2. Tenant Improvements to be Completed by Tenant  
TO BE DETERMINED BY TENANT WITH MUTUAL AGREEMENT

**EXHIBIT C**  
[Tenant Improvement Schedule]

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CWNV LLC Lease

3<sup>rd</sup> Street Las Vegas

2113 Investors LLC

**LEASE AGREEMENT**  
**(Triple Net (NNN) Lease) (Continued)**

37. **OPTION TO PURCHASE** Lessee has the option to purchase the property. Lessbr agrees to sell such properties for \$938,000.00 if purchase occurs before the end of the first year of this lease. The option is also available in years 2 through 5 of this lease for the amount of \$1,031,800.00. Lessee must be current and fully paid for rents and other payments required as a part of this lease.

38. **EXHIBITS AND RIDERS.** The following exhibits and riders are made a part of this Lease, and the terms thereof shall control over any inconsistent provision in the sections of this Lease:

Exhibit A Rent Rider  
Exhibit B Legal Description of the  
Property Exhibit C Tenant  
Immmvement Schedule

2113 Investors LLC  
LANDLORD

  
BY Joseph E. Kennedy  
ITS: Managing Member

CWNV LLC  
TENANT

  
BY Brian C. Padgett  
ITS: Managing Member



# EXHIBIT “8”


NUVEDA'S APPENDIX 0904

**LEASE AGREEMENT**  
(Triple Net (NNN) Lease)

THIS LEASE AGREEMENT (the "Lease") is entered into and effective as of February 1, 2016 (Date) Between 2113 Investors LLC, a Nevada LLC (Landlord) and CWNV LLC, a Nevada LLC (Tenant).

Landlord and Tenant agree as follows:

**1. LEASE SUMMARY.**

- a. **Leased Premises.** The leased commercial real estate i) consists of an agreed area of approximately 6,525 rentable square feet (the "Premises"); ii) is located on the land legally described on attached Exhibit B; and iii) is commonly known as 2113 Las Vegas Boulevard North, North Las Vegas, Nevada 89030 (address). The Premises do not include, and Landlord reserves, the exterior walls and roof of the building in which the Premises are located (the "Building"), the land beneath the Building, the pipes and ducts, conduits, wires, fixtures, and equipment above the suspended ceiling; and the structural elements of the Building. The Building, the land upon which it is situated, all other improvements located on such land, and all common areas appurtenant to the Building are referred to as the "Property." The Building Property as of the date of this Lease consist of an agreed area of 6,525 rentable square feet.
- b. **Lease Commencement Date.** The term of this Lease shall be for a period of 60 months and shall commence on February 1, 2016 or such earlier or later date as provided in Section 3 (the "Commencement Date").
- c. **Lease Termination Date.** The term of this Lease shall terminate at midnight on January 31, 2021 or such earlier or later date as provided in Section 3 (the "Termination Date"). Tenant shall have an option to extend this Lease for three five (5) year periods. The extensions shall be at market rates at the commencement of each extension.
- d. **Base Rent.** The base monthly rent shall be as stated in Exhibit A "rent rider". Rent shall be payable at Landlord's address shown in Section 1(i) below, or such other place designated in writing by Landlord.
- e. **CAM Fees.** The initial lease CAM fees shall be charged to tenant at cost. Tenant shall pay the invoices as presented within 30 days. CAM fees include Property Taxes, Casualty and Liability Insurance and other costs not attributable to the landlord's cost.
- f. **Security Deposit.** Upon execution of this Lease, Tenant shall deliver to Landlord the sum of ~~\$24,685.00~~ \$25,000.00 to be held as a security deposit pursuant to Section 5 below. The security deposit shall be in the form of cash, direct deposit to Landlord's bank account or check drawn on a US Bank. 
- g. **Permitted Use.** The Premises shall be used for any legal purpose (the "Permitted Use"). Tenant must maintain all required licenses and permits.

**LEASE AGREEMENT**  
(Triple Net (NNN) Lease)  
(Continued)

**I. Notice and Payment Addresses.**

Landlord: 2113 Investors LLC  
11115 Kilkerran Ct.  
Las Vegas, Nevada 89141-4356  
Email: Joe90275@gmail.com

Tenant: CWNV LLC  
4145 Alibaba Lane Suite A  
Las Vegas, NV 89118  
Email: JasonThompson@CWNVNevada.com

- j. **Tenant's Pro Rata Share.** Landlord and Tenant agree that Tenant's Pro Rata Share is 100.0%, based on the ratio of the agreed rentable area of the Premises to the agreed rentable area of the Building and all other buildings on the Property as of the date of this Lease. Any adjustment to the Premises' or Building's rentable floor area measurements will be reflected in an adjustment to Tenant's Base Rent or Pro Rata Share.

**2. PREMISES.**

- a. **Lease of Premises.** Landlord leases to Tenant, and Tenant leases from Landlord, the Premises upon the terms specified in this Lease.
- b. **Acceptance of Premises.** Landlord and Tenant agree that the premises will be available to Tenant from the first day of the lease. However, the improvements specified in Exhibit C will be made by the landlord during the Tenant's occupancy. Tenant improvements will be made in a reasonable time frame. Schedules for improvements will be forwarded to Tenant by Landlord for reasonable approval by Tenant. The approval shall not be unreasonably withheld.
- c. **Tenant Improvements.** Attached Exhibit C sets forth all Landlord's Work, if any, and all tenant improvements to be completed by Tenant (the "Tenant's Work"), if any, that will be performed on the Premises. Responsibility for design, payment and performance of all such work shall be as set forth on attached Exhibit C. If Tenant fails to notify Landlord of any defects in the Landlord's Work within thirty (30) days of delivery of possession to Tenant, Tenant shall be deemed to have accepted the Premises in their then condition. If Tenant discovers any major defects in the Landlord's Work during this 30-day period that would prevent Tenant from using the Premises for the Permitted Use, Tenant shall notify Landlord and the Commencement Date shall be delayed until after Landlord has notified Tenant that Landlord has corrected the major defects and Tenant has had five (5) days to inspect and approve the Premises. The Commencement Date shall not be delayed if Tenant's inspection reveals minor defects in the Landlord's Work that will not prevent Tenant from using the Premises for the Permitted Use. Tenant shall prepare a punch list of all minor defects in Landlord's Work and provide the punch list to Landlord, which Landlord shall promptly correct.

**LEASE AGREEMENT**  
**(Triple Net (NNN) Lease)**  
**(Continued)**

3. **TERM.** The term of this Lease shall commence on the Commencement Date specified in Section 1.
- a. **Early Possession.** If Landlord permits Tenant to possess and occupy the Premises prior to the Commencement Date specified in Section 1, then such early occupancy shall not advance the Commencement Date or the Termination Date set forth in Section 1, but otherwise all terms and conditions of this Lease, except rent and CAM fee payments, shall nevertheless apply during the period of early occupancy before the Commencement Date.
  - b. **Delayed Possession.** Landlord shall act diligently to make the Premises available to Tenant; provided, however, neither Landlord nor any agent or employee of Landlord shall be liable for any damage or loss due to Landlord's inability or failure to deliver possession of the Premises to Tenant as provided in this Lease. If possession is delayed, the Commencement Date set forth in Section 1 shall also be delayed. In addition, the Termination Date set forth in Section 1 shall be modified so that the length of the Lease term remains the same. If Landlord does not deliver possession of the Premises to Tenant within sixty days (sixty (60) days if not filled in) after the Commencement Date specified in Section 1, Tenant may elect to cancel this Lease by giving written notice to Landlord within ten (10) days after such time period ends. If Tenant gives such notice of cancellation, the Lease shall be cancelled, all prepaid rent and security deposits shall be refunded to Tenant, and neither Landlord nor Tenant shall have any further obligations to the other. The first "Lease year" shall commence on the Commencement Date and shall end on the date which is twelve (12) months from the end of the month in which the Commencement Date occurs. Each successive Lease year during the initial term and any extension terms shall be twelve (12) months, commencing on the first day following the end of the preceding Lease year. To the extent that the tenant improvements are not completed in time for the Tenant to occupy or take possession of the Premises on the Commencement Date due to the failure of Tenant to fulfill any of its obligations under this Lease, the Lease shall nevertheless commence on the Commencement Date set forth in Section 1.
4. **RENT.**
- a. **Payment of Rent.** Tenant shall pay Landlord without notice, demand, deduction or offset, in lawful money of the United States, the monthly Base Rent stated in Section 1 in advance on or before the first day of each month during the Lease term beginning on the Commencement Date and shall also pay any other additional payments due to Landlord ("Additional Rent"), including Operating Costs (collectively the "Rent") when required under this Lease. Payments for any partial month at the beginning or end of the Lease shall be prorated. All payments due to Landlord under this Lease, including late fees and interest, shall also constitute Additional Rent, and upon failure of Tenant to pay any such costs, charges or expenses, Landlord shall have the same rights and remedies as otherwise provided in this Lease for the failure of Tenant to pay rent.
  - b. **Triple Net Lease.** This Lease is what is commonly called a "Net, Net, Net" or "triple-net" Lease, which means that, except as otherwise expressly provided herein, Landlord shall receive all Base Rent free and clear of any and all other impositions, taxes, liens, charges or expenses of any nature whatsoever in connection with the ownership and operation of the Premises. In addition to Base Rent, Tenant shall pay to the parties respectively entitled thereto, or satisfy directly, all Additional Rent and other impositions, insurance premiums, repair and maintenance charges, and any other charges, costs, obligations, liabilities, requirements, and expenses, including without limitation the Operating Costs described in Section 8, which arise with regard to the Premises or may be contemplated under any other provision of the Lease during its term, except for costs and expenses expressly made the obligation of Landlord in this Lease.



**LEASE AGREEMENT**  
**(Triple Net (NNN) Lease)**  
**(Continued)**

- c. **Late Charges; Default Interest.** If any sums payable by Tenant to Landlord under this Lease are not received within five (5) business days after their due date, Tenant shall pay Landlord an amount equal to the greater of \$100 or five percent (5%) of the delinquent amount for the cost of collecting and handling such late payment in addition to the amount due and as Additional Rent. All delinquent sums payable by Tenant to Landlord and not paid within five (5) business days after their due date shall, at Landlord's option, bear interest at the rate of fifteen percent (15%) per annum, or the highest rate of interest allowable by law, whichever is less (the "Default Rate"). Interest on all delinquent amounts shall be calculated from the original due date to the date of payment.
- d. **Less Than Full Payment.** Landlord's acceptance of less than the full amount of any payment due from Tenant shall not be deemed an accord and satisfaction or compromise of such payment unless Landlord specifically consents in writing to payment of such lesser sum as an accord and satisfaction or compromise of the amount which Landlord claims. Any portion that remains to be paid by Tenant shall be subject to the late charges and default interest provisions of this Section 4.
5. **SECURITY DEPOSIT.** Upon execution of this Lease, Tenant shall deliver to Landlord the security deposit specified in Section 1 above. Landlord's obligations with respect to the security deposit are those of a debtor and not of a trustee, and Landlord may commingle the security deposit with its other funds. If Tenant breaches any covenant or condition of this Lease, including but not limited to the payment of Rent, Landlord may apply all or any part of the security deposit to the payment of any sum in default and any damages suffered by Landlord as a result of Tenant's breach. Tenant acknowledges, however, that the security deposit shall not be considered as a measure of Tenant's damages in case of default by Tenant, and any payment to Landlord from the security deposit shall not be construed as a payment of liquidated damages for Tenant's default. If Landlord applies the security deposit as contemplated by this Section, Tenant shall, within five (5) days after written demand therefore by Landlord, deposit with Landlord the amount so applied. If Tenant complies with all of the covenants and conditions of this Lease throughout the Lease term, the security deposit shall be repaid to Tenant without interest within thirty (30) days after the surrender of the Premises by Tenant in the condition required hereunder by Section 13 of this Lease.
6. **USES.** The Premises shall be used only for the Permitted Use specified in Section 1 above, and for no other business or purpose without the prior written consent of Landlord. No act shall be done on or around the Premises that is unlawful or that will increase the existing rate of insurance on the Premises, the Building, or the Property, or cause the cancellation of any insurance on the Premises, the Building, or the Property. Tenant shall not commit or allow to be committed any waste upon the Premises, or any public or private nuisance. Tenant shall not do or permit anything to be done on the Premises, the Building, or the Property which will obstruct or interfere with the rights of other tenants or occupants of the Property, or their employees, officers, agents, servants, contractors, customers, clients, visitors, guests, or other licensees or invitees or to injure or annoy such persons.
7. **COMPLIANCE WITH LAWS.** Tenant shall not cause or permit the Premises to be used in any way which violates any law, ordinance, or governmental regulation or order. Landlord represents to Tenant that, as of the Commencement Date, to Landlord's knowledge, but without duty of investigation, and with the exception of any Tenant's Work, the Premises comply with all applicable laws, rules, regulations, or orders, including without limitation, the Americans With Disabilities Act, if applicable, and Landlord shall be responsible to promptly cure at its sole cost any noncompliance which existed on the Commencement Date. Tenant shall be responsible for complying with all laws applicable to the Premises as a result of the Permitted Use, and Tenant shall be responsible for making any changes or alterations as may be required by law, rule, regulation, or order for Tenant's Permitted Use at its sole cost and expense. Otherwise, if changes or alterations are required by law, rule, regulation, or order unrelated to the Permitted Use, Landlord shall make changes and alterations at its expense.
8. **OPERATING COSTS.**

- a. **Definition.** As used herein, "Operating Costs" shall mean all costs of operating, maintaining and repairing the Premises, the Building, and the Property, determined in accordance with generally accepted accounting principles, and including without limitation the following: all taxes and assessments (including, but not limited to, real and personal property taxes and assessments, local improvement district assessments and other special purpose assessments, and taxes on rent or gross receipts); insurance premiums paid by Landlord and (to the extent used) deductibles for insurance applicable to the Property; water, sewer and all other utility charges (other than utilities separately metered and paid directly by Tenant or other tenants); janitorial and all other cleaning services; refuse and trash removal; supplies, materials, tools, and equipment used in the operation, repair, and maintenance of the Property; refurbishing and repainting; carpet replacement; to the extent serving areas other than just the Premises, heating, ventilation and air conditioning ("HVAC") service and repair and replacement of HVAC when necessary; elevator service and repair and replacement of elevators when necessary; pest control; lighting systems, fire detection and security services; landscape maintenance; management (fees and/or personnel costs); parking lot, road, sidewalk and driveway patching, resurfacing and maintenance; snow and ice removal; repair, maintenance, and, where reasonably required, replacement of signage; amortization of capital improvements as Landlord may in the future install to comply with governmental regulations and rules or undertaken in good faith with a reasonable expectation of reducing operating costs (the useful life of which shall be a reasonable period of time as determined by Landlord); costs of legal services (except those incurred directly relating to a particular occupant of the Building); and accounting services, labor, supplies, materials and tools. Landlord and Tenant agree that if the Building is not ninety percent (90%) occupied during any calendar year (including the Base Year, if applicable), on a monthly average, then those portions of the Operating Costs that are driven by occupancy rates, as reasonably determined by Landlord, shall be increased to reflect the Operating Costs of the Building as though it were ninety percent (90%) occupied and Tenant's Pro Rata Share of Operating Costs shall be based upon Operating Costs as so adjusted. Operating Costs shall not include: Landlord's income tax or general corporate overhead; depreciation on the Building or equipment therein; loan payments; real estate broker's commissions; capital improvements to or major repairs of the Building shell (i.e., the Building structure, exterior walls, roof, and structural floors and foundations), except as described above; or any costs regarding the operation, maintenance and repair of the Premises, the Building, or the Property paid directly by Tenant or other tenants in the Building, or otherwise reimbursed to Landlord. If Tenant is renting a pad separate from any other structures on the Property for which Landlord separately furnishes the services described in this paragraph, then the term "Operating Costs" shall not include those costs of operating, repairing, and maintaining the enclosed mall which can be separately allocated to the tenants of the other structures. Operating Costs which cannot be separately allocated to the tenants of other structures may include but are not limited to: insurance premiums; taxes and assessments; management (fees and/or personnel costs); exterior lighting; parking lot, road, sidewalk and driveway patching, resurfacing and maintenance; snow and ice removal; and costs of legal services and accounting services.
- b. **TRIPLE NET COSTS.** As additional Rent, Tenant shall pay to the Landlord the triple net costs at actual cost within 30 days of invoice from the Landlord.
9. **UTILITIES AND SERVICES.**  
Tenant shall furnish all utilities including, but not limited to, electric, gas, water, septic tank service, telephone, trash, Internet, cable service and other services which Tenant requires with respect to the Premises, and shall pay, at Tenant's sole expense, the cost of all utilities separately metered to the Premises, and of all other utilities and other services which Tenant requires with respect to the Premises.
10. **TAXES.** Tenant shall pay all taxes, assessments, liens and license fees ("Taxes") levied, assessed or imposed by any authority having the direct or indirect power to tax or assess any such liens, related to or required by Tenant's use of the Premises as well as all Taxes on Tenant's personal property located on the Premises.

**LEASE AGREEMENT**  
(Triple Net (NNN) Lease)  
(Continued)

11. **COMMON AREAS.**

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CWNV LLC Lease

North Las Vegas

2113 Investors LLC

- a. **Definition.** The term "Common Areas" means all areas, facilities and building systems that are provided and designated from time to time by Landlord for the general non-exclusive use and convenience of Tenant with other tenants and which are not leased or held for the exclusive use of a particular tenant. No such areas and facilities exist within the Property,
12. **ALTERATIONS.** Tenant may make alterations, additions or improvements to the Premises, including any Tenant Work identified on attached Exhibit C (the "Alterations"), only with the prior written consent of Landlord, which, with respect to Alterations not affecting the structural components of the Premises or utility systems therein, shall not be unreasonably withheld, conditioned, or delayed. Landlord shall have thirty (30) days in which to respond to Tenant's request for any Alterations so long as such request includes the name of Tenant's contractors and reasonably detailed plans and specifications therefor. The term "Alterations" shall not include the installation of shelves, movable partitions, Tenant's equipment, and trade fixtures that may be performed without damaging existing improvements or the structural integrity of the Premises, the Building, or the Property, and Landlord's consent shall not be required for Tenant's installation or removal of those items. Tenant shall perform all work at Tenant's expense and in compliance with all applicable laws and shall complete all Alterations in accordance with plans and specifications approved by Landlord, using contractors approved by Landlord, and in a manner so as not to unreasonably interfere with other tenants. Tenant shall pay, when due, or furnish a bond for payment (as set forth in Section 20) all claims for labor or materials furnished to or for Tenant at or for use in the Premises, which claims are or may be secured by any mechanics' or materialmen's liens against the Premises or the Property or any interest therein. Tenant shall remove all Alterations at the end of the Lease term unless Landlord conditioned its consent upon Tenant leaving a specified Alteration at the Premises, in which case Tenant shall not remove such Alteration, and it shall become Landlord's property. Tenant shall immediately repair any damage to the Premises caused by removal of Alterations.
13. **REPAIRS AND MAINTENANCE; SURRENDER.** Tenant shall, at its sole expense, maintain the entire Premises in good condition and promptly make all non-structural repairs and replacements necessary to keep the Premises safe and in good condition, including all HVAC components and other utilities and systems to the extent exclusively serving the Premises. Landlord shall maintain and repair the Building structure, foundation, subfloor, exterior walls, roof structure and surface, and HVAC components and other utilities and systems serving more than just the Premises, and the Common Areas, the costs of which shall be included as an Operating Cost. Tenant shall not damage any demising wall or disturb the structural integrity of the Premises, the Building, or the Property and shall promptly repair any damage or injury done to any such demising walls or structural elements caused by Tenant or its employees, officers, agents, servants, contractors, customers, clients, visitors, guests, or other licensees or invitees. Notwithstanding anything in this Section to the contrary, Tenant shall not be responsible for any repairs to the Premises made necessary by the negligence or willful misconduct of Landlord or its employees, officers, agents, servants, contractors, customers, clients, visitors, guests, or other licensees or invitees therein. If Tenant fails to perform Tenant's obligations under this Section, Landlord may at Landlord's option enter upon the Premises after ten (10) days' prior notice to Tenant and put the same in good order, condition and repair and the cost thereof together with interest thereon at the default rate set forth in Section 4 shall be due and payable as additional rent to Landlord together with Tenant's next installment of Base Rent. Upon expiration of the Lease term, whether by lapse of time or otherwise, Tenant shall promptly and peacefully surrender the Premises, together with all keys, to Landlord in as good condition as when received by Tenant from Landlord or as thereafter improved, reasonable wear and tear and insured casualty excepted.

**LEASE AGREEMENT**  
(Triple Net (NNN) Lease)  
(Continued)

14. **ACCESS AND RIGHT OF ENTRY.** After twenty-four (24) hours' notice from Landlord (except in cases of emergency, when no notice shall be required), Tenant shall permit Landlord and its agents, employees and contractors to enter the Premises at all reasonable times to make repairs, inspections, alterations or improvements, provided that Landlord shall use reasonable efforts to minimize interference with Tenant's use and enjoyment of the Premises. This Section shall not impose any repair or other obligation upon Landlord not expressly stated elsewhere in this Lease. After reasonable notice to Tenant, Landlord shall have the right to enter the Premises for the purpose of (a) showing the Premises to prospective purchasers or lenders at any time, and to prospective tenants within one hundred eighty (180) days prior to the expiration or sooner termination of the Lease term; and (b) posting "for lease" signs within one hundred eighty (180) days prior to the expiration or sooner termination of the Lease term.

15. **SIGNAGE.** Tenant shall obtain Landlord's written consent as to size, location, materials, method of attachment, and appearance, before installing any signs upon the Premises. Tenant shall install any approved signage at Tenant's sole expense and in compliance with all applicable laws. Tenant shall not damage or deface the Premises in installing or removing signage and shall repair any injury or damage to the Premises caused by such installation or removal.


16. **DESTRUCTION OR CONDEMNATION.**

a. **Damage and Repair.** If the Premises or the portion of the Building or the Property necessary for Tenant's occupancy are partially damaged but not rendered untenable, by fire or other insured casualty, then Landlord shall diligently restore the Premises and the portion of the Property necessary for Tenant's occupancy to the extent required below and this Lease shall not terminate. Tenant may, however, terminate the Lease if Landlord is unable to restore the Premises within six (6) months of the casualty event by giving twenty (20) days written notice of termination.

The Premises or the portion of the Building or the Property necessary for Tenant's occupancy shall not be deemed untenable if twenty-five percent (25%) or less of each of those areas is damaged. If insurance proceeds are not available or are not sufficient to pay the entire cost of restoring the Premises, or if Landlord's lender does not permit all or any part of the insurance proceeds to be applied toward restoration, then Landlord may elect to terminate this Lease and keep the insurance proceeds, by notifying Tenant within sixty (60) days of the date of such casualty.

If the Premises, the portion of the Building or the Property necessary for Tenant's occupancy, or fifty percent (50%) or more of the rentable area of the Property are entirely destroyed, or partially damaged and rendered untenable, by fire or other casualty, Landlord may, at its option: (a) terminate this Lease as provided herein, or (b) restore the Premises and the portion of the Property necessary for Tenant's occupancy to their previous condition to the extent required below; provided, however, if such casualty event occurs during the last six (6) months of the Lease term (after considering any option to extend the term timely exercised by Tenant) then either Tenant or Landlord may elect to terminate the Lease. If, within sixty (60) days after receipt by Landlord from Tenant of written notice that Tenant deems the Premises or the portion of the Property necessary for Tenant's occupancy untenable, Landlord fails to notify Tenant of its election to restore those areas, or if Landlord is unable to restore those areas within six (6) months of the date of the casualty event, then Tenant may elect to terminate the Lease upon twenty (20) days' notice to Landlord unless Landlord, within such twenty (20) day period, notifies Tenant that it will in fact restore the Premises or actually completes such restoration work to the extent required below, as applicable.

If Landlord restores the Premises or the Property under this Section, Landlord shall proceed with reasonable diligence to complete the work, and the Rent shall be abated in the same proportion as the untenable portion of the Premises bears to the whole Premises, provided that there shall be a Rent abatement only if the damage or destruction of the Premises or the Property did not result from, or was not contributed to directly or indirectly by the act, fault or neglect of Tenant, or Tenant's employees, officers, agents, servants, contractors, customers, clients, visitors, guests, or other licensees or invitees. No damages, compensation or claim shall be payable by Landlord for inconvenience, loss of business or annoyance directly, incidentally or consequentially arising from any repair or restoration of any portion of





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**(Triple Net (NNN) Lease)**  
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the Premises or the Property. Landlord shall have no obligation to carry insurance of any kind for the protection of Tenant; any alterations or improvements paid for by Tenant; any Tenant's Work Identified in Exhibit C (regardless of who may have completed them); Tenant's furniture; or on any fixtures, equipment, improvements or appurtenances of Tenant under this Lease, and Landlord's restoration obligations hereunder shall not include any obligation to repair any damage thereto or replace the same.

- b. **Condemnation.** If the Premises, the portion of the Building or the Property necessary for Tenant's occupancy, or 50% or more of the rentable area of the Property are made untenable by eminent domain, or conveyed under a threat of condemnation, this Lease shall terminate at the option of either Landlord or Tenant as of the earlier of the date title vests in the condemning authority or the condemning authority first has possession of the Premises or the portion of the Property taken by the condemning authority. All Rents and other payments shall be paid to that date.

If the condemning authority takes a portion of the Premises or of the Building or the Property necessary for Tenant's occupancy that does not render them untenable, then this Lease shall continue in full force and effect and the Rent shall be equitably reduced based on the proportion by which the floor area of any structures is reduced. The reduction in Rent shall be effective on the earlier of the date the condemning authority first has possession of such portion or title vests in the condemning authority. The Premises or the portion of the Building or the Property necessary for Tenant's occupancy shall not be deemed untenable if twenty-five percent (25%) or less of each of those areas is condemned. Landlord shall be entitled to the entire award from the condemning authority attributable to the value of the Premises or the Building or the Property and Tenant shall make no claim for the value of its leasehold. Tenant shall be permitted to make a separate claim against the condemning authority for moving expenses if Tenant may terminate the Lease under this Section, provided that in no event shall Tenant's claim reduce Landlord's award.

**17. INSURANCE.**

- a. **Tenant's Liability Insurance.** During the Lease term, Tenant shall pay for and maintain commercial general liability insurance with broad form property damage and contractual liability endorsements. This policy shall name Landlord, its property manager (if any), and other parties designated by Landlord as additional insureds using an endorsement form acceptable to Landlord, and shall insure Tenant's activities and those of Tenant's employees, officers, agents, servants, contractors, customers, clients, visitors, guests, or other licensees or invitees with respect to the Premises against loss, damage or liability for personal injury or bodily injury (including death) or loss or damage to property with a combined single limit of not less than \$2,000,000, and a deductible of not more than \$10,000. Tenant's insurance will be primary and noncontributory with any liability insurance carried by Landlord. Landlord may also require Tenant to obtain and maintain business income coverage for at least six (6) months, business auto liability coverage, and, if applicable to Tenant's Permitted Use, liquor liability insurance and/or warehouseman's coverage.
- b. **Tenant's Property Insurance.** During the Lease term, Tenant shall pay for and maintain special form clauses of loss coverage property insurance (with coverage for earthquake if required by Landlord's lender and, if the Premises are situated in a flood plain, flood damage) for all of Tenant's personal property, fixtures and equipment in the amount of their full replacement value, with a deductible of not more than \$5,000.
- c. **Miscellaneous.** Tenant's insurance required under this Section shall be with companies rated A-/VI or better in Best's Insurance Guide, and which are admitted in the State in which the Premises are located. No insurance policy shall be cancelled or reduced in coverage and each such policy shall provide that it is not subject to cancellation or a reduction in coverage except after thirty (30) days prior written notice to Landlord. Tenant shall deliver to Landlord upon commencement of the Lease and from time to time thereafter, copies of the insurance policies or evidence of insurance and copies of endorsements required by this Section. In no event shall the limits of such policies be considered as limiting the liability of Tenant under this Lease. If Tenant fails to acquire or maintain any insurance or provide any policy or evidence of insurance required by this Section, and such failure continues for three (3) days after

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**(Triple Net (NNN) Lease)**  
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notice from Landlord, Landlord may, but shall not be required to, obtain such insurance for Landlord's benefit and Tenant shall reimburse Landlord for the costs of such insurance upon demand. Such amounts shall be Additional Rent payable by Tenant hereunder and in the event of non-payment thereof, Landlord shall have the same rights and remedies with respect to such non-payment as it has with respect to any other non-payment of Rent hereunder.

- d. **Landlord's Insurance.** Landlord shall carry special form clauses of loss coverage property insurance of the Building shell and core in the amount of their full replacement value, liability insurance with respect to the Common Areas, and such other insurance of such types and amounts as Landlord, in its discretion, shall deem reasonably appropriate. The cost of any such insurance shall be included in the Operating Costs, and if such insurance is provided by a "blanket policy" insuring other parties or locations in addition to the Building, then only the portion of the premiums allocable to the Building and Property shall be included in the Operating Costs.
- e. **Waiver of Subrogation.** Landlord and Tenant hereby release each other and any other tenant, their agents or employees, from responsibility for, and waive their entire claim of recovery for any loss or damage arising from any cause covered by property insurance required to be carried or otherwise carried by each of them. Each party shall provide notice to the property insurance carrier or carriers of this mutual waiver of subrogation, and shall cause its respective property insurance carriers to waive all rights of subrogation against the other. This waiver shall not apply to the extent of the deductible amounts to any such property policies or to the extent of liabilities exceeding the limits of such policies.

**18. INDEMNIFICATION.**

- a. **Indemnification by Tenant.** Tenant shall defend, indemnify, and hold Landlord and its property manager (if any) harmless against all liabilities, damages, costs, and expenses, including attorneys' fees, for personal injury, bodily injury (including death) or property damage arising from any negligent or wrongful act or omission of Tenant or Tenant's employees, officers, agents, servants, contractors, customers, clients, visitors, guests, or other licensees or invitees on or around the Premises or the Property, or arising from any breach of this Lease by Tenant. Tenant shall use legal counsel reasonably acceptable to Landlord in defense of any action within Tenant's defense obligation.
- b. **Indemnification by Landlord.** Landlord shall defend, indemnify and hold Tenant harmless against all liabilities, damages, costs, and expenses, including attorneys' fees, for personal injury, bodily injury (including death) or property damage arising from any negligent or wrongful act or omission of Landlord or Landlord's employees, officers, agents, servants, contractors, customers, clients, visitors, guests, or other licensees or invitees on or around the Premises or the Property, or arising from any breach of this Lease by Landlord. Landlord shall use legal counsel reasonably acceptable to Tenant in defense of any action within Landlord's defense obligation.
- c. **Waiver of Immunity.** Landlord and Tenant each specifically and expressly waive any immunity that each may be granted under Nevada Worker's Compensation Act. Neither party's indemnity obligations under this Lease shall be limited by any limitation on the amount or type of damages, compensation, or benefits payable to or for any third party under the Worker Compensation Acts, Disability Benefit Acts or other employee benefit acts.
- d. **Exemption of Landlord from Liability.** Except to the extent of claims arising out of Landlord's gross negligence or intentional misconduct, Landlord shall not be liable for injury to Tenant's business or assets or any loss of income therefrom or for damage to any property of Tenant or of its employees, officers, agents, servants, contractors, customers, clients, visitors, guests, or other licensees or invitees, or any other person in or about the Premises or the Property.
- e. **Survival.** The provisions of this Section 18 shall survive expiration or termination of this Lease.



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**(Triple Net (NNN) Lease)**  
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**19. ASSIGNMENT AND SUBLETTING.** Tenant shall not assign, sublet, mortgage, encumber or otherwise transfer any interest in this Lease (collectively referred to as a "Transfer") or any part of the Premises, without first obtaining Landlord's written consent, which shall not be unreasonably withheld, conditioned, or delayed. No Transfer shall relieve Tenant of any liability under this Lease notwithstanding Landlord's consent to such Transfer. Consent to any Transfer shall not operate as a waiver of the necessity for Landlord's consent to any subsequent Transfer. In connection with each request for consent to a Transfer, Tenant shall pay the reasonable cost of processing same, including attorneys' fees, upon demand of Landlord, up to a maximum of \$1,250.

If Tenant is a partnership, limited liability company, corporation, or other entity, any transfer of this Lease by merger, consolidation, redemption or liquidation, or any change in the ownership of, or power to vote, which singularly or collectively represents a majority of the beneficial interest in Tenant, shall constitute a Transfer under this Section.

As a condition to Landlord's approval, if given, any potential assignee or sublessee otherwise approved by Landlord shall assume all obligations of Tenant under this Lease and shall be jointly and severally liable with Tenant and any guarantor, if required, for the payment of Rent and performance of all terms of this Lease. In connection with any Transfer, Tenant shall provide Landlord with copies of all assignments, subleases and assumption agreement or documents.

**20. LIENS.** Tenant shall not subject the Landlord's assets to any liens or claims of lien. Tenant shall keep the Premises free from any liens created by or through Tenant. Tenant shall indemnify and hold Landlord harmless from liability for any such liens including, without limitation, liens arising from any Alterations. If a lien is filed against the Premises by any person claiming by, through or under Tenant, Tenant shall, within ten (10) days after Landlord's demand, at Tenant's expense, either remove the lien or furnish to Landlord a bond in form and amount and issued by a surety satisfactory to Landlord, indemnifying Landlord and the Premises against all liabilities, costs and expenses, including attorneys' fees, which Landlord could reasonably incur as a result of such lien.

**21. DEFAULT.** The following occurrences shall each constitute a default by Tenant (an "Event of Default"):

- a. **Failure To Pay.** Failure by Tenant to pay any sum, including Rent, due under this Lease following five (5) days' notice from Landlord of the failure to pay.
- b. **Vacation/Abandonment.** Vacation by Tenant of the Premises (defined as an absence for at least fifteen (15) consecutive days without prior notice to Landlord), or abandonment by Tenant of the Premises (defined as an absence of five (5) days or more while Tenant is in breach of some other term of this Lease). Tenant's vacation or abandonment of the Premises shall not be subject to any notice or right to cure.
- c. **Insolvency.** Tenant's insolvency or bankruptcy (whether voluntary or involuntary); or appointment of a receiver, assignee or other liquidating officer for Tenant's business; provided, however, that in the event of any involuntary bankruptcy or other insolvency proceeding, the existence of such proceeding shall constitute an Event of Default only if such proceeding is not dismissed or vacated within sixty (60) days after its institution or commencement.
- d. **Levy or Execution.** The taking of Tenant's interest in this Lease or the Premises, or any part thereof, by execution or other process of law directed against Tenant, or attachment of Tenant's interest in this Lease by any creditor of Tenant, if such attachment is not discharged within fifteen (15) days after being levied.
- e. **Other Non-Monetary Defaults.** The breach by Tenant of any agreement, term or covenant of this Lease other than one requiring the payment of money and not otherwise enumerated in this Section or elsewhere in this Lease, which breach continues for a period of thirty (30) days after notice by Landlord to Tenant of the breach.

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- f. **Failure to Take Possession.** Failure by Tenant to take possession of the Premises on the Commencement Date or failure by Tenant to commence any Tenant Improvement in a timely fashion.

Landlord shall not be in default unless Landlord fails to perform obligations required of Landlord within a reasonable time, but in no event less than thirty (30) days after notice by Tenant to Landlord. If Landlord fails to cure any such default within the allotted time, Tenant's sole remedy shall be to seek actual money damages (but not consequential or punitive damages) for loss arising from Landlord's failure to discharge its obligations under this Lease. Nothing herein contained shall relieve Landlord from its duty to perform of any of its obligations to the standard prescribed in this Lease.

Any notice periods granted herein shall be deemed to run concurrently with and not in addition to any default notice periods required by law.

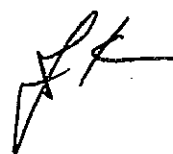
22. **REMEDIES.** Landlord shall have the following remedies upon an Event of Default. Landlord's rights and remedies under this Lease shall be cumulative, and none shall exclude any other right or remedy allowed by law.

- a. **Termination of Lease.** Landlord may terminate Tenant's interest under the Lease, but no act by Landlord other than notice of termination from Landlord to Tenant shall terminate this Lease. The Lease shall terminate on the date specified in the notice of termination. Upon termination of this Lease, Tenant will remain liable to Landlord for damages in an amount equal to the Rent and other sums that would have been owing by Tenant under this Lease for the balance of the Lease term, less the net proceeds, if any, of any reletting of the Premises by Landlord subsequent to the termination, after deducting all of Landlord's Reletting Expenses (as defined below). Landlord shall be entitled to either collect damages from Tenant monthly on the days on which rent or other amounts would have been payable under the Lease, or alternatively, Landlord may accelerate Tenant's obligations under the Lease and recover from Tenant: (i) unpaid rent which had been earned at the time of termination; (ii) the amount by which the unpaid rent which would have been earned after termination until the time of award exceeds the amount of rent loss that Tenant proves could reasonably have been avoided; (iii) the amount by which the unpaid rent for the balance of the term of the Lease after the time of award exceeds the amount of rent loss that Tenant proves could reasonably be avoided (discounting such amount by the discount rate of the Federal Reserve Bank of San Francisco at the time of the award, plus 1%); and (iv) any other amount necessary to compensate Landlord for all the detriment proximately caused by Tenant's failure to perform its obligations under the Lease, or which in the ordinary course would be likely to result from the Event of Default, including without limitation Reletting Expenses described below.

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- b. **Re-Entry and Reletting.** Landlord may continue this Lease in full force and effect, and without demand or notice, re-enter and take possession of the Premises or any part thereof, expel the Tenant from the Premises and anyone claiming through or under the Tenant, and remove the personal property of either. Landlord may relet the Premises, or any part of them, in Landlord's or Tenant's name for the account of Tenant, for such period of time and at such other terms and conditions as Landlord, in its discretion, may determine. Landlord may collect and receive the rents for the Premises. To the fullest extent permitted by law, the proceeds of any reletting shall be applied: first, to pay Landlord all Reletting Expenses (defined below); second, to pay any indebtedness of Tenant to Landlord other than rent; third, to the rent due and unpaid hereunder; and fourth, the residua, if any, shall be held by Landlord and applied in payment of other or future obligations of Tenant to Landlord as the same may become due and payable, and Tenant shall not be entitled to receive any portion of such revenue. Re-entry or taking possession of the Premises by Landlord under this Section shall not be construed as an election on Landlord's part to terminate this Lease, unless a notice of termination is given to Tenant. Landlord reserves the right following any re-entry or reletting, or both, under this Section to exercise its right to terminate the Lease. Tenant will pay Landlord the Rent and other sums which would be payable under this Lease if repossession had not occurred, less the net proceeds, if any, after reletting the Premises and after deducting Landlord's Reletting Expenses. "Reletting Expenses" is defined to include all expenses incurred by Landlord in connection with reletting the Premises, including without limitation, all repossession costs, brokerage commissions and costs for securing new tenants, attorneys' fees, remodeling and repair costs, costs for removing persons or property, costs for storing Tenant's property and equipment, and costs of tenant improvements and rent concessions granted by Landlord to any new Tenant, prorated over the life of the new lease.
- c. **Waiver of Redemption Rights.** Tenant, for itself, and on behalf of any and all persons claiming through or under Tenant, including creditors of all kinds, hereby waives and surrenders all rights and privileges which they may have under any present or future law, to redeem the Premises or to have a continuance of this Lease for the Lease term, or any extension thereof.
- d. **Nonpayment of Additional Rent.** All costs which Tenant is obligated to pay to Landlord pursuant to this Lease shall in the event of nonpayment be treated as if they were payments of Rent, and Landlord shall have the same rights it has with respect to nonpayment of Rent.
- e. **Failure to Remove Property.** If Tenant fails to remove any of its property from the Premises at Landlord's request following an uncured Event of Default, Landlord may, at its option, remove and store the property at Tenant's expense and risk. If Tenant does not pay the storage cost within five (5) days of Landlord's request, Landlord may, at its option, have any or all of such property sold at public or private sale (and Landlord may become a purchaser at such sale), in such manner as Landlord deems proper, without notice to Tenant. Landlord shall apply the proceeds of such sale: (i) to the expense of such sale, including reasonable attorneys' fees actually incurred; (ii) to the payment of the costs or charges for storing such property; (iii) to the payment of any other sums of money which may then be or thereafter become due Landlord from Tenant under any of the terms hereof; and (iv) the balance, if any, to Tenant. Nothing in this Section shall limit Landlord's right to sell Tenant's personal property as permitted by law or to foreclose Landlord's lien for unpaid rent.
23. **MORTGAGE SUBORDINATION AND ATTORNMEN**T. This Lease shall automatically be subordinate to any mortgage or deed of trust created by Landlord which is now existing or hereafter placed upon the Premises including any advances, interest, modifications, renewals, replacements or extensions ("Landlord's Mortgage"). Tenant shall attorn to the holder of any Landlord's Mortgage or any party acquiring the Premises at any sale or other proceeding under any Landlord's Mortgage provided the acquiring party assumes the obligations of Landlord under this Lease. Tenant shall promptly and in no event later than fifteen (15) days after request execute, acknowledge and deliver documents which the holder of any Landlord's Mortgage may reasonably require as further evidence of this subordination and attornment. Notwithstanding the foregoing, Tenant's obligations under this Section to subordinate in the future are conditioned on the holder of each Landlord's Mortgage and each party acquiring the Premises at any sale or other proceeding under any such Landlord's Mortgage not disturbing Tenant's occupancy and other rights under this Lease, so long as no uncured Event of Default by Tenant exists.

24. **NON-WAIVER.** Landlord's waiver of any breach of any provision contained in this Lease shall not be deemed to be a waiver of the same provision for subsequent acts of Tenant. The acceptance by Landlord of Rent or other amounts due by Tenant hereunder shall not be deemed to be a waiver of any previous breach by Tenant.
25. **HOLDOVER.** If Tenant shall, without the written consent of Landlord, remain in possession of the Premises and fail to return them to Landlord after the expiration or termination of this Lease, the tenancy shall be a holdover tenancy and shall be on a month-to-month basis, which may be terminated according to Nevada law. During such tenancy, Tenant agrees to pay to Landlord 150% of the rate of rental last payable under this Lease, unless a different rate is agreed upon by Landlord. All other terms of the Lease shall remain in effect. Tenant acknowledges and agrees that this Section does not grant any right to Tenant to holdover, and that Tenant may also be liable to Landlord for any and all damages or expenses which Landlord may have to incur as a result of Tenant's holdover.
26. **NOTICES.** All notices under this Lease shall be in writing and effective (i) when delivered in person or via overnight courier to the other party, (ii) three (3) days after being sent by registered or certified mail to the other party at the address set forth in Section 1; or (iii) upon confirmed transmission by email to the other party at the email addresses set forth in Section 1. The addresses for notices and payment of rent set forth in Section 1 may be modified by either party only by written notice delivered in conformance with this Section.
27. **COSTS AND ATTORNEYS' FEES.** If Tenant or Landlord engage the services of an attorney to collect monies due or to bring any action for any relief against the other, declaratory or otherwise, arising out of this Lease, including any suit by Landlord for the recovery of Rent or other payments, or possession of the Premises, the losing party shall pay the prevailing party a reasonable sum for attorneys' fees in such action, whether in mediation or arbitration, at trial, on appeal, or in any bankruptcy proceeding.
28. **ESTOPPEL CERTIFICATES.** Tenant shall, from time to time, upon written request of Landlord, execute, acknowledge and deliver to Landlord or its designee a written statement specifying the following, subject to any modifications necessary to make such statements true and complete: (i) the total rentable square footage of the Premises; (ii) the date the Lease term commenced and the date it expires; (iii) the amount of minimum monthly Rent and the date to which such Rent has been paid; (iv) that this Lease is in full force and effect and has not been assigned, modified, supplemented or amended in any way; (v) that this Lease represents the entire agreement between the parties; (vi) that all obligations under this Lease to be performed by either party have been satisfied; (vii) that there are no existing claims, defenses or offsets which the Tenant has against the enforcement of this Lease by Landlord; (viii) the amount of Rent, if any, that Tenant paid in advance; (ix) the amount of security that Tenant deposited with Landlord; (x) if Tenant has sublet all or a portion of the Premises or assigned its interest in the Lease and to whom; (xi) if Tenant has any option to extend the Lease or option to purchase the Premises; and (xii) such other factual matters concerning the Lease or the Premises as Landlord may reasonably request. Tenant acknowledges and agrees that any statement delivered pursuant to this Section may be relied upon by a prospective purchaser of Landlord's interest or assignee of any mortgage or new mortgagee of Landlord's interest in the Premises. If Tenant shall fail to respond within ten (10) days to Landlord's request for the statement required by this Section, Landlord may provide the statement and Tenant shall be deemed to have admitted the accuracy of the information provided by Landlord.



**LEASE AGREEMENT**  
**(Triple Net (NNN) Lease)**  
**(Continued)**

- 29. TRANSFER OF LANDLORD'S INTEREST.** This Lease shall be assignable by Landlord without the consent of Tenant. In the event of any transfer or transfers of Landlord's interest in the Premises, other than a transfer for collateral purposes only, upon the assumption of this Lease by the transferee, Landlord shall be automatically relieved of obligations and liabilities accruing from and after the date of such transfer, including any liability for any retained security deposit or prepaid rent, for which the transferee shall be liable, and Tenant shall attorn to the transferee.
- 30. LANDLORD'S LIABILITY.** Anything in this Lease to the contrary notwithstanding, covenants, undertakings and agreements herein made on the part of Landlord are made and intended not as personal covenants, undertakings and agreements for the purpose of binding Landlord personally or the assets of Landlord but are made and intended for the purpose of binding only the Landlord's interest in the Premises, as the same may from time to time be encumbered. In no event shall Landlord or its partners, shareholders, or members, as the case may be, ever be personally liable hereunder.
- 31. RIGHT TO PERFORM.** If Tenant shall fail to timely pay any sum or perform any other act on its part to be performed hereunder, Landlord may make any such payment or perform any such other act on Tenant's behalf. Tenant shall, within ten (10) days of demand, reimburse Landlord for its expenses incurred in making such payment or performance. Landlord shall (in addition to any other right or remedy of Landlord provided by law) have the same rights and remedies in the event of the nonpayment of sums due under this Section as in the case of default by Tenant in the payment of Rent.
- 32. QUIET ENJOYMENT.** So long as Tenant pays the Rent and performs all of its obligations in this Lease, Tenant's possession of the Premises will not be disturbed by Landlord or anyone claiming by, through or under Landlord.
- 33. MERGER.** The voluntary or other surrender of this Lease by Tenant, or a mutual cancellation thereof, shall not work a merger and shall, at the option of the Landlord, terminate all or any existing subtenancies or may, at the option of Landlord, operate as an assignment to Landlord of any or all of such subtenancies.
- 34. Right of first refusal.** In the event that the landlord intends to either offer or accept an offer for the purchase of the property, the Tenant shall have the right to purchase the property under the terms defined in paragraph 37 of this lease. Such purchase must be made within 60 days of the notice of intent to sell, which Landlord must convey to tenant within three days of receipt of offer.

**LEASE AGREEMENT**  
(Triple Net (NNN) Lease)  
(Continued)

**35. HAZARDOUS MATERIAL.** As used herein, the term "Hazardous Material" means any hazardous, dangerous, toxic or harmful substance, material or waste including biomedical waste which is or becomes regulated by any local governmental authority, the State of Nevada or the United States Government, due to its potential harm to the health, safety or welfare of humans or the environment. Landlord represents and warrants to Tenant that, to Landlord's knowledge without duty of investigation, there is no Hazardous Material on, in, or under the Premises as of the Commencement Date except as may otherwise have been disclosed to Tenant in writing before the execution of this Lease. If there is any Hazardous Material on, in, or under the Premises as of the Commencement Date which has been or thereafter becomes unlawfully released through no fault of Tenant, then Landlord shall indemnify, defend and hold Tenant harmless from any and all claims, judgments, damages, penalties, fines, costs, liabilities or losses including without limitation sums paid in settlement of claims, attorneys' fees, consultant fees and expert fees, incurred or suffered by Tenant either during or after the Lease term as the result of such contamination.

Tenant shall not cause or permit any Hazardous Material to be brought upon, kept, or used in or about, or disposed of on the Premises or the Property by Tenant, its employees, officers, agents, servants, contractors, customers, clients, visitors, guests, or other licensees or invitees, except with Landlord's prior consent and then only upon strict compliance with all applicable federal, state and local laws, regulations, codes and ordinances. If Tenant breaches the obligations stated in the preceding sentence, then Tenant shall indemnify, defend and hold Landlord harmless from any and all claims, judgments, damages, penalties, fines, costs, liabilities or losses including, without limitation, diminution in the value of the Premises or the Property; damages for the loss or restriction on use of rentable or usable space or of any amenity of the Premises or the Property, or elsewhere; damages arising from any adverse impact on marketing of space at the Premises or the Property; and sums paid in settlement of claims, attorneys' fees, consultant fees and expert fees incurred or suffered by Landlord either during or after the Lease term. These indemnifications by Landlord and Tenant include, without limitation, costs incurred in connection with any investigation of site conditions or any clean-up, remedial, removal or restoration work, whether or not required by any federal, state or local governmental agency or political subdivision, because of Hazardous Material present in the Premises, or in soil or ground water on or under the Premises. Tenant shall immediately notify Landlord of any inquiry, investigation or notice that Tenant may receive from any third party regarding the actual or suspected presence of Hazardous Material on the Premises.

Without limiting the foregoing, if the presence of any Hazardous Material brought upon, kept or used in or about the Premises or the Property by Tenant, its employees, officers, agents, servants, contractors, customers, clients, visitors, guests, or other licensees or invitees, results in any unlawful release of any Hazardous Materials on the Premises or the Property, Tenant shall promptly take all actions, at its sole expense, as are necessary to return the Premises or the Property to the condition existing prior to the release of any such Hazardous Material; provided that Landlord's approval of such actions shall first be obtained, which approval may be withheld at Landlord's sole discretion. The provisions of this Section 32 shall survive expiration or termination of this Lease.





**LEASE AGREEMENT**  
**(Triple Net (NNN) Lease)**  
**(Continued)**

**36. GENERAL.**

- a. **Heirs and Assigns.** This Lease shall apply to and be binding upon Landlord and Tenant and their respective heirs, executors, administrators, successors and assigns.
- b. **Brokers' Fees.** Tenant represents and warrants to Landlord that except for Tenant's Broker, if any, described and disclosed in Section 37 of this Lease, it has not engaged any broker, finder or other person who would be entitled to any commission or fees for the negotiation, execution or delivery of this Lease and shall indemnify and hold harmless Landlord against any loss, cost, liability or expense incurred by Landlord as a result of any claim asserted by any such broker, finder or other person on the basis of any arrangements or agreements made or alleged to have been made by or on behalf of Tenant. Landlord represents and warrants to Tenant that except for Landlord's Broker, if any, described and disclosed in Section 37 of this Lease, it has not engaged any broker, finder or other person who would be entitled to any commission or fees for the negotiation, execution or delivery of this Lease and shall indemnify and hold harmless Tenant against any loss, cost, liability or expense incurred by Tenant as a result of any claim asserted by any such broker, finder or other person on the basis of any arrangements or agreements made or alleged to have been made by or on behalf of Landlord.
- c. **Entire Agreement.** This Lease contains all of the covenants and agreements between Landlord and Tenant relating to the Premises. No prior or contemporaneous agreements or understandings pertaining to the Lease shall be valid or of any force or effect and the covenants and agreements of this Lease shall not be altered, modified or amended except in writing, signed by Landlord and Tenant.
- d. **Severability.** Any provision of this Lease which shall prove to be invalid, void or illegal shall in no way affect, impair or invalidate any other provision of this Lease.
- e. **Force Majeure.** Time periods for either party's performance under any provisions of this Lease (excluding payment of Rent) shall be extended for periods of time during which the party's performance is prevented due to circumstances beyond such party's control, including without limitation, fires, floods, earthquakes, lockouts, strikes, embargoes, governmental regulations, acts of God, public enemy, war or other strife.
- f. **Governing Law.** This Lease shall be governed by and construed in accordance with the laws of the State of Nevada.
- g. **Memorandum of Lease.** Neither this Lease nor any memorandum or "short form" thereof shall be recorded without Landlord's prior consent.
- h. **Submission of Lease Form Not an Offer.** One party's submission of this Lease to the other for review shall not constitute an offer to lease the Premises. This Lease shall not become effective and binding upon Landlord and Tenant until it has been fully signed by both of them.
- i. **No Light, Air or View Easement.** Tenant has not been granted an easement or other right for light, air or view to or from the Premises. Any diminution or shutting off of light, air or view by any structure which may be erected on or adjacent to the Building shall in no way effect this Lease or the obligations of Tenant hereunder or impose any liability on Landlord.
- j. **Authority of Parties.** Each party signing this Lease represents and warrants to the other that it has the authority to enter into this Lease, that the execution and delivery of this Lease has been duly authorized, and that upon such execution and delivery, this Lease shall be binding upon and enforceable against the party on signing.
- k. **Time.** "Day" as used herein means a calendar day and "business day" means any day on which commercial banks are generally open for business in the state where the Premises are situated. Any period of time which would otherwise end on a non-business day shall be extended to the next following business day. Time is of the essence of this Lease.



**LEASE AGREEMENT**  
**(Triple Net (NNN) Lease) (Continued)**

**37. OPTION TO PURCHASE** Lessee has the option to purchase the property. Lessor agrees to sell such properties for \$2,680,000 if purchase occurs before the end of the first year of this lease. The option is also available in years 2 through 5 of this lease for the amount of \$2,850,000. Lessee must be current and fully paid for rents and other payments required as a part of this lease.

**38. EXHIBITS AND RIDERS.** The following exhibits and riders are made a part of this Lease, and the terms thereof shall control over any inconsistent provision in the sections of this Lease:

Exhibit A Rent Rider

Exhibit B Legal Description of the Property

Exhibit C Tenant Improvement Schedule

**2113 Investors LLC**  
**LANDLORD**

  
BY Joseph E Kennedy  
ITS: Managing Member

**CWNV LLC**  
**TENANT**

  
BY Brian C. Padgett  
ITS: Managing Member

## EXHIBIT A RENT RIDER

### RENTAL RATES

~~February 1<sup>st</sup>, 2016 to April 30<sup>th</sup>, 2016~~ ~~\$10,250.00 per month~~

*JUNE* May 1<sup>st</sup>, 2016 to January 31<sup>st</sup>, 2017 *MAY* \$21,500.00 per month

*JUNE* February 1<sup>st</sup>, 2017 to January 31<sup>st</sup>, 2018 *MAY* \$23,650.00 per month

*JUNE* February 1<sup>st</sup>, 2018 to January 31<sup>st</sup>, 2019 *MAY* \$24,350.00 per month

*JUNE* February 1<sup>st</sup>, 2019 to January 31<sup>st</sup>, 2020 *MAY* \$25,100.00 per month

*JUNE* February 1<sup>st</sup>, 2020 to January 31<sup>st</sup>, 2021 *MAY* \$25,850.00 per month

CAM charges shall be paid by lessee as they become due. Cam Charges include Property Taxes, Casualty and Liability Insurance and miscellaneous charges associated with the maintenance of the property.

#### Totals for Lease term:

Year 1~	<del>\$258,000</del> \$224,250.00 + CAM
Year 2~	\$283,800.00 + CAM
Year 3~	\$292,200.00 + CAM
Year 4~	\$301,200.00 + CAM
Year 5~	\$310,200.00 + CAM

## EXHIBIT B

### Legal Description

Parcel I: That portion of the Southeast Quarter (SE 1/4) of the Northwest Quarter (NW 1/4) of Section 23, Township 20 South, Range 61 East, M.D.M., described as follows: Lot Two (2) of that certain Parcel Map in File 47 of Parcel Maps, Page 41, in the Office of the County Recorder of Clark County, Nevada, and recorded August 02, 1985 in Book 2159 as Document No. 2118978, Official Records.

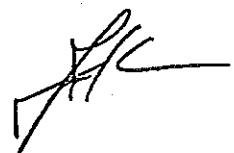
Parcel II: A non-exclusive easement for ingress, egress and driveway purposes on and over the Southwesterly 16.00 feet of Lot One (1) immediately adjacent to the Northeasterly line of Lot Two (2) as shown by said map, which easement is appurtenant to Parcel I.

**EXHIBIT C**  
[Tenant Improvement Schedule]

1. Tenant Improvements to be Completed by Landlord  
NONE
2. Tenant Improvements to be Completed by Tenant  
TO BE DETERMINED BY TENANT WITH MUTUAL AGREEMENT

**EXHIBIT C**  
[Tenant Improvement Schedule]

<b>20</b>	CWNV LLC Lease	North Las Vegas	2113 Investors LLC
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**LEASE AGREEMENT**  
**(Triple Net (NNN) Lease) (Continued)**

37. **OPTION TO PURCHASE** Lessee has the option to purchase the property. Lessor agrees to sell such properties for \$2,680,000 if purchase occurs before the end of the first year of this lease. The option is also available in years 2 through 5 of this lease for the amount of \$2,850,000. Lessee must be current and fully paid for rents and other payments required as a part of this lease.

38. **EXHIBITS AND RIDERS.** The following exhibits and riders are made a part of this Lease, and the terms thereof shall control over any inconsistent provision in the sections of this Lease:

Exhibit A Rent Rider

Exhibit B Legal Description of the Property

Exhibit C Tenant Improvement Schedule

**2113 Investors LLC**  
**LANDLORD**

  
BY Joseph E. Kennedy  
ITS: Managing Member

**CWNV LLC**  
**TENANT**

  
BY Brian C. Padgett  
ITS: Managing Member

# EXHIBIT “9”

NUVEDA'S APPENDIX 0926

**Purchase and Sale Agreement for Remaining 35 Percent of  
Clark and Nye Licenses**

Clark NMSD LLC, ("Clark") is an active Nevada domestic Limited-Liability Company with resident agent Sandy Kindler, 2171 River Plate Drive, Pahrump, Nevada 89048 and is the owner of two Dispensary license(s) issued by the State of Nevada Department of Health and Human Services, Nevada Division of Public and Behavioral Health and the Department of Taxation.

Nye Natural Medical Solutions LLC, ("Nye") is an active Nevada domestic Limited-Liability Company with resident agent Sandy Kindler, 2171 River Plate Drive, Pahrump, Nevada 89048 and is the owner a Cultivation license and Production license issued by the State of Nevada Department of Health and Human Services, Nevada Division of Public and Behavioral Health and the Department of Taxation.

Clark and Nye are wholly owned subsidiaries of NuVeda LLC (collectively "Seller"), an active Nevada domestic Limited-Liability Company with resident agent Sandy Kindler, 2171 River Plate Drive, Pahrump, Nevada 89048.

CWNevada LLC, ("CW") is an active Nevada domestic Limited-Liability Company with resident agent Brian C. Padgett, 611 S. 6th Street, Las Vegas, Nevada 89101 and is the owner of Dispensary, Cultivation and Production license(s) issued by the State of Nevada Department of Health and Human Services, Nevada Division of Public and Behavioral Health and the Department of Taxation.

As previously contracted on December 6, 2015, via that certain Membership Interest Purchase Agreement ("MIPA"), Seller sold to CW a 65 percent interest in the marijuana related business licenses described as Two Dispensary licenses identified specifically by the following State of Nevada Establishment numbers: 2502 5985 3578 6823 7824; and 9409 0342 9554 6702 0377 and one Cultivation license identified specifically by the following State of Nevada Establishment number: 4073 3091 6294 5475 1109 (collectively "NuVeda Licenses"). Pursuant to the MIPA, Seller is obligated to transfer 100 percent interest in the NuVeda licenses to CWNV, LLC an active Nevada domestic Limited-Liability Company ("CWNV") where the respective interests in the NuVeda licenses shall be held by CWNV with NuVeda holding a 35 percent Interest in CWNV and CW holding a 65 percent Interest in CWNV.

Now, as both CW and Seller (the "Parties") continue to perform in good faith under the MIPA and meet their obligations under the MIPA without any breach in its terms, the Parties desire to separately contract for additional items of consideration over and above those contemplated in the MIPA.

Therefore, the Parties hereby agree that in exchange for NuVeda selling the remaining 35% of its interest in CWNV to CW, the following consideration will be provided:



Upon execution and submittal of all documents (which shall be free of all judicial or arbitrator restraints) necessary to effectuate the transfer of the NuVeda Licenses to CWNV, CW shall increase consideration paid to NuVeda from that contemplated under the MIPA to a total monthly payment of 2.625% of gross sales of CW. "Gross sales" are hereinafter defined as any and all sales made by CW, including any of its subsidiaries, to any third party including but not limited to sales made by or as a result of Cultivation, Production, Medical and Retail Store sales (not including any tax paid on those sales). The payment amount shall be subject to a minimum of two hundred thirty-five thousand eight hundred seventy dollars per month (\$235,870) to be paid on the twenty (20th) day of each month.

Subsequently, CW shall provide to NuVeda verifiable documentation of the total gross sales within forty-five (45) days, allowing for a reconciliation and/or true-up to determine additional payment to be made by CW to NuVeda, if any. If any additional payment is required as part of the 2.625% of total Gross Sales, that shall be paid within five (5) days of receipt of the invoice from NuVeda.

CW's first payment shall be due on June 20, 2018 or July 20, 2018, whichever is applicable and on the 20<sup>th</sup> day of each month thereafter. The Term for this payment arrangement shall be eight (8) years commencing on July 20, 2018.

The Parties acknowledge that the joint application for transfer of ownership of the NuVeda Licenses to CWNV must be submitted to the State of Nevada, Department of Taxation immediately for review and approval and the Parties further acknowledge that the intent of this Purchase and Sale Agreement is to effectuate a 100 percent ownership of the NuVeda Licenses in CW and NuVeda owners shall then remove themselves as listed owners of record on these licenses. If the transfer of the NuVeda Licenses to CWNV is not completed within 45 days of submittal, payment to NuVeda shall be held in abeyance until the NuVeda Licenses transfer to CWNV ownership.

Should the present federal or state regulatory environment change to become more restrictive than existing conditions, then monthly payments shall be suspended if CW is not profitable. The parties shall reassess this condition on a quarterly basis.

Upon transfer of the NuVeda Licenses to CWNV, CW shall transfer to NuVeda, a two percent (2%) equity holding of CW. CW's voting rights arising from the 2% equity holding in CW shall be given by proxy to Brian C. Padgett.

In the event of the sale of CW and its subsidiaries and assets within the next 8 years, NuVeda shall have the option to accept 4.5% of the sale price as final compensation or the present value of the remaining term of 8 years of 2.625% of gross annual revenue based upon the prior twelve month's gross sales of CW.

Additionally, in the event that CW is in fact offered on a public securities exchange medium of any sort, the Parties hereby agree, that NuVeda with its 2% equity holding of CW, may decide to sell all or any portion thereof its 2% equity holding. In such instance of any sale by NuVeda, that will trigger a proportionate reduction in the monthly payment owed by CW to as set forth in this Purchase and Sale Agreement (e.g., If NuVeda sells 50% of its equity holding, the monthly payment due is reduced by 50%; if NuVeda sells 40% of its equity holding, the monthly payment is reduced by 40%, etc.

In addition to the monthly payments and the equity holding resulting from this Agreement, CW shall pay all expenses, including fees and costs, whether litigation or arbitration or both, incurred and arising out of the matter of NuVeda, CWNevada vs. 4Front litigation commenced in May 2017. Any settlement shall be global and include all Parties.

In addition to the monthly payments and the equity holding resulting from this Agreement and the 4Front costs due to NuVeda by CW, this agreement does not modify CW's obligation to be solely responsible for those debts identified specifically in Appendix A hereto.

The Parties hereby also agree and recognize that as additional consideration for sale of the final 35 percent of the NuVeda Licenses to CW, the Parties shall execute a separate agreement entitled "Financial Assurances" related to the AAA Case #: 01-15-005-8574: *Shane M. Terry, Jennifer Goldstein v. NuVeda LLC et al.* ("AAA Case").

CW shall provide to NuVeda shelf space for NuVeda's product lines within all of CW's dispensaries. Shelf space is defined as space on shelves in any dispensary used for the purpose of displaying products for sale to consumers. CW shall provide to NuVeda equal shelf space for any NuVeda product line in similar manner to any other products displayed and carried by CW. Pricing will be negotiated from time to time, but shall be within the norms of the trade practices. Shelf space is valuable and NuVeda products must generate average sales in their product categories to remain in the display space occupied.

In consideration for the payments made to NuVeda by CW as described herein and effective July 1, 2018, NuVeda shall be responsible for the lease and all other costs incurred at the Nye Production facility at Oxbow.

As final consideration by Seller, any members of Seller that have membership interests in 2113, LLC shall forego enforcement of any claims to any judgment against the NuVeda Licenses which shall be held by CWNV.

The Parties hereto acknowledge their intent and agreement to use all reasonable means to resolve any dispute over interpretation or enforcement of the Parties' duties and obligations as articulated in this Purchase and Sale Agreement. In the event any material dispute cannot be resolved informally the parties shall litigate the issue(s) in Clark County, State of Nevada in the Eighth Judicial District. Nevada Law governs any dispute.

The Parties acknowledge that there is no other agreement and no other term incorporated into this Purchase and Sale Agreement other than what is expressed herein.

Dated this 17 day April, 2018

CWNevada, LLC

By its: 

NuVeda, LLC

By its: 

CWNV, LLC

By its: 

Clark NMSD LLC

By its: 

Nye Natural Medical Solutions LLC

By its: 

2113, LLC

By its: 

# EXHIBIT A

		NuVeda paid	CW paid
4front	\$ 446,200.00		\$ -
Florasearch	\$ 48,000.00		\$ -
Trinity	\$ 18,857.00		\$ 18,857.00
TriQ	\$ 71,000.00		\$ 40,000.00
Stevenson	\$ 55,000.00		\$ 10,000.00
Garcia	\$ 251,225.00		\$ 251,225.00
Wells littlefield	\$ 90,000.00		\$ 50,000.00
rent 3rd street	\$ 67,500.00		\$ 67,500.00
rent N.LV	\$ 172,000.00		\$ 172,000.00
growth farm	\$ 4,000.00		\$ -
Fama PR	\$ 12,000.00		\$ -
TWG	\$ 158,000.00	\$ 45,000.00	\$ 50,000.00
Nuveda		<u>\$121,468.02</u>	
Direct payment			\$ 250,000.00
total	\$ 1,393,782.00	\$ 166,468.02	\$ 909,582.00
Agreed amount due from CW to NuVeda			\$ 1,500,000.00
Additional debt			\$ 166,468.02
Total Due* (subject to verification)			\$ 756,886.02

# EXHIBIT “10”

NUVEDA'S APPENDIX 0932

## **Purchase and Sale Agreement for Shane Terry's Ownership Interest in NuVeda and NuVeda-Managed Licenses**

Clark NMSD, LLC ("Clark") is an active Nevada domestic Limited- Liability Company with resident agent Sandy Kindler, 2171 River Plate Drive, Pahrump, Nevada 89048 and is the owner of two Dispensary license(s) issued by the State of Nevada Department of Health and Human Services, Nevada Division of Public and Behavioral Health and the Department of Taxation (along with other government entities and subdivisions, "Nevada") with resident agent Sandy Kindler, 2171 River Plate Drive, Pahrump, Nevada 89048 ("Kindler"). NuVeda, LLC ("NuVeda") is the sole manager of Clark. The Clark Dispensary licenses are identified specifically by the following State of Nevada Establishment numbers: 2502 5985 3578 6823 7824 and 9409 0342 9554 6702 0377.

Clark Natural Medicinal Solutions, LLC ("Clark Natural") is an active Nevada domestic Limited- Liability Company with resident agent Kindler. Clark Natural is the owner one Cultivation license and one Production license issued by the Nevada. NuVeda is the sole manager of Clark Natural. The Clark Natural Cultivation license is identified specifically by the following State of Nevada Establishment number: 6499 5797 7556 7012 2923. The Clark Natural Production license is identified specifically by the following State of Nevada Establishment number: 5447 7437 9374 7929 7460.

Nye Natural Medical Solutions LLC ("Nye") is an active Nevada domestic Limited-Liability Company with resident agent Kindler. Nye is the owner of a Cultivation license and Production license issued by Nevada. NuVeda is the sole manager of Nye. The Nye Cultivation license is identified specifically by the following State of Nevada Establishment number: 4073 3091 6294 5475 1109. The Nye Production license is identified specifically by the following State of Nevada Establishment number: 9160 4693 9161 6650 7699.

Shane Terry ("Seller") is registered with Nevada as the owner of a twenty-one percent (21%) owner in NuVeda, Clark, Clark Natural and Nye (the "Interest"). Seller desires to sell the Interest, as-is, to Brian C. Padgett ("Padgett") or his designee, with no warranties or representations.

BCP 7, LLC ("Buyer") is an active Nevada domestic Limited Liability Company with resident agent Brian C. Padgett, 611 S. 6<sup>th</sup> Street, Las Vegas, Nevada 89101 whose manager is the owner of Dispensary, Cultivation and Production license(s) in Nevada.

Seller hereby agrees to sell the Interest to Buyer and Buyer agrees to purchase the Interest for the following consideration and on the following terms:



ST  
Substantially reduced

Purchase Price: Buyer shall acquire Seller's Interest for a total purchase price of \$1.75 million (the "Purchase Price"). The Purchase Price is payable as follows:

Initial Payment: \$500,000.00 in good and payable U.S. funds shall be paid to Seller on or before June 15, 2018.

Monthly Payments: \$1.25 million (the "Balance") is due on or before June 15, 2028 with payments due monthly until paid in full. Monthly Payments shall be made on or before the first day of the month in an amount not less than the interest accrued on the outstanding balance at an interest rate of 18%. Monthly Payments shall commence May 1, 2018; however, the first payment shall be paid no later than May 3, 2018.

Prepayment: There shall be no prepayment penalty charged to Buyer if he elects to pay off the Balance, together with any accrued interest thereon, after the first year of Monthly Payments.

Acceleration: There shall be acceleration of the outstanding Balance and any unpaid interest accrued thereon upon 1) sale or transfer of the Interest to a vehicle not owned by Buyer, or any beneficial rights thereunder, from Buyer to a third party (other than CWNV, LLC); or 2) a default of a payment obligations, which shall result from any failure to timely pay the Initial Down Payment or any Monthly Payments on the Balance following notice of failure emailed to Padgett and no cure within 10 business days thereof.

Until otherwise directed in writing to Padgett, delivery of the funds shall be delivered to Shane Terry, c/o Erika Pike Turner, Garman Turner Gordon LLP, 650 White Drive, Suite 100, Las Vegas, Nevada.

#### Litigation, Releases and Cooperation:

Buyer acknowledges that there are adverse claims to the Interest, which are the subject of litigation pending in American Arbitration Association Case No. 01-15-0005-8574 (the "NuVeda Arbitration") and District Court Case No. A-15-728510-B (the "District Court Case").

Upon execution of this Agreement and receipt of the first Monthly Payment:  
1) Seller shall take any and all action necessary to affirmatively release any Temporary Restraining Order or Preliminary Injunction preventing transfer of the Interest to Buyer or CWNV, LLC and Seller shall take affirmative action to support CW Nevada, LLC's withdrawal of the pending evidentiary hearing in the District Court Case, and 2) Seller shall assign any and all claims and rights in the NuVeda



Arbitration and District Court Case to Buyer.

Other than the obligations outlined herein, Buyer and Seller agree to full mutual releases for any claims, rights or demands on behalf of themselves and their affiliates and further agree to cooperate with one another to effectuate the parties' intention to have Buyer step in the shoes of Seller for all purposes relating to the Interest and be free and clear of adverse claims related thereto. Inclusive, Buyer agrees to secure the full release of Terry from the claims asserted against him in the 4Front litigation pending at American Arbitration Association Case No. 01-17-0002-9611. Further, upon execution of this Purchase Agreement, Seller agrees that he shall not pursue any allegations or claims he has made that CW Nevada, LLC has breached the terms of its Membership Interest Purchase Agreement made with NuVeda. Seller shall also cooperate with CW Nevada, LLC in its defense of such claims at the sole cost and expense of Buyer.

Transfer: Following execution of this Agreement and receipt of the first Monthly Payment, Seller agrees to sign any and all documents provided to him by Buyer that are necessary to support the transfer of the Interest to Buyer. Until Seller receives the Initial Payment, these signed documents shall be held by attorney Amanda Connor. Upon Seller receiving the Initial Payment, the documents shall be released to Buyer. Thereafter, Seller shall sign any and all further documents as needed to process the transfer of the Interest to Buyer.

Other than Seller executing documents provided by Buyer and providing reasonable cooperation related thereto, Buyer is solely responsible for obtaining approvals of the transfer of Interest to Buyer. Further, Buyer is solely responsible for consequences to NuVeda, CWNV, LLC or others claiming rights in the Interest, and Buyer agrees to indemnify Seller and hold him harmless for any related adverse action.

If Interest relating to Clark is transferred to CWNV, LLC as a result of pending applications prior to the Initial Payment to Seller, this does not affect Buyer's obligation to make the Initial Payment or otherwise perform under this Agreement.

Guaranty: Padgett agrees to personally guaranty all payment and other performance obligations due to Seller herein.

The Parties hereto acknowledge their intent and agreement to use all reasonable means to resolve any dispute over interpretation or enforcement of the parties' duties and obligations as articulated in this Purchase and Sale Agreement. In the event any material dispute cannot be resolved informally the parties shall litigate the issue(s) in the business court of Clark County, State of Nevada in the Eighth Judicial District. Nevada Law governs any dispute, and attorneys' fees and costs 3.45



shall be awarded to the prevailing party.

The Parties acknowledge that there is no other agreement and no other term incorporated into this Purchase and Sale Agreement other than what is expressed herein.

Dated this 30<sup>th</sup> day April, 2018

BUYER:

BCP 7, LLC

By its Manager:



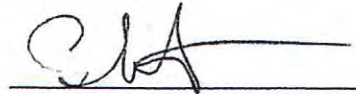
Name:

GUARANTOR:



Brian C. Padgett

SELLER:



Shane Terry

4 of 5

**ADDENDUM #1 TO Purchase and Sale Agreement for Shane Terry's  
Ownership Interest in NuVeda and NuVeda-Managed Licenses**

1. All capitalized terms are as defined in the above-referenced Agreement. No terms of the Agreement are amended, save and except that: Buyer and Guarantor stipulate to Seller's allocation of the Purchase Price to \$1,350,000 for the purchase of the Interest and \$400,000 for the value of the releases provided by Buyer and Guarantor.

*Purchase price is substantially reduced*

*YJP*

Dated this 30<sup>th</sup> day April, 2018

BUYER:

BCP 7, LLC

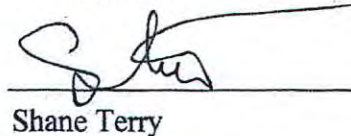
By its Manager:

  
Name:

GUARANTOR:

  
Brian C. Padgett

SELLER:

  
Shane Terry

*Sol G*

# EXHIBIT “11”

NUVEDA'S APPENDIX 0938

Amendment to Membership Interest Purchase Agreement

CW Nevada, LLC ("CW"), NuVeda, LLC ("NUVEDA"), Nye Natural Medicinal Solutions, LLC ("NYE"), Clark NMSD, LLC (CLARK), and CWNV, LLC ("CWNV"), all together named ("Parties") previously entered into an agreement on December 6, 2015, entitled Membership Interest Purchase Agreement ("Purchase Agreement"),

WHEREAS, the Parties choose to amend the Purchase Agreement as follows:

- (1) The Licenses identified in the Purchase Agreement as Dispensary 1, Dispensary 2 and Cultivation are to be transferred to a new manager-managed Nevada limited liability company defined as "CWNV1" (in place of "CWNV" as originally designated). All references to CWNV in the Purchase Agreement are hereby replaced and substituted with "CWNV1".
- (2) The Purchase Agreement called for the transfer of 100% of Nye Natural Medicinal Production License, Reference #91604693916166507699 defined as "Production" in the Purchase Agreement. Subsequently, the Parties have agreed that 100% of the Production license will remain with NYE (a wholly owned subsidiary of NuVeda).

Dated this 2<sup>nd</sup> day of July, 2018

CW Nevada, LLC

By its: \_\_\_\_\_

**CHAIRMAN CEO**

Clark NMSD, LLC

By its: \_\_\_\_\_

NuVeda, LLC

By its: \_\_\_\_\_

Nye Natural Medicinal Solutions, LLC

By its: \_\_\_\_\_

CWNV, LLC

By its: \_\_\_\_\_

**MANAGER**

**CWNV1, LLC**

**MANAGER**

Amendment to Membership Interest Purchase Agreement

CW Nevada, LLC ("CW"), NuVeda, LLC ("NUVEDA"), Nye Natural Medicinal Solutions, LLC ("NYE"), Clark NMSD, LLC (CLARK), and CWNV, LLC ("CWNV"), all together named ("Parties") previously entered into an agreement on December 6, 2015, entitled Membership Interest Purchase Agreement ("Purchase Agreement"),

WHEREAS, the Parties choose to amend the Purchase Agreement as follows:

- (1) The Licenses identified in the Purchase Agreement as Dispensary 1, Dispensary 2 and Cultivation are to be transferred to a new manager-managed Nevada limited liability company defined as "CWNV1" (in place of "CWNV" as originally designated). All references to CWNV in the Purchase Agreement are hereby replaced and substituted with "CWNV1".
- (2) The Purchase Agreement called for the transfer of 100% of Nye Natural Medicinal Production License, Reference #91604693916166507699 defined as "Production" in the Purchase Agreement. Subsequently, the Parties have agreed that 100% of the Production license will remain with NYE (a wholly owned subsidiary of NuVeda).

Dated this 2<sup>nd</sup> day of July, 2018

CW Nevada, LLC

By its: \_\_\_\_\_

Clark NMSD, LLC

By its: \_\_\_\_\_

DocuSigned by:

*Pouya Molajer*

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NuVeda, LLC

By its: \_\_\_\_\_

DocuSigned by:

*Pouya Molajer*

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Nye Natural Medicinal Solutions, LLC

By its: \_\_\_\_\_

DocuSigned by:

*Pouya Molajer*

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CWNV, LLC

By its: \_\_\_\_\_