

H.

OFFICE OF THE SECRETARY OF STATE
OF THE STATE OF COLORADO

CERTIFICATE OF FACT OF GOOD STANDING

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

Verts Grand Lake LLC

is a

Limited Liability Company

formed or registered on 09/28/2023 under the law of Colorado, has complied with all applicable requirements of this office, and is in good standing with this office. This entity has been assigned entity identification number 20238011800 .

This certificate reflects facts established or disclosed by documents delivered to this office on paper through 10/03/2023 that have been posted, and by documents delivered to this office electronically through 10/04/2023 @ 14:10:17 .

I have affixed hereto the Great Seal of the State of Colorado and duly generated, executed, and issued this official certificate at Denver, Colorado on 10/04/2023 @ 14:10:17 in accordance with applicable law. This certificate is assigned Confirmation Number 15375983 .



Jena Griswold

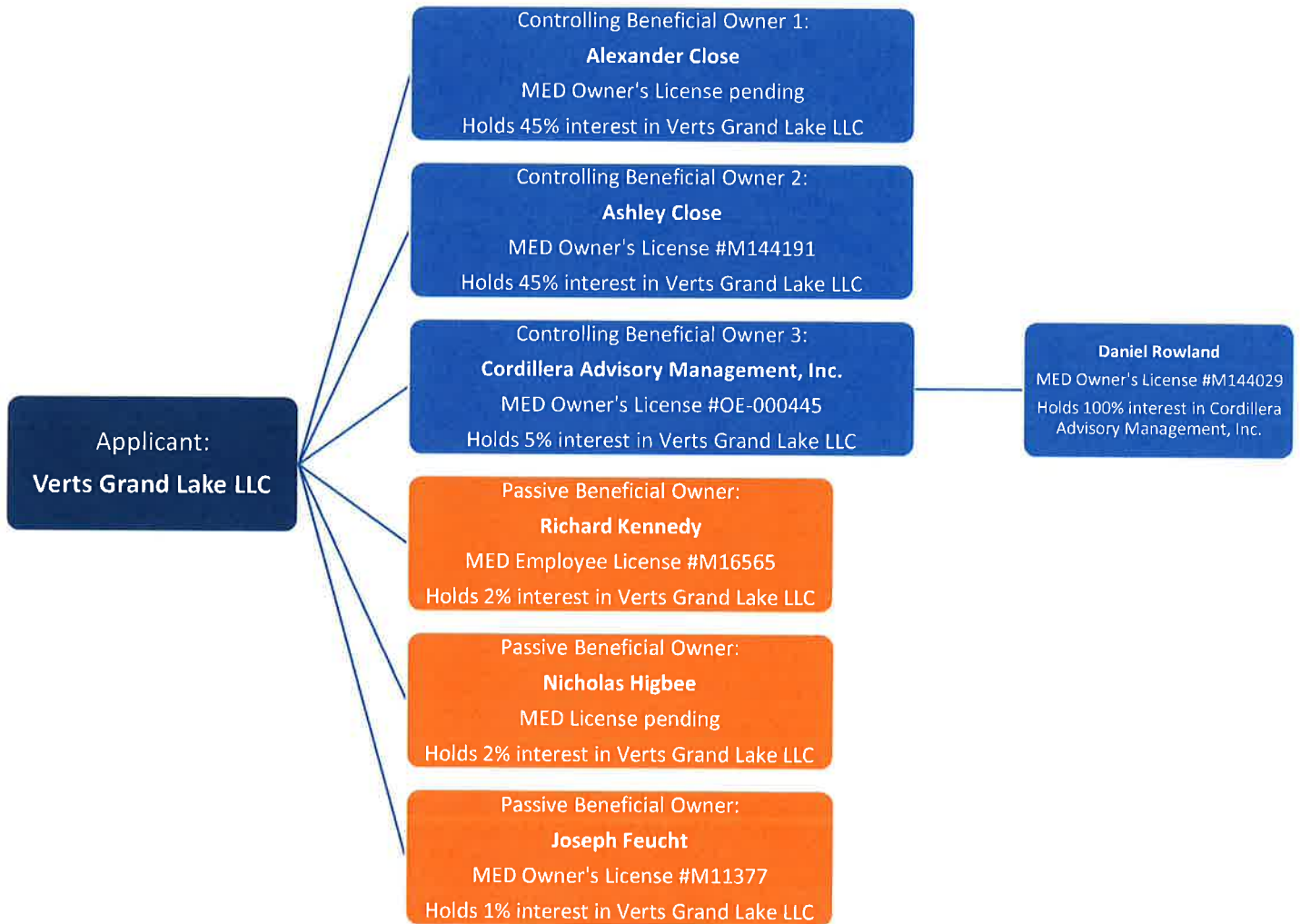
Secretary of State of the State of Colorado

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

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

Verts Grand Lake LLC

I. Organizational Chart





Articles of Organization for a Limited Liability Company

filed pursuant to § 7-90-301 and § 7-80-204 of the Colorado Revised Statutes (C.R.S.)

The domestic entity name of the limited liability company is Verts Grand Lake LLC

The principal office street address is 3915 W 25th Ave
Denver CO 80212
US

The principal office mailing address is 3915 W 25th Ave
Denver CO 80212
US

The name of the registered agent is Cordillera Advisory Management

The registered agent's street address is 3915 W 25th Ave
Denver CO 80212
US

The registered agent's mailing address is 3915 W 25th Ave
Denver CO 80212
US

The person above has agreed to be appointed as the registered agent for this entity.

The management of the limited liability company is vested in Members

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

Person(s) forming the limited liability company

Cordillera Advisory Management
3915 W 25th Ave
Denver CO 80212
US

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

This perjury notice applies to each individual who causes this document to be delivered to the Secretary of State, whether or not such individual is named in the document as one who has caused it to be delivered.

Name(s) and address(es) of the individual(s) causing the document to be delivered for filing

Daniel Rowland
3915 W 25th Ave
Denver CO 80212
US

K.

OPERATING AGREEMENT

among

VERTS GRAND LAKE LLC

and

THE MEMBERS NAMED HEREIN

October 31, 2023

THE UNITS REPRESENTED BY THIS AGREEMENT HAVE NOT BEEN REGISTERED WITH THE SECURITIES AND EXCHANGE COMMISSION UNDER THE SECURITIES ACT OF 1933, AS AMENDED, OR UNDER THE SECURITIES ACTS OR LAWS OF ANY STATE IN RELIANCE UPON EXEMPTIONS UNDER THOSE ACTS AND LAWS. THE SALE OR OTHER DISPOSITION OF SUCH UNITS IS RESTRICTED AS STATED IN THIS AGREEMENT, AND IN ANY EVENT IS PROHIBITED UNLESS THE COMPANY RECEIVES AN OPINION OF COUNSEL SATISFACTORY TO IT AND ITS COUNSEL THAT SUCH SALE OR OTHER DISPOSITION CAN BE MADE WITHOUT REGISTRATION UNDER THE SECURITIES ACT OF 1933, AS AMENDED, AND ANY APPLICABLE STATE SECURITIES ACTS AND LAWS. BY ACQUIRING UNITS REPRESENTED BY THIS AGREEMENT, EACH MEMBER REPRESENTS THAT IT WILL NOT SELL OR OTHERWISE DISPOSE OF ITS UNITS WITHOUT COMPLIANCE WITH THE PROVISIONS OF THIS AGREEMENT AND REGISTRATION OR OTHER COMPLIANCE WITH THE AFORESAID ACTS AND LAWS AND THE RULES AND REGULATIONS ISSUED THEREUNDER.

OPERATING AGREEMENT

THIS OPERATING AGREEMENT (this “Agreement”) of **Verts Grand Lake LLC**, a Colorado limited liability company (the “Company”), is effective as of the 31st day of October, 2023, by and among the Company and each person and entity who from time-to-time is admitted as a member of the Company in accordance with the terms of this Agreement (each individually a “Member,” and collectively, the “Members”) and is listed as a member on Schedule A attached hereto (the “Members Schedule”). Capitalized terms used herein shall have the meanings set forth in Annex 1 attached hereto.

RECITALS

WHEREAS, the Company was formed as a limited liability company under the Colorado Limited Liability Company Act, C.R.S. §§ 7-80-101, *et seq.* (as amended from time to time, the “LLC Act”) by the filing of the Company’s Articles of Organization (the “Articles of Organization”) with the Secretary of the State of Colorado on September 28, 2023;

WHEREAS, the Members agree that the membership in and management of the Company shall be governed by the terms set forth herein.

NOW, THEREFORE, the parties hereto agree as follows:

Article I ORGANIZATION

Section I.01 Formation.

(a) The Company was formed on September 28, 2023 upon the filing of the Articles of Organization with the Secretary of the State of Colorado.

(b) This Agreement shall constitute the “operating agreement” (as that term is used in the LLC Act) of the Company. The rights, powers, duties, obligations, and liabilities of the Members shall be determined pursuant to this Agreement and the LLC Act. To the extent such rights, powers, duties, obligations and liabilities are different by reason of any provision of this Agreement than they would be under the LLC Act, in the absence of such provision, this Agreement shall, to the extent permitted by the LLC Act, control.

Section I.02 Name. The name of the Company is “Verts Grand Lake LLC” or such other name or names as the Board may from time-to-time designate in accordance with the LLC Act. The Board shall give prompt notice to each of the Members of any change to the name of the Company.

Section I.03 Principal Office. The principal office of the Company will be at such a place as may from time to time be determined by the Board. The Board shall give prompt notice of any such change to each of the Members.

Section I.04 Registered Office; Registered Agent.

(a) The street and mailing address of the registered office of the Company shall be the office of the initial registered agent named in the Articles of Organization or such other office (which need not be a place of business of the Company) as the Board may designate from time to time in the manner provided by Applicable Law.

(b) The registered agent of the Company for service of process in the State of Colorado shall be as set forth in the Articles of Organization or any subsequent filing with the Secretary of the State of Colorado.

(c) In the event of a change in the registered office or agent of the Company by the Board, the Company shall promptly file a statement of change with the Secretary of State of Colorado in the manner provided by the LLC Act.

Section I.05 Purpose; Powers.

(a) The purpose of the Company is to engage in any activity within the purposes for which a limited liability company may be formed under the LLC Act and to engage in any and all activities necessary or incidental thereto.

(b) The Company shall have all the powers necessary or convenient to carry out the purposes for which it is formed, including the powers granted by the LLC Act.

Section I.06 Term. The term of the Company commenced on the date the Articles of Organization were filed with the Secretary of State of Colorado and shall continue in existence perpetually until the Company is dissolved in accordance with the provisions of this Agreement or the LLC Act.

Section I.07 No State-Law Partnership. The Members intend that the Company shall be treated as a partnership for federal and, if applicable, state and local income tax purposes, and, to the extent permissible, the Company shall elect to be treated as a partnership for such purposes. The Company and each Member shall file all tax returns and shall otherwise take all tax and financial reporting positions in a manner consistent with such treatment and no Member shall take any action inconsistent with such treatment. The Members intend that the Company shall not be a state law partnership (including, without limitation, a limited partnership) or joint venture, and that no Member, Manager or Officer of the Company shall be a partner or joint venture of any other Member, Manager or Officer of the Company, for any purpose other than as set forth in the first sentence of this Section 1.07.

Section I.08 Regulatory Licenses. The Members intend that the Company or Company Subsidiaries shall hold Regulatory Licenses pursuant to applicable Regulatory Laws. The Company shall not engage in any Regulated Activity without the applicable Regulatory Licenses. In connection with the foregoing, the Board and each Member shall take all actions reasonably necessary in connection with any application for such Regulatory Licenses and shall not otherwise take or fail to take any action that would reasonably be expected to have a material adverse effect on such applications. Without limiting the foregoing, the Members and the Board acknowledge and agree that this Agreement must comply with Regulatory Laws and may be subject to review or approval by Regulatory Authorities. In the event that a Regulatory Authority determines, or the

Board or Members otherwise reasonably determine, that this Agreement does not comply with Regulatory Laws (including pursuant to a change in Regulatory Laws or direction by Regulatory Authorities) the parties hereto shall negotiate in good faith to modify this Agreement so as to effect the original intent of the parties as closely as possible in a mutually acceptable manner in order that the transactions contemplated hereby be consummated as originally contemplated to the greatest extent possible.

Section I.09 Marijuana Activities. ACQUISITION OF THE UNITS OR SERVICES TO THE COMPANY INVOLVES DIRECT AND/OR INDIRECT INTERESTS IN MARIJUANA. THE CULTIVATION, HARVESTING, MANUFACTURING, PRODUCTION, MARKETING, COMMERCIALIZATION, DISTRIBUTION, TRANSFER, SALE AND/OR POSSESSION OF MARIJUANA IS ILLEGAL UNDER U.S. FEDERAL LAW. NO PARTY HERETO, NOR ANY ATTORNEYS FOR SUCH PARTY, HAVE MADE ANY REPRESENTATION TO THE CONTRARY. EACH MEMBER, MANAGER AND OFFICER ASSUMES ALL RISKS ASSOCIATED WITH ACQUISITION OF THE UNITS OR SERVICES TO THE COMPANY, INCLUDING THE RISK OF CRIMINAL PROSECUTION, AND HEREBY REPRESENTS AND WARRANTS THAT IT ACKNOWLEDGES AND UNDERSTANDS SUCH RISKS AND THAT ITS ACQUISITION OF THE UNITS OR SERVICES TO THE COMPANY DOES NOT VIOLATE THE LAWS OF THE JURISDICTIONS UNDER WHICH IT RESIDES OR IS DOMICILED AND, AS APPLICABLE, IS FORMED OR ORGANIZED (OTHER THAN FEDERAL MARIJUANA LAWS).

Article II UNITS

Section II.01 Units Generally. The Membership Interests shall be represented by issued and outstanding Units, which may be divided into one (1) or more types, classes, or series. Each type, class, or series of Units shall have the privileges, preference, distribution priorities, duties, liabilities, obligations and rights, including voting rights, if any, set forth in this Agreement. The Units shall not be certificated. The Board shall maintain the Members Schedule to include the number of Units, including types, classes and series, held by each Member and shall update the Members Schedule upon the issuance or Transfer of any Units to any new or existing Member as permitted hereunder.

Section II.02 Authorization and Issuance of Common Units. Subject to compliance with the terms of this Agreement, the Company is hereby authorized to issue a class of Units designated as Common Units.

Section II.03 Other Issuances. In addition to the Common Units, the Company is hereby authorized, subject to compliance with the provisions of this Agreement, to authorize and issue or sell to any Person any of the following (collectively, “New Interests”): (a) any new type, class or series of Units not otherwise described in this Agreement, which Units may be designated as classes or series of the Common Units but having different rights; and (b) Unit Equivalents.

Section II.04 Regulatory Compliance. Notwithstanding anything else contained herein, any authorization, issuance, or sale of additional Units, Unit Equivalents or New Interests shall be

permitted only if such authorization, issuance or sale (a) is conducted in compliance with the requirements of all Regulatory Laws (including the applicable Regulatory Authority), including that such authorization, issuance or sale may be subject to the prior approval of the Regulatory Authorities and (b) such authorization, issuance or sale not be reasonably expected to preclude or materially delay, jeopardize, impede or impair, or impose materially burdensome terms and conditions on, the ability of the Company or any of its subsidiaries to conduct any Regulated Activities or to obtain, retain, renew or reinstate any Regulatory License. Any purported authorization, issuance, or sale of any Units, Unit Equivalents or New Interests in violation of this Section 2.04 shall be null and void.

Article III MEMBERS

Section III.01 Admission of New Members.

(a) Notwithstanding anything else contained herein, a Person not already a Member of the Company shall be admitted into the Company as a Member only if: (i) such Person is suitable, eligible or otherwise qualified pursuant to any Regulatory Laws (including by the applicable Regulatory Authority) to be a Member and to own or control the applicable Units, (ii) such admission is conducted in compliance with the Regulatory Laws, including that such admission may be subject to the prior approval of the Regulatory Authorities, (iii) such admission may not reasonably be expected to preclude or materially delay, jeopardize, impede or impair, or impose materially burdensome terms and conditions on, the ability of the Company or any of its subsidiaries to conduct any Regulated Activities or to obtain, retain, renew or reinstate any Regulatory License. Any admission or attempted admission of a Person as a Member in violation of this Section 3.01(a) shall be null and void and of no effect for all purposes of this Agreement.

(b) Any Person not already a Member of the Company may be admitted as a Member from time to time with approval from a majority of the Members: (i) in connection with an issuance of Units by the Company; and (ii) in connection with a Transfer of Units, in each case, subject to compliance with the provisions of this Agreement.

(c) In order for any Person not already a Member of the Company to be admitted as a Member, whether pursuant to an issuance or Transfer of Units, (i) Section 3.01(a) shall be complied with and (ii) such Person shall have executed and delivered to the Company a written undertaking substantially in the form of the Joinder Agreement attached hereto. Upon the amendment of the Members Schedule by the Board and the satisfaction of any other applicable conditions, such Person shall be admitted as a Member and deemed listed as such on the books and records of the Company and thereupon shall be issued his, her or its Units.

Section III.02 Representations and Warranties of Members. By execution and delivery of this Agreement or a Joinder Agreement, as applicable, each Member, whether admitted as of the date hereof or pursuant to Section 3.01, represents and warrants to the Company and acknowledges that:

(a) The Units have not been registered under the Securities Act or the securities laws of any other jurisdiction, are issued in reliance upon federal and state exemptions for transactions not involving a public offering and cannot be disposed of unless: (i) they are subsequently registered or exempted from registration under the Securities Act; and (ii) the provisions of this Agreement have been complied with;

(b) Such Member's Units are being acquired for its own account solely for investment and not with a view to resale or distribution thereof;

(c) Such Member, with the assistance of its advisor (if any): (i) has conducted its own independent review and analysis of the business, operations, assets, liabilities, results of operations, financial condition and prospects of the Company; (ii) has made its own evaluation of the legal, tax, accounting, financial and other merits and risks of an investment in the Company; and (iii) acknowledges that it and its advisors (if any) have been provided adequate access to the personnel, properties, premises and records of the Company and Company Subsidiaries for such purpose;

(d) Such Member, with the assistance of its own professional advisors, to the extent such Member has deemed appropriate, has such knowledge and experience in financial and business matters and is capable of evaluating the merits and risks of an investment in the Company and making an informed decision with respect thereto;

(e) Such Member is able to bear the economic and financial risk of an investment in the Company for an indefinite period of time;

(f) The execution, delivery and performance of this Agreement have been duly authorized by such Member and, except for requisite approvals of Regulatory Authorities, do not require such Member to obtain any consent or approval that has not been obtained and do not contravene or result in a default in any material respect under any provision of any law or regulation applicable to such Member or other governing documents or any agreement or instrument to which such Member is a party or by which such Member is bound;

(g) This Agreement is valid, binding and enforceable against such Member in accordance with its terms, except as may be limited by bankruptcy, insolvency, reorganization, moratorium and other similar laws of general applicability relating to or affecting creditors' rights or general equity principles (regardless of whether considered at law or in equity);

(h) Neither the issuance of any Units to any Member nor any provision contained herein will entitle the Member to remain in the employment of the Company or any Company Subsidiary or affect the right of the Company or any Company Subsidiary to terminate the Member's employment at any time for any reason, other than as otherwise provided in such Member's employment agreement or other similar agreement with the Company or Company Subsidiary;

(i) Such Member is suitable, eligible or otherwise qualified pursuant to any Regulatory Laws (including by the applicable Regulatory Authority) to be a Member and to own or control the applicable Units;

(j) Such Member's acquisition of the Units does not violate the laws of the jurisdictions under which such Member resides or is domiciled and, as applicable, is formed or organized (other than U.S. Federal Marijuana Laws);

(k) SUCH MEMBER UNDERSTANDS AND ACKNOWLEDGES THAT THE COMPANY INTENDS TO ENGAGE, DIRECTLY OR INDIRECTLY, IN MARIJUANA RELATED ACTIVITIES AND THAT SUCH MEMBER HAS REVIEWED AND CONSIDERED THE RISKS RELATED TO AN INVESTMENT IN THE COMPANY AND ADDITIONAL RISK FACTORS THAT MAY AFFECT AN INVESTMENT IN THE COMPANY, INCLUDING WITHOUT LIMITATION THE FOLLOWING:

(i) MARIJUANA IS CLASSIFIED UNDER FEDERAL LAW AS A SCHEDULE I CONTROLLED SUBSTANCE. UNDER SUPREME COURT PRECEDENT, FEDERAL LAW CRIMINALIZING THE USE OF MARIJUANA IS NOT PREEMPTED BY STATE LAW THAT LEGALIZES ITS USE. THUS, IRRESPECTIVE OF ANY STATE LAW OR OTHER REGULATORY LAW, THE FEDERAL GOVERNMENT COULD AT ANY TIME CHOOSE TO PROSECUTE THE COMPANY AND ITS OWNERS, INCLUDING ITS MEMBERS;

(ii) Because marijuana is illegal under federal law, many banking institutions take the position that they cannot accept for deposit funds from the marijuana trade, and therefore cannot do business with participants in the marijuana industry, such as the Company; and

(iii) Certain taxable deductions may be barred under 26 U.S.C. § 280E, which states that a business engaging in the trafficking of a Schedule I or II controlled substance (e.g. marijuana) is barred from taking certain "necessary and ordinary" expenses as deductions. As such, the Members may experience "phantom income," where they are taxed on the allocated profits of the Company in excess of the profits of the Company which are actually distributed to them hereunder.

Section III.03 No Personal Liability. Except as otherwise expressly provided in this Agreement, no Member will be obligated personally for any debt, obligation or liability of the Company or of any Company Subsidiary or other Members, whether arising in contract, tort or otherwise, solely by reason of being a Member. The liability of each Member shall be limited to the amount of Capital Contributions made by such Member in accordance with the provisions of this Agreement.

Section III.04 Death. The death of any Member shall not cause the dissolution of the Company. In such event, the Company and its business shall be continued by the remaining Member or Members and the Units owned by the deceased Member shall, subject to compliance with the provisions of this Agreement, be Transferred to such Member's heirs; provided, however, that (i) prior to such transfer, the applicable heir(s) shall be found suitable by the Regulatory Authorities to hold an ownership interest in the Company, and (ii) within a reasonable time after such Transfer, the applicable heirs shall sign a written undertaking substantially in the form of the Joinder Agreement.

Section III.05 Voting. Except as otherwise provided by this Agreement or as otherwise required by Applicable Law, each Member shall be entitled to one (1) vote per Common Unit on all matters upon which the Members have the right to vote under this Agreement.

Section III.06 No Interest in Company Property. No real or personal property of the Company shall be deemed to be owned by any Member individually, but shall be owned by, and title shall be vested solely in, the Company. Without limiting the foregoing, each Member hereby irrevocably waives during the term of the Company any right that such Member may have to maintain any action for partition with respect to the property of the Company.

Article IV CAPITAL CONTRIBUTIONS; CAPITAL ACCOUNTS

Section IV.01 Initial Capital Contributions. Each Member as of the date hereof agrees to contribute to the Company such initial Capital Contributions in the aggregate amount set forth on the Members Schedule (with respect to each such Member, such Member's "Capital Commitment") as consideration for the number, type, series and class of Units in the amounts set forth opposite such Member's name on the Members Schedule as in effect on the date hereof. Capital Contributions shall be credited to the contributing Member's Capital Account at the time of such contribution to the Company.

Section IV.02 Additional Capital Contributions.

(a) No Member shall be required to make any additional Capital Contributions to the Company. Any future Capital Contributions made by any Member shall only be made with the consent of the Board and in connection with an issuance of Units made in compliance with Article VIII.

(b) No Member shall be required to lend any funds to the Company and no Member shall have any personal liability for the payment or repayment of any Capital Contribution by or to any other Member. If one or more Members lend funds to the Company in order to fund operating expenses or working capital needs of the Company, such loan will be on such other terms as determined by the Board and the lending Member.

Section IV.03 Maintenance of Capital Accounts. The Company shall establish and maintain for each Member a separate capital account (a "Capital Account") on its books and records in accordance with this Section 4.03 and other provisions of this Article IV. Each Capital Account shall be established and maintained in accordance with the following provisions:

- (a) Each Member's Capital Account shall be increased by the amount of:
 - (i) such Member's Capital Contributions, including such Member's initial Capital Contribution;
 - (ii) any Net Income or other item of income or gain allocated to such Member pursuant to Article V; and

(iii) any liabilities of the Company that are assumed by such Member or secured by any property owned by such Member.

(b) Each Member's Capital Account shall be decreased by:

(i) the cash amount or Book Value of any property Distributed to such Member pursuant to Article VI and Section 11.03(c);

(ii) the amount of any Net Loss or other item of loss or deduction allocated to such Member pursuant to Article V; and

(iii) the amount of any liabilities of such Member assumed by the Company or which are secured by any property owned by such Member.

(c) The Rules of Treasury Regulations § 1.704-1(b)(2)(iv)(d) (with respect to the maintenance of capital accounts in connection with the exercise of a noncompensatory option) shall be incorporated by reference and shall be given effect in the maintenance of the Capital Accounts.

Section IV.04 Succession Upon Transfer. In the event that any Units are Transferred in accordance with the terms of this Agreement, the Transferee shall succeed to the Capital Account of the Transferor to the extent it relates to the Transferred Units and shall receive allocations and Distributions pursuant to Article V and Article VI in respect of such Units.

Section IV.05 Negative Capital Accounts. In the event that any Member shall have a deficit balance in his, her or its Capital Account, such Member shall have no obligation, during the term of the Company or upon dissolution or liquidation thereof, to restore such negative balance or make any Capital Contributions to the Company by reason thereof, except as may be required by Applicable Law or in respect of any negative balance resulting from a withdrawal of capital or dissolution in contravention of this Agreement.

Section IV.06 No Withdrawal. No Member shall be entitled to withdraw any part of his, her or its Capital Account or to receive any Distribution from the Company, except as provided in this Agreement. No Member shall receive any interest, salary or drawing with respect to its Capital Contributions or its Capital Account, except as otherwise provided in this Agreement. The Capital Accounts are maintained for the sole purpose of allocating items of income, gain, loss and deduction among the Members and shall have no effect on the amount of any Distributions to any Members, in liquidation or otherwise.

Section IV.07 Treatment of Loans from Members. Loans by any Member to the Company shall not be considered Capital Contributions and shall not affect the maintenance of such Member's Capital Account, other than to the extent provided in Section 4.03(a)(iii), if applicable.

Section IV.08 Intent and Modifications. The foregoing provisions and the other provisions of this Agreement relating to the maintenance of Capital Accounts are intended to comply with and shall be interpreted and applied in a manner consistent with applicable Treasury Regulations. If the Board determines that it is prudent to modify the manner in which the Capital

Accounts, or any increases or decreases to the Capital Accounts, are computed in order to comply with such Treasury Regulations, the Board may authorize such modifications.

Article V ALLOCATIONS

Section V.01 Allocation of Net Income and Net Loss. For each Fiscal Year (or portion thereof), except as otherwise provided in this Agreement, Net Income and Net Loss (and, to the extent necessary, individual and/or gross items of income, gain, loss or deduction) of the Company shall be allocated among the Members pursuant to all Applicable Laws and in a manner such that, after adjusting each Member's Capital Account for all Capital Contributions and Distributions made during such Fiscal Year (or portion thereof) and after giving effect to the special allocations set forth in Section 5.02, the Target Capital Account balance of each Member (which may be either a positive or negative balance), immediately after making such adjustments and allocations, is, as nearly as possible, equal to the Distributions that would be made to such Member pursuant to Section 11.03(c) if the Company were dissolved, its affairs wound up and its assets sold for cash equal to their Book Value, all Company liabilities were satisfied (limited with respect to each Nonrecourse Liability to the Book Value of the assets securing such liability), and the net assets of the Company were Distributed, in accordance with Section 11.03(c).

Section V.02 Tax Allocations.

(a) All income, gains, losses, and deductions of the Company shall be allocated, for federal, state, and local income tax purposes, among the Members pursuant to the Code and all Applicable Laws, and in accordance with the allocation of such income, gains, losses, and deductions among the Members for computing their Capital Accounts, except that if any such allocation for tax purposes is not permitted by the Code or other Applicable Law, the Company's subsequent income, gains, losses, and deductions shall be allocated among the Members for tax purposes, to the extent permitted by the Code and other Applicable Law, so as to reflect as nearly as possible the allocation set forth herein in computing their Capital Accounts.

(b) Allocations pursuant to this Section 5.02 are solely for purposes of federal, state, and local taxes and shall not affect, or in any way be taken into account in computing, any Member's Capital Account or share of Net Income, Net Losses, Distributions, or other items pursuant to any provisions of this Agreement.

Article VI DISTRIBUTIONS

Section VI.01 General.

(a) Subject to Section 6.01(b), Section 6.02, and Section 6.03, the Company shall make distributions to the Members annually; provided, however, that the Board shall have sole discretion to change the amounts and timing of Distributions to Members, including to decide to forego payment of Distributions in order to provide for the retention and establishment of reserves of, or payment to third parties of, such funds as it deems necessary with respect to the reasonable business needs of the Company (which needs may include the payment or the making

of provision for the payment when due of the Company's obligations, including, but not limited to, present and anticipated debts and obligations to third parties and Members (as applicable), capital needs and expenses, the payment of any management or administrative fees and expenses, and reasonable reserves for contingencies).

(b) Notwithstanding any provision to the contrary contained in this Agreement, the Company shall not make any Distribution to Members if such Distribution would violate the LLC Act or Applicable Law.

Section VI.02 Priority of Distributions. After making all Distributions required for a given Fiscal Year under Section 6.03, and subject to the priority of Distributions pursuant to Section 11.03(c), if applicable, all Distributions determined to be made by the Board pursuant to this Section 6.02 shall be made to the Members holding Units (subject to Section 6.04) pro rata in proportion to their aggregate holdings of Units treated as one class of Units.

Section VI.03 Distributions in Kind. The Board is hereby authorized, in its sole discretion and with the prior written consent of the applicable Member(s), to make Distributions to the Members in the form of securities or other property held by the Company. In any non-cash Distribution, the securities or property so Distributed will be Distributed among the Members in the same proportion and priority as cash equal to the Fair Market Value of such securities or property would be Distributed among the Members pursuant to Section 6.02.

Section VI.04 Distribution Upon Deemed Liquidation Event. In the event of a Deemed Liquidation Event, the Board shall distribute the proceeds of such Deemed Liquidation Event in the manner provided in Section 11.03(c).

Article VII MANAGEMENT

Section VII.01 Establishment of the Board; Standard of Care; Signature Authority. A board of managers of the Company (the "Board") is hereby established and shall be comprised of natural Persons (each such Person, a "Manager") who shall be appointed in accordance with the provisions of this Article VII. The business and affairs of the Company shall be managed, operated and controlled by or under the direction of the Board, and the Board shall have, and is hereby granted, the full and complete power, authority, and discretion for, on behalf of and in the name of the Company, to take such actions as it may in its sole discretion deem necessary or advisable to carry out any and all of the objectives and purposes of the Company, subject only to the terms of this Agreement and Applicable Law. Each Manager owes a fiduciary duty to the Company and the Members, including the duty of loyalty and the duty of care, in the same manner officers owe such duties to a corporation under Applicable Law.

(a) **Board Composition; Vacancies.** The Company and the Members shall take such actions as may be required to ensure that the number of Managers of the Company constituting the Board is at all times at least three (3), unless the number and members of the Board are otherwise modified by a vote of the members holding more than fifty percent (50%) of the

Units. As of the date hereof, the Board shall consist of the following three (3) Managers: Ashley Close, Alexander Close and Daniel Rowland.

(b) If required by Regulatory Laws, any elected or appointed Manager shall not be deemed duly elected, appointed or qualified and shall not exercise any powers of the position to which such Person has been elected or appointed until such Person has been found suitable, eligible or otherwise qualified to hold such position pursuant to any Regulatory Laws (including by the applicable Regulatory Authority). Each such elected or appointed Manager, by virtue of such election or appointment of such Person, consents to (i) the performance of any personal background investigation that may be required by any Regulatory Authorities or Regulatory Laws and (ii) the disclosure by the Company of any information regarding such Manager required by Regulatory Authorities or Regulatory Laws without the need to obtain approval from such Manager.

(c) Each Manager, by virtue of holding such position, agrees to the following:

(i) Such Manager shall comply with all Regulatory Laws including (i) filing required applications for Regulatory Licenses, if any, (ii) providing all information regarding such Manager as may be requested or required by Regulatory Authorities, and (iii) responding to written or oral questions or inquiries from any Regulatory Authorities.

(ii) In the event that such Manager (i) has experienced an event or circumstance, or otherwise reasonably believes, that such Manager may meet any condition to be deemed an Affected Person or (ii) has knowledge that any Member or any other Person elected or appointed as a Manager or Officer of the Company or any other current Manager or Officer of the Company has experienced an event or circumstance, or otherwise may meet any condition to be deemed an Affected Person, then, in all cases, such Manager shall promptly notify the Company of the relevant details.

(iii) Upon receipt of a notice that a Manager may meet any condition to be deemed an Affected Person, the Disinterested Managers, or if there are no Disinterested Managers, the Disinterested Members may, but are not obligated to, permit the applicable Person a specified period of time (as determined by the Disinterested Manager or the Disinterested Members, as applicable, to the extent permitted by any Regulatory Laws (including by the applicable Regulatory Authority)) to take all actions, at such Person's costs, to cure such condition.

(iv) Upon the expiration of such period of time (if any) or otherwise, the Disinterested Managers, or if there are no Disinterested Managers, the Disinterested Members, shall promptly make a determination regarding such Manager as an Affected Person. If the Disinterested Managers or the Disinterested Members, as applicable, determine that such Manager is an Affected Person, the Company shall, and the Board shall cause the Company to, remove such Manager as promptly as possible or as otherwise directed by the applicable Regulatory Authority. If the Disinterested Managers or the Disinterested Members determine that such Manager is a not Affected Person, such Manager shall continue to hold office until such Manager's successor is designated by the

Member assigning such Manager or until such Manager's earlier death, resignation or removal.

(d) The removal of a Manager shall not affect the Manager's rights as a Member, if applicable, and shall not constitute a withdrawal by such Member from the Company. Upon the removal or resignation of a Manager, the Manager shall cooperate with the Company to perform all actions required by Applicable Law or by Regulatory Authorities as related to such removal or resignation.

Section VII.02 Meetings of the Board; Quorum; Manner of Acting.

(a) Quorum. The presence of a Manager(s) holding more than fifty percent (50%) of the Common Units of the Company, shall constitute a quorum for the transaction of business of the Board. At all times when the Board is conducting business at a meeting of the Board, a quorum of the Board must be present at such meeting. If a quorum shall not be present at any meeting of the Board, then the Managers present at the meeting may adjourn the meeting from time to time, without notice other than announcement at the meeting, until a quorum shall be present.

(b) Participation. Any Manager may participate in a meeting of the Board by means of telephone or video conference or other communications device that permits all Managers participating in the meeting to hear each other, and participation in a meeting by such means shall constitute presence in person at such meeting. A Manager may vote or be present at a meeting either in person or by proxy, and such proxy may be granted in writing, by means of Electronic Transmission or as otherwise permitted by Applicable Law.

(c) Binding Act. Each Manager shall be entitled to vote on all matters submitted to the Board or any committee thereof. Except as otherwise provided in this Agreement, with respect to any matter before the Board, the act of Manager(s) holding more than fifty percent (50%) of the Common Units of the Company shall be the act of the Board.

Section VII.03 Actions Requiring Approval of the Board. Subject to any contrary provision herein, the Company shall not enter into any commitment, without the written approval of the Managers holding more than fifty percent (50%) of the Common Units to:

(a) Amend, modify or waive any provisions of the Articles of Organization or this Agreement, in whole or in part; provided, however, that a Manager may, without the consent of the other Members, amend the (i) the Articles of Organization in accordance with the provisions of this Agreement or (ii) the Members Schedule following any new issuance, redemption, repurchase or Transfer of Membership Interests in accordance with this Agreement; and, provided further, that any amendment of this Agreement which adversely and disproportionately affects any Member will require the prior written consent of such Member;

(b) Issue additional Membership Interests, equity securities, or other securities or, except in connection with a Transfer of Membership Interests that complies with the applicable provisions of this Agreement, admit additional Members to the Company;

(c) Incur any indebtedness, pledge or grant liens on any assets or guarantee, assume, endorse or otherwise become responsible for the obligations of any other Person in excess of \$50,000 in a single transaction or series of related transactions, or in excess of \$100,000 in the aggregate at any time outstanding; provided, however, that indebtedness incurred in the Company's ordinary course of business for inventory, the full amount of which is due in sixty (60) days or fewer, shall not require the approval specified in this Section 7.03.

(d) Make any loan or advance to or a Capital Contribution or investment in, any Person, in excess of \$25,000;

(e) Enter into or effect any transaction or series of related transactions involving the purchase, lease, license, exchange or other acquisition (including by merger, consolidation, sale of stock or acquisition of assets) by the Company of any assets and/or equity interests of any Person, other than in the ordinary course of business; provided, however, that any Transfer of Membership Interests from a Member to a Family Member pursuant to Section 8.02 of this Agreement shall not require the approval of the Board or Members.

(f) Enter into or effect any transaction or series of related transactions involving the sale, lease, license, exchange or other disposition (including by merger, consolidation, sale of stock or sale of assets) by the Company of any assets or equity interests, other than sales of inventory in the ordinary course of business consistent with past practice;

(g) Convert from a limited liability company to a corporation or change tax status;

(h) Settle any lawsuit, action, dispute or other proceeding or otherwise assume any liability with a value in excess of \$100,000 or agree to the provision of any equitable relief by the Company; or

(i) Dissolve, wind up or liquidate the Company or initiate a bankruptcy or state insolvency or receivership proceeding involving the Company.

Section VII.04 Meetings of the Members.

(a) Generally. The Members shall meet at such time and at such place as the Members may designate. Meetings of the Members may be held either in person or by means of telephone or video conference or other communications device that permits all Members participating in the meeting to hear each other, at the offices of the Company or such other place (either within or outside the State of Colorado) as may be determined from time to time by the Members. Written notice of each meeting of the Members shall be given to each Member at least forty-eight (48) hours prior to each such meeting.

(b) Attendance and Waiver of Notice. Attendance of a Member at any meeting shall constitute a waiver of notice of such meeting, except where a Member attends a meeting for the express purpose of objecting to the transaction of any business on the ground that the meeting

is not lawfully called or convened. Neither the business to be transacted at, nor the purpose of, any regular or special meeting of the Members need be specified in the notice or waiver of notice of such meeting.

(c) Quorum. Members holding at least 50% of the Common Units shall constitute a quorum for the transaction of business of the Company. At all times when the Members are conducting business at a meeting, a quorum of the Members must be present at such meeting. If a quorum shall not be present at any meeting of the Members, then the Members present at the meeting may adjourn the meeting from time to time, without notice other than announcement at the meeting, until a quorum shall be present.

(d) Participation. Any Member holding Common Units may participate in a meeting of the Members by means of telephone or video conference or other communications device that permits all Members participating in the meeting to hear each other, and participation in a meeting by such means shall constitute presence in person at such meeting. A Member may vote or be present at a meeting either in person or by proxy, and such proxy may be granted in writing, by means of Electronic Transmission or as otherwise permitted by Applicable Law.

(e) Binding Act. Each Member shall be entitled to vote on all matters submitted to the Members. With respect to any matter before the Members, the act of Member(s) holding more than fifty percent (50%) of the Common Units of the Company shall be the act of the Member.

(f) Action by Written Consent. Notwithstanding anything herein to the contrary, any action of the Members (or any committee) may be taken without a meeting if either: (a) a written consent of the Members holding a majority of the Common Units shall approve such action; provided, however that prior written notice of such action is provided to all Members at least one (1) day before such action is taken; or (b) a written consent constituting all of the Members (or committee) shall approve such action. Such consent shall have the same force and effect as a vote at a meeting where a quorum was present and may be stated as such in any document or instrument filed with the Secretary of State of Colorado.

Section VII.05 Compensation; No Employment.

(a) A Manager shall be reimbursed for reasonable out-of-pocket expenses incurred in the performance of such Manager's duties as a Manager, pursuant to such policies as from time to time established by the Company. Nothing contained in this Section 7.05 shall be construed to preclude any Manager from serving the Company in any other capacity and receiving reasonable compensation for such services.

(b) This Agreement does not, and is not intended to, confer upon any Manager any rights with respect to continued employment by the Company, and nothing herein should be construed to have created any employment agreement with any Manager.

Section VII.06 No Personal Liability. By Applicable Law or expressly in this Agreement, no Manager will be obligated personally for any debt, obligation or liability of the Company, whether arising in contract, tort or otherwise, solely by reason of being a Manager.

Section VII.07 No Exclusive Duty. No Manager shall be required to manage the Company as such Manager's sole and exclusive occupation and a Manager may have other business interests and may engage in other investments, occupations and activities in addition to those relating to the Company. Neither the Company nor any Member shall have any right, by virtue of this Agreement, to share or participate in such other investments or activities of any Manager or to the income or proceeds derived therefrom. Although a business opportunity of the sort engaged in by the Company may come to the attention of a Manager, such Manager shall not be under duty, express or implied, to first offer such opportunity to the Company or to the other Members of the Company before the Manager may, personally or on behalf of another entity with which the Manager is affiliated, take advantage of such opportunity, and the members personally and the Company as an entity, hereby discharge and release each Manager of and from any duty to the contrary which may be owed by any Manager, directly or indirectly, from the doctrine generally referred to as the "corporate opportunity doctrine."

Section VII.08 Officers.

(a) The Board may appoint individuals as officers of the Company (the "Officers") as it deems necessary or desirable to carry on the business of the Company and the Board may delegate to such Officers such power and authority as the Board deems advisable. No Officer need be a Member. Notwithstanding the previous sentence, the Board shall appoint a Chief Executive Officer, who may also appoint additional Officers of the Company, provided, however, that the Board shall have final approval of such appointments and salaries related thereto. An individual may hold two (2) or more offices of the Company. Each Officer shall hold office until such Officer's successor is designated by the Board or Chief Executive Officer, or until such Officer's earlier death, resignation or removal. Any Officer may resign at any time upon written notice to the Board or Chief Executive Officer. Any Officer may be removed by the Board or Chief Executive Officer with or without cause at any time, provided, however, that a removal by the Chief Executive Officer shall require the approval of the Board. A vacancy in any office occurring because of death, resignation, removal or otherwise, may, but need not, be filled by the Board or Chief Executive Officer, provided, however, that the Board shall have final approval of such appointments and salaries related thereto. The initial Chief Executive Officer shall be Ashley Close.

(b) If required by Regulatory Laws, any newly elected or appointed Officer shall not be deemed duly elected, appointed or qualified and shall not exercise any powers of the position to which such individual has been elected or appointed until such individual has been found suitable, eligible or otherwise qualified to hold such position pursuant to any Regulatory Laws (including by the applicable Regulatory Authority). Each such newly elected or appointed Officer, by virtue of such election or appointment of such individual, consents to (i) the performance of any personal background investigation that may be required by any Regulatory Authorities or Regulatory Laws and (ii) the disclosure by the Company of any information regarding such officer required by Regulatory Authorities or Regulatory Laws without the need to obtain approval from such officer.

(c) Each Officer, by virtue of holding such position, agrees to the following:

(i) Such Officer shall comply with all Regulatory Laws including (i) filing required applications for Regulatory Licenses, if any, (ii) providing all information regarding such Officer as may be requested or required by Regulatory Authorities (including in connection with any application for a Regulatory License), and (iii) responding to written or oral questions or inquiries from any Regulatory Authorities.

(ii) In the event that such Officer (i) has experienced an event or circumstance, or otherwise reasonably believes, that such Officer may meet any condition to be deemed an Affected Person or (ii) has knowledge that any Member or any other individual elected or appointed as a director or Officer of the Company or any other current director or Officer of the Company has experienced an event or circumstance, or otherwise may meet any condition to be deemed an Affected Person, then, in all cases, such Officer shall promptly notify the Company of the relevant details.

(iii) Upon receipt of a notice that an Officer may meet any condition to be deemed an Affected Person, the Board may, but is not obligated to, permit the applicable individual a specified period of time (as determined by the Board and to the extent permitted by any Regulatory Laws (including by the applicable Regulatory Authority)) to take all actions, at such individual's costs, to cure such condition.

(iv) Upon the expiration of such period of time (if any) or otherwise, the Board shall promptly make a determination regarding such Officer as an Affected Person. If the Board determines that such Officer is an Affected Person, the Company shall, and the Board shall cause the Company to, remove such Officer as promptly as possible or as otherwise directed by the applicable Regulatory Authority. If the Board determines that such Officer is a not Affected Person, such Officer shall continue to hold office until such Officer's successor, if any, is designated by the Board or Chief Executive Officer, or until such Officer's earlier death, resignation or removal.

Article VIII TRANSFER

Section VIII.01 General Restrictions on Transfer.

(a) Transfer Restrictions. Each Member acknowledges and agrees that each Member (or any Permitted Transferee of such Member) shall not Transfer any Units or Unit Equivalents except as permitted pursuant to Section 8.02, or in strict accordance with the restriction, conditions and procedures described in the other provisions of Article VIII.

(b) Other Transfer Restrictions. Notwithstanding any other provision of this Agreement (including Section 8.02), each Member agrees that it will not, directly or indirectly, Transfer any of its Units or Unit Equivalents, and the Company agrees that it shall not issue any New Interests:

(i) except as permitted under the Securities Act and other applicable federal or state securities or blue-sky laws;

(ii) to a Person not already a Member of the Company until the prospective Transferee is admitted as a Member of the Company;

(iii) if such Transfer or issuance would affect the Company's existence or qualification as a limited liability company under the LLC Act;

(iv) if such Transfer or issuance would violate the Applicable Laws including that the prospective Transferee is an Affected Person;

(v) if such Transfer or issuance would be reasonably likely to preclude or materially delay, jeopardize, impede or impair, or impose materially burdensome terms and conditions on, the ability of the Company or any Company Subsidiary to conduct any Regulated Activities or to obtain, retain, renew or reinstate any Regulatory License;

(c) **Joinder Agreement.** Except with respect to any Transfer pursuant to a Drag-Along Sale, no Transfer of Units or Unit Equivalents pursuant to any provision of this Agreement shall be deemed completed until (i) Section 3.01(a) shall be complied with and (ii) the Transferee shall have entered into a Joinder Agreement.

(d) **Transfers in Violation of this Agreement.** Any Transfer or attempted Transfer of any Units or Unit Equivalents in violation of this Agreement, including any failure of a Transferee, as applicable, to comply with Section 3.01(a) or enter into a Joinder Agreement pursuant to Section 8.01(c) above, shall be null and void, no such Transfer shall be recorded on the Company's books, and the purported Transferee in any such Transfer shall not be treated (and the Member proposing to make any such Transfer shall continue to be treated) as the owner of such Units or Unit Equivalents for all purposes of this Agreement. For the avoidance of doubt, any Transfer of a Membership Interest permitted by this Agreement shall be deemed a sale, transfer, assignment, or other disposal of such Membership Interest in its entirety as intended by the parties to such Transfer, and shall not be deemed a sale, transfer, assignment, or other disposal of any less than all of the rights and benefits described in the definition of the term "Membership Interest," unless otherwise explicitly agreed to by the parties, in writing, to such Transfer.

Section VIII.02 Permitted Transfers. Subject to Section 8.01 above, permitted Transfers include: (a) a corporation, partnership or limited liability company, the stockholders, partners or members of which are only such Member; (b) for bona fide estate planning purposes, either by will, trust, or by the laws of intestate succession, to such Member's executors, administrator, testamentary trustees, legatees or beneficiaries; or (c) a Transfer by a Member to such Member's Affiliates, or the Family Members of a Member or a Member's Affiliate (each a "Permitted Transfer"). Except for Permitted Transfers and transfers approved by the Board, the Members may not transfer the Units.

Section VIII.03 Drag-Along Rights.

(a) **Participation.** If one or more Members (together with their respective Permitted Transferees) holding no less than a majority of all the Common Units (such Member or Members, the "Dragging Member"), proposes to consummate, in one transaction or a series of related transactions, a Change of Control of such Member(s), or a Change of Control of the Company not

including a sale of all or substantially all of Company's assets (a "Drag-along Sale"), provided that such Drag-along Sale is for Fair Market Value or higher, the Dragging Member shall have the right, after delivering the Drag-along Notice in accordance with Section 8.03(c) and subject to compliance with Section 8.03(d), to require that each other Member (each, a "Drag-along Member") participate in such sale (including, if necessary, by converting their Unit Equivalents into the Units to be sold in the Drag-along Sale) in the manner set forth in Section 8.03(b).

(b) Sale of Units. Subject to compliance with Section 8.03(d):

(i) If the Drag-along Sale is structured as a sale resulting in a majority of the Common Units of the Company on a Fully Diluted Basis being held by a Third Party Purchaser, then each Drag-along Member shall sell, with respect to each class or series of Units proposed by the Dragging Member to be included in the Drag-along Sale, the number of Units and/or Unit Equivalents of such class or series equal to the product obtained by multiplying: (a) the number of applicable Units on a Fully Diluted Basis held by such Drag-along Member by; (b) a fraction: (x) the numerator of which is equal to the number of applicable Units on a Fully Diluted Basis that the Dragging Member proposes to sell in the Drag-along Sale; and (y) the denominator of which is equal to the number of applicable Units on a Fully Diluted Basis held by the Dragging Member at such time; and

(ii) If the Drag-along Sale is structured as a sale of all or substantially all of the consolidated assets of the Company or as a merger, consolidation, recapitalization or reorganization of the Company or other transaction requiring the consent or approval of the Members, then notwithstanding anything to the contrary in this Agreement (including Section 3.06), each Drag-along Member shall vote in favor of the transaction and otherwise consent to and raise no objection to such transaction, and shall take all actions to waive any dissenters', appraisal or other similar rights that it may have in connection with such transaction. The Distribution of the aggregate consideration of such transaction shall be made in accordance with Section 11.03(c).

(c) Sale Notice. The Dragging Member shall exercise its rights pursuant to this Article VIII by delivering a written notice (the "Drag-along Notice") to the Company and each Drag-along Member no more than ten (10) Business Days after the execution and delivery by all of the parties thereto of the definitive agreement entered into with respect to the Drag-along Sale and, in any event, no later than twenty (20) Business Days prior to the closing date of such Drag-along Sale. The Drag-along Notice shall make reference to the Dragging Members' rights and obligations hereunder and shall describe in reasonable detail:

(i) The name of the person or entity to whom such Units are proposed to be sold;

(ii) The proposed date, time and location of the closing of the sale;

(iii) The number of each class or series of Units to be sold by the Dragging Member, the proposed amount of consideration for the Drag-along Sale and the other material terms and conditions of the Drag-along Sale, including a description of any non-cash consideration in sufficient detail to permit the valuation thereof and including, if available, the purchase price per Unit of each applicable class or series (which may take into account the Profits Interest Hurdle of any Profits Interest Units to be sold); and

(iv) A copy of any form of agreement proposed to be executed in connection therewith.

(d) Conditions of Sale. The obligations of the Drag-along Members in respect of a Drag-along Sale under this Section 8.03 are subject to the satisfaction of the following conditions:

(i) The consideration to be received by each Drag-along Member shall be the same form and amount of consideration to be received by the Dragging Member per Unit of each applicable class or series (the Distribution of which shall be made in accordance with Section 8.03(b)) and the terms and conditions of such sale shall, except as otherwise provided in Section 8.03(d)(iii), be the same as those upon which the Dragging Member sells its Units;

(ii) If the Dragging Member or any Drag-along Member is given an option as to the form and amount of consideration to be received, the same option shall be given to all Drag-along Members;

(iii) Each Drag-along Member shall execute the applicable purchase agreement, if applicable, and make or provide the same representations, warranties, covenants, indemnities and agreements as the Dragging Member makes or provides in connection with the Drag-along Sale; provided, however, that each Drag-along Member shall only be obligated to make individual representations and warranties with respect to its title to and ownership of the applicable Units, authorization, execution and delivery of relevant documents, enforceability of such documents against the Drag-along Member, and other matters relating to such Drag-along Member, but not with respect to any of the foregoing with respect to any other Members or their Units; provided, further, that all representations, warranties, covenants and indemnities shall be made by the Dragging Member and each Drag-along Member severally and not jointly and any indemnification obligation

shall be pro rata based on the consideration received by the Dragging Member and each Drag-along Member, in each case in an amount not to exceed the aggregate proceeds received by the Dragging Member and each such Drag-along Member in connection with the Drag-along Sale; and

(iv) The Drag-along Sale is for Fair Market Value or higher.

(e) Cooperation. Each Drag-along Member shall take all actions as may be reasonably necessary to consummate the Drag-along Sale, including, without limitation, entering into agreements and delivering certificates and instruments, in each case, consistent with the agreements being entered into and the certificates being delivered by the Dragging Member, but subject to Section 8.03(d)(iii).

(f) Expenses. The fees and expenses of the Dragging Member incurred in connection with a Drag-along Sale and for the benefit of all Drag-along Members (it being understood that costs incurred by or on behalf of a Dragging Member for its sole benefit will not be considered to be for the benefit of all Drag-along Members), to the extent not paid or reimbursed by the Company or the Third Party Purchaser, shall be shared by the Dragging Member and all the Drag-along Members on a pro rata basis, based on the consideration received by each such Member; provided, however, that no Drag-along Member shall be obligated to make any out-of-pocket expenditure prior to the consummation and closing of the Drag-along Sale.

(g) Consummation of Sale. The Dragging Member shall have ninety (90) days following the date of the Drag-along Notice in which to consummate the Drag-along Sale, on the terms set forth in the Drag-along Notice (which ninety 90-day period may be extended for a reasonable time not to exceed one-hundred and fifty (150) days to the extent reasonably necessary to obtain required approvals or consents from any Governmental Authority). If at the end of such period the Dragging Member has not completed the Drag-along Sale, the Dragging Member may not then exercise its rights under this Section 8.03 without again fully complying with the provisions of this Section 8.03.

a. Section 8.04 Regulatory Redemption.

(b) The provisions of Section 8.01 and Section 8.03 shall not apply to any Transfer or redemption of any Unit or Unit Equivalents pursuant to this Section 8.04. Upon receipt of a notice that a Member may meet any condition to be deemed an Affected Person, the Disinterested Managers, or if there are no Disinterested Managers, the Disinterested Members, shall allow the Member alleged to be an Affected Person a minimum of 10 days, to the extent permitted by any Regulatory Laws (including by the applicable Regulatory Authority)) to take all actions, at such Member's costs, to cure such condition. Upon the expiration of such period of time (if any) or otherwise, the Disinterested Managers or the Disinterested Members shall promptly make a determination regarding such Member as an Affected Person. Notwithstanding anything to the contrary herein, no Member alleged to be an Affected Person may be subject to a cure period

if such cure period is reasonably expected to jeopardize any licenses held by the Company or its subsidiaries.

(c) Upon any determination that a Member is an Affected Person, the Disinterested Managers, or if there are no Disinterested Managers, the Disinterested Members, may determine that the Affected Person is permitted to Transfer its Units and Unit Equivalents to an individual or entity approved by the Disinterested Managers or the Disinterested Members, as applicable (provided, however, that such Transfer is permitted by any Regulatory Laws) and such Transfer otherwise complies with the provisions of this Agreement. If the Disinterested Managers or the Disinterested Members determine that such Affected Person shall not be permitted to Transfer its Units and Unit Equivalents, such applicable Units and Unit Equivalents shall be subject to redemption in accordance with Sections 8.04(c); provided, however, that notwithstanding any determination of the Disinterested Managers or Disinterested Members to the contrary, the Affected Person may Transfer its Units and Unit Equivalents to an Affiliate or to the Family Members of an Affiliate, if such Transfer is permitted by the Regulatory Laws.

(d) The Units and Unit Equivalents owned or controlled by an Affected Person shall be redeemable by the Company, subject to applicable law, as directed by a Regulatory Authority and, if not so directed, as and to the extent deemed necessary or advisable by the Disinterested Managers, or if there are no Disinterested Managers, the Disinterested Members, in which event the Company shall deliver a Regulatory Redemption Notice to the Affected Person.

Article IX COVENANTS

Section IX.01 Confidentiality.

(a) In pursuit of the Company's business (the "Authorized Use"), certain trade secrets and business information proprietary to each Member and which each Member considers to be Confidential Information (as hereinafter defined) may be provided to one Member or the Company, and its affiliates ("Receiving Party") by another Member, and its affiliates ("Disclosing Party"). This Section 9.01 is intended to allow the parties to have open discussions regarding the Confidential Information, while still affording complete protection of the Disclosing Party's Confidential Information against disclosure or unauthorized use.

(b) "Confidential Information" means any Disclosing Party confidential or proprietary information, whether marked as confidential or not, in the form of notes, documents, materials, correspondence, or any other form, and anything derived from the foregoing, relating to: (i) the Disclosing Party's proprietary technology and products, including without limitation, technical data, trade secrets, know-how, research, product plans, ideas or concepts, products services, software, inventions, patent applications, techniques, processes, developments, algorithms, formulas, technology, designs, schematics, drawings, engineering, and hardware configuration information; (ii) proprietary information relating to the Disclosing Party's operations and business or financial plans or strategies, including but not limited to customers, customer lists,

markets, financial statements and projections, standard operating procedures (SOP's) product pricing and marketing, financial or other strategic business plans or information, disclosed to Receiving Party by the Disclosing Party, either directly or indirectly, in writing, orally or by drawings or inspection of samples, equipment or facilities; (iii) information received by the Disclosing Party from third parties under confidential conditions which information is identified by the Disclosing Party as being subject to such conditions; and (iv) the Disclosing Party's "Trade Secrets" which means information which derives economic value, actual or potential, from not being generally known to, or readily ascertainable by proper means by, other persons who can obtain economic value from its disclosure or use, and which is the subject of efforts that are reasonable under the circumstances to maintain its secrecy. "Confidential Information" shall not include any information that: (i) is or subsequently becomes publicly available without the Receiving Party's breach of any obligation owed the Disclosing Party; (ii) became known to the Receiving Party prior to the Disclosing Party's disclosure of such information to the Receiving Party; (iii) became known to the Receiving Party from a source other than the Disclosing Party or its affiliates or advisors other than by the breach of an obligation of confidentiality owed to the Disclosing Party; or (iv) is independently developed by the Receiving Party without violating any of its obligations under this Agreement.

(c) Non-Disclosure of Confidential Information. Other than with respect to disclosures by the Company to a Regulatory Authority in connection with the pursuit of the Company's business, the Receiving Party will keep all Confidential Information of the Disclosing Party confidential and will not, directly or indirectly, commercially exploit the Confidential Information of the Disclosing Party or use same for any other purpose, except for the Authorized Purpose. The Receiving Party shall take all reasonable action and shall take at least the same commercially reasonable precautions as it takes to prevent the disclosure of its own Confidential Information, to prevent the disclosure to third parties of the Confidential Information of the Disclosing Party. The Receiving Party shall only have the right to disclose the Confidential Information to its employees, agents, consultants and professional advisers on a "need to know" basis for the Authorized Purpose. The Receiving Party shall, prior to disclosing any Confidential Information to any such person, issue appropriate instructions to them and obtain all necessary undertakings to ensure that such persons comply with the confidentiality and use obligations and restrictions contained in this Agreement with respect to the Confidential Information of the Disclosing Party. Each Party shall specifically inform each of its representatives, employees and agents who receive any Confidential Information of the other Party hereunder of the obligations created by this Agreement and obtain the written acknowledgment from each such person or entity, who shall be bound to accept the non-disclosure obligations of the Receiving Party. Each Party and its officers (personally, under joint and several liability) shall be liable for any breach hereof by any of its employees, agents or representatives.

(d) Ownership of Confidential Information. Notwithstanding anything else contained herein, unless otherwise provided in a separate agreement all Confidential Information shall remain the property of the Disclosing Party and shall be held in trust by the Receiving Party for the Disclosing Party unless otherwise provided in a separate agreement. Nothing in this Agreement shall be construed as granting any rights to Receiving Party under any patent or

copyright, nor shall this Agreement be construed to grant the Receiving Party any rights in or to the Disclosing Party's Confidential Information, except the limited right to review such Confidential Information solely for the Authorized Purpose.

(e) Required Disclosure. Other than with respect to disclosures to a Regulatory Authority in connection with the pursuit of the Company's business, if the Receiving Party becomes legally required to disclose any Confidential Information, the Receiving Party will, to the extent permitted by Applicable Law, give the Disclosing Party prompt notice of such fact so that the Disclosing Party may obtain a protective order or other appropriate remedy concerning any such disclosure and/or waive compliance with the non-disclosure provisions of this Agreement. The Receiving Party will fully cooperate with the Disclosing Party in connection with the Disclosing Party's efforts to obtain any such order or other remedy. If any such order or other remedy does not fully preclude disclosure or the Disclosing Party waives such compliance, the Receiving Party will make such disclosure only to the extent that such disclosure is legally required and will use its best efforts to have confidential treatment accorded to the disclosed Confidential Information.

(f) Return of Confidential Information. The Receiving Party shall, immediately upon the earlier of: (i) the Disclosing Party or Receiving Party no longer being a Member of the Company; or (ii) the dissolution of the Company, discontinue use of the Confidential Information of the Disclosing Party and return within ten (10) days of receipt of notice from the Disclosing Party requesting the return of the Disclosing Party's Confidential Information all tangible forms of such Confidential Information, and all copies thereof, which may be or have been in the Receiving Party's possession. Except as otherwise required by law, the Receiving Party shall promptly redeliver or destroy all material containing or reflecting any information contained in the Confidential Information and will not retain any copies, extracts, or other reproductions of such written material. Subject to the foregoing exceptions, all documents, memoranda, notes, or other writings whatsoever, prepared and based on the information contained in the Confidential Information shall be returned or destroyed. If Confidential Information is destroyed, the Receiving Party will provide written certification signed by one of its senior officers that such Confidential Information has been destroyed.

(g) Term. The restrictions on use and disclosure of Confidential Information shall continue with respect to any Member while such Member is a Member of the Company and for a period of three (3) years following the date upon which such Member ceases to be a Member of the Company for any reason, and shall otherwise survive the termination of this Agreement for any reason.

(h) Injunctive Relief. The Receiving Party acknowledges and agrees that the breach by it of any of the Receiving Party's confidentiality obligations hereunder may cause serious and irreparable harm to the Disclosing Party which could not adequately be compensated for in damages. Each of the Parties therefore consents to an order specifically enforcing the provisions of this Agreement, or an order of injunction being issued against it restraining it from any further breach of such provisions and agrees that such injunction may be issued against it without the necessity of an undertaking as to damages by the other Party. The provisions of this

section shall not derogate from any other remedy which a Party may have in the event of such a breach.

(i) **Indemnification.** The Receiving Party shall indemnify the Disclosing Party the officers, members, employees, agents, successors and assigns of the Disclosing Party for any and all damages incurred as a result of any breach hereof by the receiving party and/or any employee or agent of the Receiving Party.

Section IX.02 Regulatory Covenants of the Members. Each member covenants to the Company as follows:

(a) all Units and Unit Equivalents held by such Member shall be held subject to the restrictions and requirements of all Regulatory Laws;

(b) such Member shall comply with all Regulatory Laws including timely (i) filing required applications and documents for Regulatory Licenses, as applicable, (ii) providing all information regarding such Member as may be requested or required by Regulatory Authorities (including in connection with any application for a Regulatory License), and (iii) responding to written or oral questions or inquiries from any Regulatory Authorities;

(c) such Member consents to (i) the performance of any personal or Affiliate background investigation that may be required by any Regulatory Authorities or Regulatory Laws and (ii) the disclosure by the Company of any information regarding such Member required by Regulatory Authorities or Regulatory Laws without the need to obtain approval from such Member;

(d) any Transfer of Units or Units Equivalents held by such Member shall be subject to the requirements of all Regulatory Laws, including that such Transfer may be subject to the prior approval of the Regulatory Authorities, and any purported Transfer thereof in violation of such requirements shall be void and of no effect; and

(e) in the event that such Member (i) has experienced an event or circumstance, or otherwise reasonably believes, that such Member may meet any condition to be deemed an Affected Person or (ii) has knowledge that any other Member or any other individual elected or appointed as a director or officer of the Company or any current director or officer of the Company has experienced an event or circumstance, or otherwise may meet any condition to be deemed an Affected Person, then, in all cases, such Member shall promptly notify the Company of the relevant details

Article X TAX MATTERS

Section X.01 Tax Returns; Tax Elections.

(a) At the expense of the Company, the Board (or any Officer that it may designate pursuant to Section 7.08) shall endeavor to cause the preparation and timely filing (including extensions) of all tax returns required to be filed by the Company pursuant to the Code

as well as all other required tax returns in each jurisdiction in which the Company owns property or does business.

(b) The Board shall make any and all elections for federal, state, local, or foreign tax purposes.

Section X.02 Company Funds. All funds of the Company shall be deposited in its name, or in such name as may be designated by the Board, in such checking, savings or other accounts, or held in its name in the form of such other investments as shall be designated by the Board. The funds of the Company shall not be commingled with the funds of any other Person. All withdrawals of such deposits or liquidations of such investments by the Company shall be made exclusively upon the signature or signatures of the Board or such Officer or Officers as the Board may designate.

Article XI DISSOLUTION AND LIQUIDATION

Section XI.01 Events of Dissolution. The Company shall be dissolved and its affairs wound up only upon the occurrence of any of the following events:

(a) The determination of no less than fifty-one percent (51%) of the Members holding Common Units to dissolve the Company;

(b) The sale, exchange, involuntary conversion, or other disposition or Transfer of all or substantially all the assets of the Company; or

(c) The entry of a decree of judicial dissolution under the LLC Act.

Section XI.02 Effectiveness of Dissolution. Dissolution of the Company shall be effective on the day on which any event described in Section 11.01 occurs, but the Company shall not terminate until the winding up of the Company has been completed, the assets of the Company have been distributed as provided in Section 11.03 and the Articles of Organization shall have been canceled as provided in Section 11.04.

Section XI.03 Liquidation. If the Company is dissolved pursuant to Section 11.01, the Company shall be liquidated and its business and affairs wound up in accordance with the LLC Act and the following provisions:

(a) Liquidator. The Board, or, if the Board is unable to do so, a Person selected by the holders of a majority of the Common Units, shall act as liquidator to wind up the Company (the "Liquidator"). The Liquidator shall have full power and authority to sell, assign and encumber any or all of the Company's assets and to wind up and liquidate the affairs of the Company in an orderly and business-like manner.

(b) Accounting. As promptly as possible after dissolution and again after final liquidation, the Liquidator shall cause a proper accounting to be made by a recognized firm of certified public accountants of the Company's assets, liabilities and operations through the last day

of the calendar month in which the dissolution occurs or the final liquidation is completed, as applicable, and shall promptly deliver a copy of such accounting to all Members.

(c) **Distribution of Proceeds.** The Liquidator shall liquidate the assets of the Company and Distribute the proceeds of such liquidation in the following order of priority, unless otherwise required by mandatory provisions of Applicable Law:

(i) First, to the payment of all of the Company's debts and liabilities (including debts and liabilities (other than distributions) owed to Members who are creditors, if applicable) and the expenses of liquidation (including sales commissions incident to any sales of assets of the Company);

(ii) Second, to the establishment of and additions to reserves that are determined by the Board in its sole discretion to be reasonably necessary for any contingent unforeseen liabilities or obligations of the Company;

(iii) third, to Members and former Members in satisfaction of liabilities for distributions;

(iv) fourth, to the Members, on a pro rata basis, in accordance with the positive balances in their respective Capital Accounts, as determined after taking into account all Capital Account adjustments for the taxable year of the Company during which the liquidation of the Company occurs; and

(v) fifth, to the Members in proportion to their aggregate holdings of vested Units treated as one class of Units.

Section XI.04 Cancellation of Articles. Upon completion of the Distribution of the assets of the Company as provided in Section 11.03(c) hereof, the Company shall be terminated and the Liquidator shall cause the cancellation of the Articles of Organization in the State of Colorado and of all qualifications and registrations of the Company as a foreign limited liability company in jurisdictions other than the State of Colorado and shall take such other actions as may be necessary to terminate the Company.

Section XI.05 Survival of Rights, Duties and Obligations. Dissolution, liquidation, winding up or termination of the Company for any reason shall not release any party from any Loss which at the time of such dissolution, liquidation, winding up or termination already had accrued to any other party or which thereafter may accrue in respect of any act or omission prior to such dissolution, liquidation, winding up or termination. For the avoidance of doubt, none of the foregoing shall replace, diminish or otherwise adversely affect any Member's right to indemnification pursuant to Section 12.02.

Section XI.06 Resource for Claims. Each Member shall look solely to the assets of the Company for all Distributions with respect to the Company, such Member's Capital Account, and such Member's share of Net Income, Net Loss and other items of income, gain, loss and deduction, and shall have no recourse therefor (upon dissolution or otherwise) against the Board, the Liquidator or any other Member.

Article XII
EXCULPATION AND INDEMNIFICATION

Section XII.01 Exculpation of Covered Persons.

(a) Covered Persons. As used herein, the term “Covered Person” shall mean: (i) each Member; (ii) each officer, director, shareholder, partner, member, controlling Affiliate, employee, agent or representative of each Member, and each of their controlling Affiliates; and (iii) each Manager, Officer, employee, agent or Representative of the Company.

(b) Standard of Care. No Covered Person shall be liable to the Company or any other Covered Person for any loss, damage or claim incurred by reason of any action taken or omitted to be taken by such Covered Person in good-faith reliance on the provisions of this Agreement, so long as such action or omission does not constitute fraud or willful misconduct by such Covered Person.

(c) Good Faith Reliance. A Covered Person shall be fully protected in relying in good faith upon the records of the Company and upon such information, opinions, reports or statements (including financial statements and information, opinions, reports or statements as to the value or amount of the assets, liabilities, Net Income or Net Losses of the Company or any facts pertinent to the existence and amount of assets from which Distributions might properly be paid) of the following Persons or groups: (i) another Manager; (ii) one (1) or more Officers or employees of the Company; (iii) any attorney, independent accountant, appraiser or other expert or professional employed or engaged by or on behalf of the Company; or (iv) any other Person selected in good faith by or on behalf of the Company, in each case as to matters that such relying Person reasonably believes to be within such other Person’s professional or expert competence.

Section XII.02 Indemnification.

(a) Indemnification. to the fullest extent permitted under the LLC Act (after waiving all the LLC Act restrictions on indemnification other than those which cannot be eliminated under the LLC Act), as the same now exists or may hereafter be amended, substituted or replaced the Company shall indemnify, hold harmless, defend, pay and reimburse any Covered Person against any and all losses, claims, damages, judgments, fines or liabilities, including reasonable legal fees or other expenses incurred in investigating or defending against such losses, claims, damages, judgments, fines or liabilities, and any amounts expended in settlement of any claims (collectively, “Losses”) to which such Covered Person may become subject by reason of:

(i) Any act or omission, or alleged act or omission, performed, or omitted to be performed, on behalf of the Company, any Member or any direct or indirect Subsidiary of the foregoing in connection with the business of the Company; or

(ii) The fact that such Covered Person is or was acting in connection with the business of the Company as a partner, Member, stockholder, controlling Affiliate, Manager, director, Officer, employee or agent of the Company, any Member, or any of their respective controlling Affiliates, or that such Covered Person is or was serving at the request

of the Company as a partner, member, manager, director, officer, employee or agent of any Person including the Company;

provided, however, that such Loss did not arise from: (A) the Covered Person's conduct involving bad faith, willful or intentional misconduct, or a knowing violation of law (other than U.S. Federal Marijuana Law); (B) an action by such Covered Person in violation of such Covered Person's duties under this Agreement; (C) a circumstance under which the liability provisions for improper distributions of the LLC Act are applicable, or (D) a breach of such Covered Person's duties or obligations under the LLC Act (taking into account any restriction, expansion, or elimination of such duties and obligations provided for in this Agreement). In connection with the foregoing, the termination of any action, suit, or proceeding by judgment, order, settlement, conviction, or upon a plea of nolo contendere or its equivalent shall not, of itself, create a presumption that the Covered Person acted in bad faith, that the Covered Person's conduct constituted willful or intentional misconduct or a knowing violation of law, or that the Covered Person derived an improper personal benefit.

(b) Reimbursement. The Company shall promptly reimburse (and/or advance to the extent reasonably required) each Covered Person for reasonable legal or other expenses (as incurred) of such Covered Person in connection with investigating, preparing to defend or defending any claim, lawsuit or other proceeding relating to any Losses for which such Covered Person may be indemnified pursuant to this Section 12.02; provided, however that if it is finally judicially determined that such Covered Person is not entitled to the indemnification provided by this Section 12.02, then such Covered Person shall promptly reimburse the Company for any reimbursed or advanced expenses.

(c) Entitlement to Indemnity. The indemnification provided by this Section 12.02 shall not be deemed exclusive of any other rights to indemnification to which those seeking indemnification may be entitled under any agreement or otherwise. The provisions of this Section 12.02 shall continue to afford protection to each Covered Person regardless of whether such Covered Person remains in the position or capacity pursuant to which such Covered Person became entitled to indemnification under this Section 12.02 and shall inure to the benefit of the executors, administrators, and heirs of such Covered Person.

(d) Insurance. To the extent available on commercially reasonable terms, the Company may purchase, at its expense, insurance to cover Losses covered by the foregoing indemnification provisions and to otherwise cover Losses for any breach or alleged breach by any Covered Person of such Covered Person's duties in such amount and with such deductibles as the Board may determine; provided, however, that the failure to obtain such insurance shall not affect the right to indemnification of any Covered Person under the indemnification provisions contained herein, including the right to be reimbursed or advanced expenses or otherwise indemnified for Losses hereunder. If any Covered Person recovers any amounts in respect of any Losses from any insurance coverage, then such Covered Person shall, to the extent that such recovery is duplicative, reimburse the Company for any amounts previously paid to such Covered Person by the Company in respect of such Losses.

(e) Funding of Indemnification Obligation. Notwithstanding anything contained herein to the contrary, any indemnity by the Company relating to the matters covered in this Section 12.02 shall be provided out of and to the extent of Company assets only, and no Member (unless such Member otherwise agrees in writing) shall have personal liability on account thereof or shall be required to make additional Capital Contributions to help satisfy such indemnity by the Company.

(f) Savings Clause. If this Section 12.02 or any portion hereof shall be invalidated on any ground by any court of competent jurisdiction, then the Company shall nevertheless indemnify and hold harmless each Covered Person pursuant to this Section 12.02 to the fullest extent permitted by any applicable portion of this Section 12.02 that shall not have been invalidated and to the fullest extent permitted by Applicable Law.

(g) Survival. The provisions of this Article XII shall survive the dissolution, liquidation, winding up and termination of the Company.

Article XIII MISCELLANEOUS

Section XIII.01 Further Assurances. In connection with this Agreement and the transactions contemplated hereby, the Company and each Member hereby agrees, at the request of the Company or any other Member, to execute and deliver such additional documents, instruments, conveyances and assurances and to take such further actions as may be required to carry out the provisions hereof and give effect to the transactions contemplated hereby.

Section XIII.02 Notices. All notices, requests, consents, claims, demands, waivers and other communications hereunder shall be in writing and shall be deemed to have been given: (a) when delivered by hand (with written confirmation of receipt); (b) when received by the addressee if sent by a nationally recognized overnight courier (receipt requested); (c) on the date sent by e-mail (with confirmation of transmission) if sent during normal business hours of the recipient, and on the next Business Day if sent after normal business hours of the recipient; or (d) on the third (3rd) day after the date mailed, by certified or registered mail, return receipt requested, postage prepaid. Such communications must be sent to the respective parties at the following addresses (or at such other address for a party as shall be specified in a notice given in accordance with this Section 13.03):

If to the Company:	Verts Grand Lake LLC Attn: Ashley Close 1898 S. Jasmine St. Denver, CO 80224 Email: CloseAshley1@gmail.com
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with a copy to:	Cordillera Advisory Management, Inc. Attn: Daniel Rowland 3915 W. 25th Ave. Denver, CO 80212 Email: Drowland.am@gmail.com
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If to a Member, to such Member's respective mailing address as set forth on the Members Schedule.

Section XIII.03 Interpretation; Headings. For purposes of this Agreement: (a) the words "include," "includes" and "including" shall be deemed to be followed by the words "without limitation"; (b) the word "or" is not exclusive; and (c) the words "herein," "hereof," "hereby," "hereto" and "hereunder" refer to this Agreement as a whole. The definitions given for any defined terms in this Agreement shall apply equally to both the singular and plural forms of the terms defined. Whenever the context may require, any pronoun shall include the corresponding masculine, feminine and neuter forms. Unless the context otherwise requires, references herein: (i) to Articles, Sections, Schedules, Annexes and Exhibits mean the Articles and Sections of, and Schedules, Annexes and Exhibits attached to, this Agreement; (ii) to an agreement, instrument or other document means such agreement, instrument or other document as amended, supplemented and modified from time to time to the extent permitted by the provisions thereof; and (iii) to a statute means such statute as amended from time to time and includes any successor legislation thereto and any regulations promulgated thereunder. This Agreement shall be construed without regard to any presumption or rule requiring construction or interpretation against the party drafting an instrument or causing any instrument to be drafted. The Schedules, Annexes and Exhibits referred to herein shall be construed with, and as an integral part of, this Agreement to the same extent as if they were set forth verbatim herein. The headings in this Agreement are inserted for convenience or reference only and are in no way intended to describe, interpret, define or limit the scope, extent or intent of this Agreement or any provision of this Agreement.

Section XIII.04 Severability. If any term or provision of this Agreement is held to be invalid, illegal or unenforceable under Applicable Law in any jurisdiction or by any Regulatory Authority, such invalidity, illegality or unenforceability shall not affect any other term or provision of this Agreement or invalidate or render unenforceable such term or provision in any other jurisdiction. Upon such determination that any term or other provision is invalid, illegal or unenforceable, the parties hereto shall negotiate in good faith to modify this Agreement so as to effect the original intent of the parties as closely as possible in a mutually acceptable manner in order that the transactions contemplated hereby be consummated as originally contemplated to the greatest extent possible.

Section XIII.05 Entire Agreement. This Agreement, together with the Articles of Organization, any agreement to acquire Units, and all related Schedules, Annexes and Exhibits, constitutes the sole and entire agreement of the parties to this Agreement with respect to the subject matter contained herein and therein, and supersedes all prior and contemporaneous understandings, agreements, representations and warranties, both written and oral, with respect to such subject matter.

Section XIII.06 Successors and Assigns. Subject to the restrictions on Transfers set forth herein, this Agreement shall be binding upon and shall inure to the benefit of the parties hereto and their respective heirs, executors, administrators, successors and assigns.

Section XIII.07 No Third-party Beneficiaries. Except as provided in Article XII which shall be for the benefit of and enforceable by Covered Persons as described therein, this Agreement is for the sole benefit of the parties hereto (and their respective heirs, executors, administrators, successors and assigns) and nothing herein, express or implied, is intended to or shall confer upon any other Person, including any creditor of the Company, any legal or equitable right, benefit or remedy of any nature whatsoever under or by reason of this Agreement.

Section XIII.08 Amendment. Subject to Article VII, no provision of this Agreement may be amended or modified except by an instrument in writing executed by the Company and Members holding at least fifty-one percent (51%) of the issued and outstanding Common Units. Any such written amendment or modification will be binding upon the Company and each Member. Notwithstanding the foregoing, amendments to the Members Schedule following any new issuance, redemption, repurchase or Transfer of Units in accordance with this Agreement may be made by the Board without the consent of or execution by the Members.

Section XIII.09 Waiver. No waiver by any party of any of the provisions hereof shall be effective unless explicitly set forth in writing and signed by the party so waiving. No waiver by any party shall operate or be construed as a waiver in respect of any failure, breach or default not expressly identified by such written waiver, whether of a similar or different character, and whether occurring before or after that waiver. No failure to exercise, or delay in exercising, any right, remedy, power or privilege arising from this Agreement shall operate or be construed as a waiver thereof, nor shall any single or partial exercise of any right, remedy, power or privilege hereunder preclude any other or further exercise thereof or the exercise of any other right, remedy, power or privilege. For the avoidance of doubt, nothing contained in this Section 13.09 shall diminish any of the explicit and implicit waivers described in this Agreement.

Section XIII.10 Governing Law. This Agreement and all related documents and all matters arising out of or relating to this Agreement, whether sounding in contract, tort, or statute are governed by, and construed in accordance with, the laws of the State of Colorado, without giving effect to the conflict of laws provisions thereof to the extent such principles or rules would require or permit the application of the laws of any jurisdiction other than those of the State of Colorado.

Section XIII.11 Dispute Resolution. In the event of any dispute, claim or controversy arising out of or relating to this Agreement, the parties shall first attempt in good faith to resolve their dispute through in-person negotiation between authorized representatives of each of the parties with authority to settle the relevant dispute. Either party may commence this negotiation by delivering written notice to the other party pursuant to the terms outlined in this Agreement. The parties may agree to engage the services of a jointly agreed-upon mediator to facilitate this in-person meeting, in which case they agree to share equally in the costs of the mediation. If the dispute cannot be settled amicably within fourteen (14) days of delivery of written notice or the in-person meeting of authorized representatives, whichever comes later, then the dispute shall be resolved by binding arbitration as provided in Section 13.12.

Section XIII.12 Binding Arbitration. Any dispute, controversy, or claim arising out of or relating to this Agreement, including any determination of the scope or applicability of this Section, shall be finally settled by arbitration and judgment on the award rendered by the arbitrator may be entered in any court having jurisdiction thereof. The Parties shall share the costs of the arbitration equally; provided, however, that each Party shall be responsible for its own attorneys' fees and other costs and expenses, subject to Section 13.14 below. The arbitration will be conducted in the city of Denver, Colorado by a single arbitrator jointly selected by the parties. If the parties are unable to agree upon an arbitrator within thirty (30) days of delivery of the notice of arbitration, they agree to use the American Arbitration Association as an appointing authority. The arbitrator shall not grant punitive damages. To the extent federal and state law conflict as regards to this contract, state law shall apply. Except as may be required by law, neither a party nor an arbitrator may disclose the existence, content, or results of any arbitration hereunder without the prior written consent of both parties. The award shall be final and binding upon all parties as from the date rendered and shall be the sole and exclusive remedy between the parties regarding any claims, counterclaims, issues, or accounting presented to the arbitral tribunal. THE PARTIES ACKNOWLEDGE THAT THEY ARE IRREVOCABLY WAIVING THE RIGHT TO A TRIAL IN COURT, INCLUDING A TRIAL BY JURY AND THAT ALL RIGHTS AND REMEDIES WILL BE DETERMINED BY AN ARBITRATOR AND NOT BY A JUDGE OR JURY.

Section XIII.13 Equitable Remedies. Each party hereto acknowledges that a breach or threatened breach by such party of any of its obligations under this Agreement would give rise to irreparable harm to the other parties, for which monetary damages would not be an adequate remedy, and hereby agrees that in the event of a breach or a threatened breach by such party of any such obligations, each of the other parties hereto shall, in addition to any and all other rights and remedies that may be available to them in respect of such breach, be entitled to equitable relief, including a temporary restraining order, an injunction, specific performance and any other relief that may be available from a court of competent jurisdiction (without any requirement to post bond).

Section XIII.14 Attorneys' Fees. In the event that any party hereto institutes any legal action, including arbitration, against another party in respect of a matter arising out of or relating to this Agreement, the prevailing party in the suit, action or proceeding shall be entitled to receive, in addition to all other damages to which it may be entitled, the costs incurred by such party in conducting the suit, action or proceeding, including reasonable attorneys' fees and expenses and court costs.

Section XIII.15 Remedies Cumulative. The rights and remedies under this Agreement are cumulative and are in addition to and not in substitution for any other rights and remedies available at law or in equity or otherwise, except to the extent expressly provided in Section 12.02 to the contrary.

Section XIII.16 Federal Marijuana Laws. The parties hereto agree and acknowledge that no party makes, will make, or shall be deemed to make or have made any representation or warranty of any kind regarding the compliance of this Agreement with any U.S. Federal Marijuana Laws. No party hereto shall have any right of rescission or amendment, or shall

bring any legal claim, counterclaim or defense arising out of or relating to any non-compliance with U.S. Federal Marijuana Laws unless such non-compliance also constitutes a violation of Regulatory Laws or this Agreement, and no Party shall seek to enforce the provisions hereof in federal court.

Section XIII.17 Counterparts. This Agreement may be executed in counterparts, each of which shall be deemed an original, but all of which together shall be deemed to be one and the same agreement. A signed copy of this Agreement delivered by e-mail or other means of electronic transmission shall be deemed to have the same legal effect as delivery of an original signed copy of this Agreement.

IN WITNESS WHEREOF, the parties hereto have caused this Agreement to be executed as of the date first written above by their respective officers thereunto duly authorized.

VERTS GRAND LAKE LLC:

Ashley Close

Name: Ashley Close

Alexander Close

Name: Alexander Close

Daniel W. Rowland

Name: Daniel Rowland, Cordillera Advisory Management, Inc.

Richard Kennedy

Name: Richard Kennedy

Nicholas Higbee

Name: Nicholas Higbee

Joseph Feucht

Name: Joseph Feucht

**SCHEDULE A
MEMBERS SCHEDULE**

Member Name and Address	Common Units	Membership Interest %	Capital Contributions
Ashley Close 1898 S. Jasmine St. Denver, CO 80224		45%	
Alexander Close 354 Westview Ave. Columbus, OH 43214		45%	
Cordillera Advisory Management, Inc. 3915 W. 25th Ave. Denver, CO 80202		5%	
Richard Kennedy 4240 Suncrest Court Fort Collins, CO 80525		2%	
Nicholas Higbee 8718 Kaw Drive Kansas City, KS 66111		2%	
Joseph Feucht 5800 CR 66 Wellington, CO 80549		1%	
Total:		100%	

ANNEX 1 DEFINED TERMS

“Adjusted Taxable Income” of a Member for a Fiscal Year (or portion thereof) with respect to Units held by such Member means the federal taxable income allocated by the Company to the Member with respect to such Units (as adjusted by any final determination in connection with any tax audit or other proceeding) for such Fiscal Year (or portion thereof).

“Affected Person” means any Member, or any elected or appointed or current manager or officer of the Company, who either (i) in the good faith determination of the Disinterested Managers, or if there are no Disinterested Managers the Disinterested Members, or (ii) by a determination (whether or not such determination is final, binding or non-appealable) by any Regulatory Authority:

(a) has breached any Regulatory Laws, the condition of any Regulatory Authority, or the conditions of any Regulatory Licenses, and such breach causes or would be reasonably likely to cause a material effect on the Company’s ability to conduct business;

(b) is not suitable, eligible or otherwise qualified with respect to (1) any Regulated Activities, (2) any Regulatory Licenses or (3) owning or controlling any Units or its position as a manager of officer of the Company, as applicable;

(c) fails to be found suitable, eligible or otherwise qualified with respect to (1) any Regulated Activities, (2) any Regulatory Licenses or (3) owning or controlling any Units or its position as a manager of officer of the Company, as applicable pursuant to any Regulatory Laws (including by the applicable Regulatory Authority); provided, however, such failure, in the good faith determination of the Disinterested Managers, or if there are no Disinterested Managers, the Disinterested Members, precludes or materially delays, jeopardizes, impedes or impairs, or imposes materially burdensome terms and condition on, the ability of the Company or any of its subsidiaries to conduct any Regulated Activities or to obtain, retain, renew or reinstate any Regulatory License;

(d) causes, or would reasonably likely to cause, any Regulatory License to be lost, rejected, rescinded, suspended, revoked, not renewed or not reinstated by any Regulatory Authority; or

(e) is otherwise reasonably likely to preclude or materially delay, jeopardize, impede or impair, or impose materially burdensome terms and conditions on, the ability of the Company or any of its subsidiaries to conduct any Regulated Activities or to obtain, retain, renew or reinstate any Regulatory License.

“Affiliate” means, with respect to any Person, any other Person who, directly or indirectly, controls, is controlled by, or is under common control with, such Person. For purposes of this definition, “control,” when used with respect to any specified Person, shall mean the power, direct or indirect, to direct or cause the direction of the management and policies of such Person, whether

through ownership of voting securities or partnership or other ownership interests, by contract or otherwise; and the terms “controlling” and “controlled” shall have correlative meanings.

“Agreement” has the meaning set forth in the preamble hereof.

“Applicable Law” means all Regulatory Laws and applicable provisions of: (a) constitutions, treaties, statutes, laws (including the common law), rules, regulations, decrees, ordinances, codes, proclamations, declarations or orders of any Governmental Authority; (b) any consents or approvals of any Governmental Authority; and (c) any orders, decisions, advisory or interpretative opinions, injunctions, judgments, awards, decrees of, or agreements with, any Governmental Authority; provided, however, that Applicable Law shall exclude U.S. Federal Marijuana Law.

“Articles of Organization” has the meaning set forth in the Recitals.

“Board” has the meaning set forth in Section 7.01.

“Book Depreciation” means, with respect to any Company asset for each Fiscal Year, the Company’s depreciation, amortization, or other cost recovery deductions determined for federal income tax purposes.

“Book Value” means, with respect to any Company asset, the adjusted basis of such asset for federal income tax purposes, except as follows:

(a) the initial Book Value of any Company asset contributed by a Member to the Company shall be the gross Fair Market Value of each such Company asset as of the date of such contribution;

(b) immediately prior to the Distribution by the Company of any Company asset to a Member, the Book Value of such asset shall be adjusted to its gross Fair Market Value as of the date of such Distribution;

(c) the Book Value of all Company assets shall be adjusted to equal their respective gross Fair Market Values, as determined by the Board, as of the following times:

(i) the acquisition of an additional Membership Interest in the Company by a new or existing Member in consideration of a Capital Contribution of more than a de minimis amount;

(ii) the acquisition of a Membership Interest in the Company by a new or existing Member in consideration of services to or on behalf of the Company;

(iii) the Distribution by the Company to a Member of more than a de minimis amount of property (other than cash) as consideration for all or a part of such Member’s Membership Interest in the Company; or

(iv) the liquidation of the Company within the meaning of Treasury Regulations § 1.704-1(b)(2)(ii)(g).

“Business Day” means a day other than a Saturday, Sunday or other day on which commercial banks in the State of Colorado are authorized or required to close.

“Capital Account” has the meaning set forth in Section 4.03.

“Capital Contribution” means, for any Member, the total amount of cash and cash equivalents and the initial Book Value of any property (net of liabilities assumed by the Company resulting from such contribution and liabilities to which the property is subject) contributed, or deemed contributed, as applicable, to the capital of the Company by such Member (excluding any advances or loans of Members), each as determined and updated from time-to-time by the Board.

“Change of Control” means: (a) the sale of all or substantially all of the consolidated assets of the Company to a Third Party Purchaser; (b) a sale resulting in no less than a majority of the Units on a Fully Diluted Basis being held by a Third Party Purchaser; or (c) a merger, consolidation, recapitalization, or reorganization of the Company with or into a Third Party Purchaser that results in the inability of the Members to designate or elect a majority of the Managers (or the board of directors (or its equivalent) of the resulting entity or its parent company).

“Code” means the Internal Revenue Code of 1986, as amended.

“Common Units” means the Units having the privileges, preference, duties, liabilities, obligations and rights specified with respect to “common units” in this Agreement.

“Company” has the meaning set forth in the preamble hereof..

“Confidential Information” has the meaning set forth in Section 9.01.

“Covered Person” has the meaning set forth in Section 12.01(a).

“Deemed Liquidation Event” means each of the following events:

(a) a merger or consolidation in which: (i) the Company is a constituent party and the Company issues Units pursuant to such merger or consolidation; provided, however any such merger or consolidation involving the Company in which the Units of the Company outstanding immediately prior to such merger or consolidation continue to represent, immediately following such merger or consolidation, at least a majority, by voting power, of the equity of: (x) the surviving or resulting entity; or (y) if the surviving or resulting entity is a wholly owned subsidiary of another entity immediately following such merger or consolidation, the parent entity of such surviving or resulting entity;

(b) the sale, lease, transfer, exclusive license, or other disposition, in a single transaction or series of related transactions, by the Company of all or substantially all the assets of the Company (including, without limitation, the Regulatory Licenses of the Company); or

(c) a transaction or series of transactions that otherwise results in a Change of Control.

“Deemed Liquidation Event Proceeds” means the proceeds of the Company from a Deemed Liquidation Event, reduced by: (a) all expenses associated with such transaction

(including investment banking fees, attorneys fees, and other professional advisor fees); (b) all payments of principal, interest, and other charges in respect of any indebtedness refinanced and any other indebtedness discharged with such proceeds (including with respect to any Members loans); and (c) all reasonable reserves required by the Company as reasonably determined by the Board with respect to such Deemed Liquidation Event or to wind-up the Company.

“Disinterested Managers” means, with respect to any person or entity, those managers of the Company that have no material direct or indirect financial interest in or with respect to such person or entity. For the avoidance of doubt, any manager of the Company that is designated to such position by any person or entity (the “Designating Entity”), or is an officer, director, employee or is otherwise engaged by the Designating Entity, shall not be deemed a Disinterested Manager with respect to Designating Entity.

“Disinterested Members” means, with respect to any person or entity, those members of the Company that have no material direct or indirect financial interest in or with respect to such person or entity. For the avoidance of doubt, any manager of the Company that is designated to such position by any Designating Entity, or is an officer, director, employee or is otherwise engaged by the Designating Entity, shall not be deemed a Disinterested Member with respect to the Designating Entity.

“Distribution” means a distribution made by the Company to a Member, whether in cash, property, or securities of the Company and whether by liquidating distribution or otherwise; provided, however that none of the following shall be a Distribution: (a) any redemption or repurchase by the Company or any Member of any Units or Unit Equivalents; (b) any recapitalization or exchange of securities of the Company; or (c) any subdivision (by a split of Units or otherwise) or any combination (by a reverse split of Units or otherwise) of any outstanding Units. “Distribute” when used as a verb shall have a correlative meaning.

“Distributable Monthly Net Profit” means that proportion of the Company’s Monthly Net Profit, which is distributable to the Members as designated by the Board from time to time.

“Drag-along Member” has the meaning set forth in Section 8.03(a).

“Drag-along Notice” has the meaning set forth in Section 8.03(c).

“Drag-along Sale” has the meaning set forth in Section 8.03(a).

“Dragging Member” has the meaning set forth in Section 8.03(a).

“Electronic Transmission” means any form of communication not directly involving the physical transmission of paper that creates a record that may be retained, retrieved and reviewed by a recipient thereof and that may be directly reproduced in paper form by such a recipient through an automated process.

“Estimated Tax Amount” of a Member for a Fiscal Year means the Member’s Tax Amount for such Fiscal Year as estimated in good faith from time-to-time by the Board. In making such estimate, the Board shall take into account amounts shown on Internal Revenue Service Form 1065 filed by the Company and similar state or local forms filed by the Company for the preceding

taxable year and such other adjustments as in the reasonable business judgment of the Board are necessary or appropriate to reflect the estimated operations of the Company for the Fiscal Year.

“Fair Market Value” of any asset as of any date means the purchase price that a willing buyer having all relevant knowledge would pay a willing seller for such asset in an arm’s length transaction, as determined in good faith by the Board based on such factors as the Board, in the exercise of their reasonable business judgment, consider relevant, provided, however, that if any Member objects to the Board’s determination of Fair Market Value of any particular asset, the Company shall hire a third-party appraiser with expertise and experience in valuation of marijuana-related assets to determine the Fair Market Value, and the determination of Fair Market Value by such appraiser will be conclusive on the Company and the Members.

“Financing Document” means any credit agreement, guarantee, financing or security agreement, or other agreements or instruments governing indebtedness of the Company.

“Family Members” means the spouse, parents, siblings, descendants, (including adoptive relationships and stepchildren) and the spouses of each such natural person.

“Federal Marijuana Laws” means any U.S. federal laws, civil, criminal or otherwise, as such relate, either directly or indirectly, to the cultivation, harvesting, manufacturing, production, marketing, commercialization, distribution, transfer sale and/or possession of marijuana or related substances, or products, activities or services containing or relating to the same, including, without limitation, the prohibition on drug trafficking under 21 U.S.C. Ch. 13, et seq., the conspiracy statute under 18 U.S.C. § 846, the bar against aiding and abetting the conduct of an offense under 18 U.S.C. § 2, the bar against misprision of a felony (concealing another’s felonious conduct) under 18 U.S.C. § 4, the bar against being an accessory after the fact to criminal conduct under 18 U.S.C. § 3, and federal money laundering statutes under 18 U.S.C. §§ 1956, 1957, and 1960, and any other U.S. federal law the violation of which is predicated on the violation of any of the foregoing as it applies to marijuana and all orders, decrees, rules and regulations promulgated under any of the foregoing.

“Fiscal Year” means the calendar year, unless the Company is required to have a taxable year other than the calendar year, in which case Fiscal Year shall be the period that conforms to its taxable year.

“Fully Diluted Basis” means, as of any date of determination: (a) with respect to all the Units, all issued and outstanding Units of the Company and all Units issuable upon the exercise of any outstanding Unit Equivalents as of such date, whether or not such Unit Equivalent is at the time exercisable; or (b) with respect to any specified type, class, or series of Units, all issued and outstanding Units designated as such type, class, or series and all such designated Units issuable upon the exercise of any outstanding Unit Equivalents as of such date, whether or not such Unit Equivalent is at the time exercisable.

“GAAP” means United States generally accepted accounting principles in effect from time-to-time.

“Governmental Authority” means any federal, state, local, or foreign government or any court of competent jurisdiction, administrative or regulatory body, agency, bureau, or commission or other governmental entity or instrumentality in any domestic or foreign jurisdiction, and any appropriate division or any of the foregoing (to the extent that the rules, regulations, or orders thereof have the force of law). For the avoidance of doubt, Governmental Entity includes any Regulatory Authority.

“Joinder Agreement” means the joinder agreement in form attached hereto as Exhibit A.

“Liquidator” has the meaning set forth in Section 11.03(a).

“LLC Act” has the meaning set forth in the preamble.

“Losses” has the meaning set forth in Section 12.03(a).

“Manager” has the meaning set forth in Section 7.01.

“Member” means: (a) each Person identified on the Members Schedule as of the date hereof as a Member and who has executed this Agreement or a counterpart thereof; and (b) each Person who is hereafter admitted as a Member in accordance with the terms of this Agreement in each case so long as such Person is shown on the Company’s books and records as the owner of one (1) or more Units. The Members shall constitute the “members” of the Company as defined in the LLC Act.

“Members Schedule” has the meaning set forth in Section 2.01.

“Membership Interest” means an interest in the Company owned by a Member, including such Member’s right (based on the type and class of Unit or Units held by such Member), as applicable: (a) to a distributive share of Net Income, Net Losses, and other items of income, gain, loss, and deduction of the Company, in accordance with this Agreement; (b) to a Distribution in accordance with this Agreement; (c) to vote on, consent to, or otherwise participate in any decision of the Members as provided in this Agreement; and (d) to any and all other benefits to which such Member may be entitled as provided in this Agreement.

“Monthly Net Profit” means the Company’s Net Profit for each calendar month.

“Net Profit” means the Company’s net profit.

“Net Income” and “Net Loss” mean, for each Fiscal Year or other period specified in this Agreement, an amount equal to the Company’s taxable income or taxable loss, or particular items thereof, determined in accordance with the Code and Applicable Law.

“New Interests” means (i) any new type, class or series of Units not otherwise described in this Agreement, which Units may be designated as classes or series of the Common Units but having different rights; and (ii) Unit Equivalents.

“Officers” has the meaning set forth in Section 7.09.

“Permitted Transfer” means a Transfer of Units carried out pursuant to Section 8.02.
“Permitted Transferee” means a recipient of a Permitted Transfer.

“Person” means an individual, corporation, partnership, joint venture, limited liability company, Governmental Authority, unincorporated organization, trust, association, or other entity.

“Pro Rata Portion” means a fraction determined by dividing: (a) the number of Common Units on a Fully Diluted Basis owned by such Member immediately prior to the applicable issuance or transfer, as applicable; by (b) the total number of Common Units on a Fully Diluted Basis held by the Members on such date.

“Regulated Activities” means any activities or intended activities of the Company and its subsidiaries’ businesses that pursuant to applicable state and local laws requires a license or franchise (including, without limitation, permit, approval, order, authorization, registration, finding of suitability, exemption, certification, clearance, waiver and similar qualification) from a state or local governmental agency to conduct such activities, including without limitation the cultivation, harvesting, manufacturing, production, marketing, commercialization, distribution, transfer, sale and/or possession of marijuana or related substances, or products, activities or services containing or relating to the same.

“Regulatory Authorities” means any state or local regulatory or licensing bodies, instrumentalities, departments, commissions, authorities, boards, officials, tribunals and agencies with authority over or responsibility for the regulation or licensing of Regulated Activities within any applicable state, local or tribal jurisdiction for Regulated Activities, including without limitation the Colorado Marijuana Enforcement Division.

“Regulatory Laws” means any applicable state and local laws, statutes and ordinances requiring a license or franchise (including, without limitation, permit, approval, order, authorization, registration, finding of suitability, exemption, certification, clearance, waiver and similar qualifications) for Regulated Activities and all orders, decrees, rules and regulations promulgated thereunder, and all policies and interpretations of the applicable Regulatory Authorities of such laws, statutes, ordinances, orders, decrees, rules, and regulations.

“Regulatory License” any licenses or franchises (including, without limitation, permits, approvals, orders, authorizations, registrations, findings of suitability, exemptions, certifications, clearances, waivers and similar qualifications) from Regulatory Authorities or pursuant to Regulatory Laws.

“Representative” means, with respect to any Person, any and all directors, officers, employees, consultants, financial advisors, counsel, accountants, and other agents of such Person.

“Securities Act” means the Securities Act of 1933, as amended, or any successor federal statute, and the rules and regulations thereunder, which shall be in effect at the time.

“Subsidiary” means, with respect to any Person, any other Person of which a majority of the outstanding units or other equity interests having the power to vote for directors are owned, directly or indirectly, by the first Person.

“Tax Amount” of a Member for a Fiscal Year means the product of: (a) the Tax Rate for such Fiscal Year; and (b) the Adjusted Taxable Income of the Member for such Fiscal Year with respect to its Units.

“Tax Rate” of a Member, for any period, means the highest marginal blended federal, state, and local tax rate applicable to ordinary income, qualified dividend income, or capital gains, as appropriate, for such period for an individual residing in Colorado, taking into account for federal income tax purposes, the deductibility of state and local taxes and any applicable limitations on such deductions.

“Third Party Purchaser” means any Person who, immediately prior to the contemplated transaction, does not directly or indirectly own or have the right to acquire any outstanding Units.

“Transfer” means to, directly or indirectly, sell, transfer, assign, pledge, encumber, hypothecate, or similarly dispose of, either voluntarily or involuntarily, by operation of law or otherwise, or to enter into any contract, option, or other arrangement or understanding with respect to the sale, transfer, assignment, pledge, encumbrance, hypothecation, or similar disposition of, any Units or Unit Equivalents or any interest (including a beneficial interest) in any Units or Unit Equivalents and any agreement, arrangement or understanding, whether or not in writing, to effect any of the foregoing. “Transferor” and “Transferee” mean a Person who makes or receives a Transfer, respectively.

“Treasury Regulations” means the final or temporary regulations issued by the United States Department of Treasury pursuant to its authority under the Code, and any successor regulations.

“Unit” means a unit representing a fractional part of the Membership Interests of the Members and shall include all types and classes of Units, including the Common; provided, however, that any type or class of Unit shall have the privileges, preference, duties, liabilities, obligations, and rights set forth in this Agreement and the Membership Interests represented by such type or class or series of Unit shall be determined in accordance with such privileges, preference, duties, liabilities, obligations, and rights.

“Unit Equivalents” means any security or obligation that is by its terms, directly or indirectly, convertible into, exchangeable for, or exercisable for Units, and any option, warrant, or other right to subscribe for, purchase, or acquire Units.

EXHIBIT A
FORM OF JOINDER AGREEMENT

The undersigned is executing and delivering this JOINDER AGREEMENT pursuant to the Operating Agreement dated as of October 31, 2023, (as amended, modified, restated or supplemented from time to time, the "Operating Agreement"), among **Verts Grand Lake LLC**, a Colorado limited liability company (the "Company"), and its Members thereto.

By executing and delivering this Joinder Agreement to the Company, the undersigned hereby agrees to become a party to, to be bound by, and to comply with the provisions of the Operating Agreement in the same manner as if the undersigned were an original signatory to such agreement.

The undersigned agrees that the undersigned shall be a Member, as such term is defined in the Operating Agreement.

Accordingly, the undersigned has executed and delivered this Joinder Agreement as of this _____ day of _____, 20__.

By: _____

Name: _____