

**AMENDMENT TO SETTLEMENT AGREEMENT BETWEEN  
ARTIC FOX, LLC v CITY OF MADISON HEIGHTS**

The Parties to the litigation Settlement Agreement dated January 22, 2024 (hereafter "Agreement") between the City of Madison Heights (hereafter "City"), a Michigan Municipal Corporation, whose address is 300 West Thirteen Mile Road, Madison Heights, MI 48071 and Artic Fox, LLC d/b/a JARS Cannabis (hereafter "JARS"), a Michigan-registered Limited Liability Corporation, whose address is 33 Bloomfield Hills Parkway #100, Bloomfield Hills, MI 48304 mutually agree to the following amendments to the terms and conditions of such Agreement:

1. The original text of Section 4(f) shall be deleted in its entirety and replaced as follows:

Per an Amendment to this Agreement executed by the Parties by July 1, 2026, JARS shall not be required to construct a detached structure for grower and processor operations on the designated parcel as a requirement of maintaining City issued marijuana business operating licenses per the original Agreement. In Lieu of the construction mandate, JARS shall pay the City a one-time fee of \$167,500.00. Additionally, beginning in 2027, JARS shall pay the City each year this Agreement is in effect, \$15,000.00 starting in 2026 with that payment amount increased each year thereafter on January 1 to be adjusted to incorporate the Inflation Rate Multiplier as determined by the Michigan State Tax Commission and published by the Michigan Department of Treasury in its annual bulletin for that year to compensate the City for property tax revenue lost by the lack of originally obligated construction by JARS. Such annually adjusted payments by JARS to the City will be made by June 1 of each year and continue through the life of this Agreement. Payment of the \$167,500.00 one-time fee and all annual licensing fees and community foundation donations as required under this Agreement are to be paid to the City on July 1, 2026.

JARS shall continue to annually renew and pay to Madison Heights for all of the licenses as required of it by Sections C and 10 of this Agreement but despite annually renewing its medical and adult-use grower licenses JARS shall not engage in marijuana grow operations on the designated parcel. JARS shall not be required to obtain State license approval for any licenses referenced herein that will not be utilized in Madison Heights. Engaging in grow operations on the designated parcel would result in JARS forfeiting all of its

licenses issued per this Agreement despite such grow licenses being renewed annually with the City by JARS being a requirement of the Agreement. All seven licenses will remain active with appropriate fees and renewals paid each year to the City and those licenses will not be placed in escrow by JARS.

The space on the parcel formerly designated for marihuana grow and processing building footprint shall be seeded and maintained as lawn area in accordance with the City's property maintenance code. Trees and landscaping originally proposed along the west side of the grow/processing building shall be distributed and planted throughout the new lawn area and around the edge of the stormwater basin. The following plant type counts shall be provided:

- Three (3) 2.5"-caliper "Robin Hill Serviceberry trees;
- Four (4) 5'-8' tall "Black Hills Spruce" trees;
- Seven (7) 30"-tall "Sea Green Juniper" shrubs;
- Six (6) 30"-tall "Little Henry Virginia Sweetspire" shrubs.

A revised landscape plan shall be submitted to the Community and Economic Development (CED) Department for approval in accordance with the planting and tree types and counts above. Planting and tree types may be substituted for similar plants, as deemed acceptable by CED. The above noted landscaping and plantings for the grow and processing building footprint and edge of stormwater basin shall be installed and maintained as of August 1, 2026.

2. The changes to the Agreement listed above shall take effect July 1, 2026.
3. This Amendment does not materially alter any of the content or requirements of the Agreement beyond the specific alterations reflected in Section 1 of this Amendment. If the content of Section 4(f) conflicts with other sections of the Agreement, the intent of this Amendment supersedes. Otherwise, all of the original terms and conditions of the original Agreement remain in full effect binding upon both parties.
4. Both Parties have had the opportunity for legal counsel to review this Amendment and mutually agree to such alterations to the original Agreement's terms and conditions without threat or coercion.

ADDITIONAL PAGE TO FOLLOW WITH EXECUTING SIGNATURES

IN WITNESS WHEREOF, the Parties execute this Agreement effective July 1, 2026.

CITY OF MADISON HEIGHTS

/s/ \_\_\_\_\_

BY: Melissa Marsh

ITS: City Manager

STATE OF MICHIGAN )

)§

COUNTY OF OAKLAND )

This foregoing instrument was acknowledged before me in Oakland County, Michigan this \_\_\_\_\_ day of \_\_\_\_\_, 2026 by

\_\_\_\_\_  
, Notary Public

State of Michigan, County of \_\_\_\_\_

My commission expires:

JARS

/s/ \_\_\_\_\_

BY: *Hani Kussab*

ITS: *member*

STATE OF MICHIGAN )

)§

COUNTY OF OAKLAND )

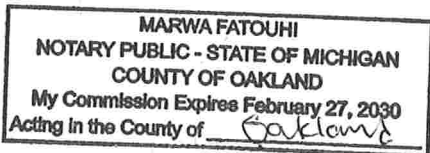
This foregoing instrument was acknowledged before me in Oakland County, Michigan this 9th day of June, 2026 by

Marwa Fatahi

, Notary Public

State of Michigan, County of Oakland

My commission expires: Feb 27 2030



*Oakland*