

MEMORANDUM OF UNDERSTANDING

Between Alaska Sense LLC
and the Midtown Community Council
Effective Date: June 8th, 2016

This Memorandum of Understanding (hereafter "Agreement") is hereby entered into between the Midtown Community Council (hereafter "MTCC"), within the Municipality of Anchorage, and Alaska Sense LLC (hereafter "AK Sense") an applicant for a municipal license and special land use permit for a marijuana retail sales establishment to be located at 521 W Tudor Road, Anchorage Alaska.

I. RECITALS

WHEREAS, the Community Council has a vested interest in ensuring that they represent the best interests of the Anchorage area; and

WHEREAS, AK Sense is seeking to open a legitimate business within the Anchorage area; and

WHEREAS, the Community Council and AK Sense have a long-term interest in fostering a mutually beneficial relationship to address communications and problem-solving; and

WHEREAS, this Agreement is intended to satisfy neighborhood responsibility planning requirements in municipal code;

Now, therefore, the parties agree as follows:

II. AGREEMENT BASICS

1. The point of contact for AK Sense is Smadar Warden, who can be contacted as follows: (907)903 3534; smadiwarden@yahoo.com. Contact may be outside of store hours if necessary to address issues as they arise. Changes to the point of contact or contact information shall be promptly shared with the Community Council.

2. The point of contact for the MidTown Community is the President. That person's name and contact information is posted on the MTCC website maintained

by the Federation of Community Councils. Contact may be outside of regular business hours. Changes to the point of contact or contact information shall be promptly shared with AK Sense.

3. The following individuals are authorized to speak for AK Sense at Community Council meetings: Daniel H. Clift, AIA & Smadar Warden. Changes in individuals authorized to speak for AK Sense shall be promptly shared with the Community Council.

4. AK Sense shall engage with the residents and property owners within 500 feet of the proposed business location, on the following schedule: Monthly attempt at personal contact.

5. When Anchorage residents or businesses, the Community Council, or AK Sense raise issues of concern, the Community Council and AK Sense will take the following steps:

a. Discuss the issue at the next regularly scheduled Community Council..

b. If the issue cannot be resolved to the satisfaction of both parties the MTCC president will call a special Community Council meeting to discuss the issue. Both Assembly representatives and the Municipal Ombudsman will be invited.

6. AK Sense is encouraged to attend MidTown Community Council meetings at least quarterly.

7. The Community Council has identified the following particular concerns relating to AK Sense's application and proposed business: Security, Parking, and hours of operation. To be addressed on separate document.

8. AK Sense has identified the following particular concerns relating to locating within Anchorage: positive relations with the community.

III. ASSEMBLY AUTHORITY

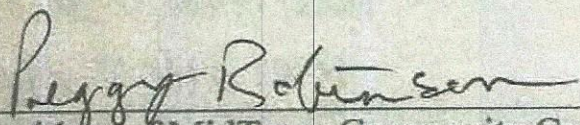
Each party recognizes and agrees that the authority to approve or deny a municipal license and special land use permit for a marijuana retail sales establishment rests exclusively with the Anchorage Municipal Assembly.

IV. NO FORMAL PARTNERSHIP

This Agreement is mutually beneficial to the Community Council and AK Sense. The parties understand and acknowledge that they do not intend to create a formal partnership. Nothing in this agreement shall be construed or interpreted to create any fiduciary responsibility between them. Neither party shall have any authority, express or implied, to act for or to assume any obligation or responsibility on behalf of the other party. Neither party shall be responsible for the liabilities of the other. The parties understand that non-compliance with this Agreement carries no penalties, but instead shall be information provided to the Anchorage Municipal Assembly for consideration during original and subsequent license and land use actions.

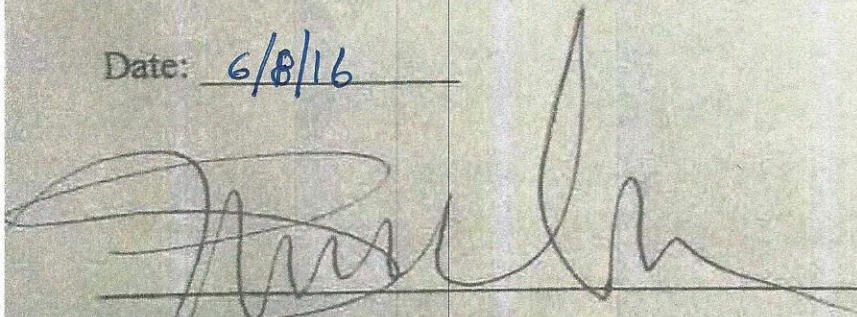
V. TERM OF AGREEMENT

The parties have executed this Agreement as of the effective date. The Agreement may be updated from time to time with the concurrence of both parties and shall remain in effect as long as AK Sense is licensed to operate at the identified location.



President of MidTown Community Council Meeting or representative. *in term*

Date: 6/8/16



Smadar Warden, Owner

Date: 6/7/16

ADDENDUM

Parking:

Parking as shown on attached parking layout plan meets the requirements of Title 21 and will be lit by building mounted lighting as per AMC Title 23.

Security:

All doors shall be secured by electrified magnetic locking mechanisms to be controlled remotely by management. No unauthorized entry shall be allowed and no underage (21 years or less) persons shall be granted access to sales area. Moreover entire site both exterior and interior will be under 24 hour surveillance, any unauthorized trade or distribution on premises will be recorded and violators prosecuted.

Hours of retail Operation:

Monday-Thursday 8AM to 10PM

Friday 8AM to 12AM

Saturday 11AM to 12AM

Sunday 11AM to 10PM