

PERSONAL PEER TO PEER
EQUITABLE CREDIT LINE & LOAN AGREEMENT

This Agreement to loan money (hereinafter generally referred to as the “**Agreement**”), is an understanding and personal loan agreement constituting a non-institutionalized hard money peer-to-peer personal agreement to loan money in installments or draws, and taken in the form of an equitable line of credit (or hereinafter an “**ELOC**”), between the relevant Parties **Andrey Blokh** and **Cetus Investments Limited**. The Parties, as defined hereunder, further acknowledge that this agreement is outside the Colorado Credit Agreements Act, CRS § 38-10-124(1)(a), however in an effort to avoid any potential uncertainty, the Parties wish to memorialize their agreement while moving forward with their mutual business project interests.

This Agreement is therefore entered into on this 15 day of March, 2017 by and between **Andrey Blokh**, whose address is [REDACTED] [REDACTED] Moscovskaya Oblast, Russian Federation (referred to herein below as the “**Borrower**”) and **Cetus Investments Limited**, a company organized under the laws of the British Virgin Islands with its registered office at [REDACTED] [REDACTED] Road Town, Tortola, British Virgin Islands (referred herein as the “**Lender**”), hereinafter collectively referred to as the “**Parties**”.

WHEREAS, the Borrower is an individual having certain business opportunities within the United States, in particular in the developing marijuana (“**MJ**”) industries in the United States of America, including (without limitation) Colorado, Nevada and California; and

WHEREAS, the Lender has agreed to provide the Borrower with a personal equitable line of credit totaling up to \$12,000,000 (twelve million dollars) to be used toward the acquisition and/or funding of various cannabis or MJ based businesses, including but not limited to cultivation or growing operations, retail operations including medical MJ and/or recreational dispensaries that sell or otherwise dispense MJ to patients or the general public, MJ production facilities, MJ infused product manufacturing operations, and or other ancillary companies that may include MJ delivery or other distribution type companies, transportation or testing laboratories, or other related MJ type businesses, pursuant to the terms and conditions of this Agreement; and

WHEREAS, the Borrower will become the sole legal and beneficial owner of any or all such interest in each project that the Borrower invests in using funds borrowed from the Lender under the ELOC (each such project hereinafter referred to as an “**MJ Project**”) and all corresponding rights and title in said MJ Projects, shall be held and purchased outright by the Borrower, free of any liens, security interests, options or other encumbrances, except as specifically agreed by the Parties in writing; and

WHEREAS, the Parties also acknowledge that projects in the MJ industry are both risky and complicated due to the current and uncertain legal standing surrounding the MJ industry and both Parties acknowledge that at any time the laws could change making such projects unlawful in nature. The Parties agree that if any MJ Project becomes unlawful or

illegal under applicable or governing law, the Borrower shall only be obliged to repay such amount of the loan invested in such MJ Project (and pay any share of profits in respect of such MJ Project) that it can lawfully recover from such MJ Project. To the extent any loan (or portion of a loan) invested in such MJ Project cannot be lawfully recovered, and all legal avenues to recover all funds invested by Borrower in such MJ Project have been exhausted, then such loan (or portion of a loan) shall be cancelled in full without any repayment required from Borrower of such loan (or portion of a loan) and any profit sharing in respect of such MJ Project shall also be cancelled, subject in all cases to the Lender's right to require the Borrower to transfer 60% of the Borrower's interest in such MJ Project to the Lender.

NOW THEREFORE, in consideration of the mutual promises and agreed upon conditions contained herein, and with all Parties intending to be legally bound hereby, the Parties agree to the following terms.

FOR SUCH OTHER GOOD AND VALUABLE CONSIDERATION, receipt of which is hereby acknowledged, the Borrower, agrees, that he hereby conditionally promises to borrow and subsequently repay all agreed upon loans to the order of **the Lender** from the ELOC of up to **12 Million US Dollars (\$12,000,000.00)**, or in such amount borrowed in actual loans made and provided to the Borrower, in lawful money of the United States of America, without interest and subject to certain repayment terms under the provisions provided herein.

1. THE ESSENTIAL AGREED UPON TERMS.

(a) The Parties agree that the Lender will provide loans to the Borrower solely to fund investments by the Borrower in business opportunities in the MJ industry with a need for start-up and/or continuing capital (each opportunity to invest in such a business, an **"MJ Investment Opportunity"**). Each MJ Investment Opportunity will be individually presented to Lender, through email or other means of normal business correspondence, in sufficient detail to allow the Lender to determine (in its sole and absolute discretion) whether it is willing to advance a loan under the ELOC to the Borrower for the purpose of funding an investment by the Borrower in such MJ Investment Opportunity. For the avoidance of doubt, the Lender has no obligation to invest in any MJ Investment Opportunity and can cancel the unused part of the ELOC in its sole and absolute discretion at any time.

(b) Lender shall have ten (10) Business Days upon presentation by Borrower of any such MJ Investment Opportunity to determine (in its sole and absolute discretion) if it is willing to advance a loan under the ELOC to the Borrower for the purpose of funding the Borrower's investment in such MJ Investment Opportunity. If the Lender is willing to advance a loan under the ELOC to the Borrower for such MJ Investment Opportunity, the Lender shall provide the Borrower with written notice of its approval of such MJ Investment Opportunity and the maximum amount of the loan it is willing to advance for such MJ Investment Opportunity (any MJ Investment Opportunity approved by writing by the Lender, an **"Approved MJ Investment Opportunity"**). Upon receipt of any such written notice from the Lender, the Borrower shall promptly complete all funding,

documentation and due diligence necessary in order to participate in such Approved MJ Investment Opportunity, and the Lender shall ensure that it has sufficient funds available to advance the loan to the Borrower within 5 Business Days of receiving a duly completed utilization request in the form set out at Appendix #1 to this Agreement (a “**Utilization Request**”) from the Borrower.

(c) Subject to the terms of this Agreement and that there be no Event of Default continuing, as defined below in Section 9, the Borrower may draw down a loan under the ELOC in one or more installments at any time or at times between the date hereof and 1 September 2019 (inclusive) for investment in an Approved MJ Investment Opportunity. Each loan shall be drawn down by the Borrower delivering a duly completed Utilization Request to the Lender at least five (5) Business Days prior to the date of the proposed loan referencing this Agreement and specifying the amount of the loan or draw; the Approved MJ Investment Opportunity which the loan shall be invested in; and the Borrower’s bank account to which the loan shall be credited. Each loan shall be deemed drawn by the Borrower on the date when the amount of such loan is credited to the bank account of the Borrower.

(d) Subject to the Borrower providing 40% (forty percent) of the funding required for any Approved MJ Investment Opportunity, the Lender will provide, by means of advancing a loan under the ELOC, the remaining 60% (sixty percent) of the funding required by the Borrower for any Approved MJ Investment Opportunity. The Lender shall transfer the requested funds to the Borrower within five (5) Business Days from receipt of a duly completed Utilization Request.

(e) Borrower agrees that 60% (sixty percent) of any Net Profits from any MJ Project shall be used to repay the loan advanced for such MJ Project, until such loan is repaid in full, and after repayment the Borrower shall continue to pay to the Lender 60% (sixty percent) of any Net Profits in accordance with Section 2 of this Agreement. “**Net Profits**”, as eventually determined through generally accepted accounting principles, shall be determined for each MJ Project on an individual project-by-project basis as gross receipts in respect of an MJ Project, minus any reasonable expenses of the Borrower reasonably attributable to such MJ Project, except for amounts of the initial direct investments in the respective MJ Project (such as purchase price or subscription price for shares paid by the Borrower at the time of initial acquisition of the respective MJ Project) and including, but not limited to, any reasonably necessary business costs which shall include, but not be limited to, any and all personal or entity tax liability for the Borrower, along with any and all employee costs or expenses reasonably incurred, including any reasonable legal, accounting or other professional service expenses.

(f) The Parties further and specifically acknowledge that the funds loaned will be used to invest in projects in the MJ industry and that there is a high risk involved in MJ projects because U.S. and state legislation regarding MJ operations are currently uncertain and potentially subject to change at any time. Lender fully understands and assumes the risk that MJ operations could be declared illegal or unlawful at any time. In the event that any MJ Project becomes unlawful or illegal under federal, state, local or other administrative laws, the Borrower shall only be obliged to repay such amount of the loan

invested in such MJ Project (and pay any share of profits in respect of such MJ Project) that it can lawfully recover from such MJ Project. To the extent any loan (or portion of a loan) invested in such MJ Project cannot be lawfully recovered, and all legal avenues to recover all funds invested by Borrower in such MJ Project have been exhausted, then such loan (or portion of a loan) shall be cancelled in full without any repayment required from Borrower of such loan (or portion of a loan) and any profit sharing in respect of such MJ Project shall also be cancelled, subject in all cases to the Lender's right to require the Borrower to transfer 60% of the Borrower's interest in such MJ Project to the Lender. It is further acknowledged, and the Lender hereby also assumes the risk, that there is no guarantee that any MJ Project will be profitable at any time. As such, if an MJ Project is unable to generate Net Profits, Borrower will have no obligation to repay any money loaned for that MJ Project or profit-share in respect of that MJ Project, unless and until such MJ Project generates Net Profits, and in the meantime Lender will have no recourse, legal or otherwise with respect to the money loaned or advanced for that MJ Project, except for the Lender's right to require the Borrower to transfer 60% of the Borrower's interest in such MJ Project to the Lender. The Lender agrees that in the event an MJ Project remains unprofitable for more than 5 (five) years and it is reasonably determined that the value of such MJ Project is zero, then any loan (or portion of loan) used to fund such MJ Project will be cancelled with no recourse against the Borrower, either personally or in general in all respects, except for the Lender's right to require the Borrower to transfer 60% of the Borrower's interest in such MJ Project to the Lender. Notwithstanding any other provision of this Agreement, if any loan (or portion of loan) invested in an MJ Project is cancelled in accordance with this Section 1(f), the Borrower undertakes that (upon written request from the Lender), in consideration of such cancellation, the Borrower shall transfer, free of any liens, security interests, options or other encumbrances, 60% of the Borrower's interest in such MJ Project to the Lender or such other person nominated in writing by the Lender.

(g) The Lender's rights to payment against the Borrower under this Agreement shall rank senior with respect to the right of payment of any and all other Indebtedness of any MJ Project approved and invested in (as further defined) by the Borrower and Lender, but not senior to other interests or indebtedness Borrower may have in his other unrelated businesses ("**Other Indebtedness**"), unless the Borrower receives the prior written consent of the Lender, to otherwise incur Indebtedness senior to or *pari passu* with the Indebtedness created by this Agreement. "**Indebtedness**" means: (a) all liabilities for borrowed money, whether current or funded, secured or unsecured, all obligations evidenced by bonds, debentures, notes or similar instruments, and all liabilities in respect of mandatorily redeemable or purchasable capital stock or securities convertible into capital stock; (b) all liabilities for the principal amount of the deferred and unpaid purchase price of real property and equipment that have been delivered; (c) all liabilities in respect of any lease of (or other arrangement conveying the right to use) real or personal property, or a combination thereof, which liabilities are required to be classified and accounted for under GAAP as capital leases; (d) all liabilities for the reimbursement of any obligor on any letter of credit, banker's acceptance or similar credit transaction securing obligations of a type described in clauses (a), (b) or (c) above to the extent of the obligation secured; and (e) all liabilities as guarantor of obligations of any other person of a type described in clauses (a), (b), (c) or (d) above, to the extent of the obligation guaranteed.

(h) The loans shall become immediately due and payable upon the commission of any act of bankruptcy by the Borrower, the execution by the Borrower of a general assignment for the benefit of creditors, the filing by or against the Borrower of a petition in bankruptcy or any petition for relief under the federal bankruptcy act or the continuation of such petition without dismissal for a period of ninety (90) days or more, or the appointment of a receiver or trustee to take possession of the property or assets of the Borrower.

(i) Subject to the terms of this Agreement (including, without limitation, the Borrower's covenants set out in paragraph (j) of Section 1 below), the Borrower shall have the sole and exclusive right to manage the MJ Projects as it deems proper subject the Borrower's best business judgment. The Lender shall have no right of management regarding any MJ Projects and agrees to accept the Borrower's reasonable business judgment in respect of the management of any MJ Project.

(j) The Borrower, undertakes, so long as any amount remains owing to the Lender under this Agreement:

(i) to act at all times in a business-like manner through himself and his professional advisors;

(ii) to secure his obligations under this Agreement promptly upon request from the Lender by means of granting first ranking security in favour of the Lender over such of any approved and invested in MJ Project assets as the Lender may designate;

(iii) to promptly do, perform or satisfy each act, condition or thing required or desirable to obtain, maintain and comply with the terms of any authorisation required under any law or regulation to enable it to enter into and perform its obligations under this Agreement or for the legality, validity, enforceability or admissibility in evidence of this Agreement;

(iv) to comply in all respects with all laws to which it may be subject, if failure to comply would materially impact his ability to perform his obligations under this Agreement;

(v) to not, without the prior written consent of the Lender, enter into any amalgamation, demerger, merger or corporate reconstruction of any approved and invested in MJ Project;

(vi) to not, without the prior written consent of the Lender, change in any material respect the general nature of the business of any approved and invested in MJ Project from the business carried out at the date of this Agreement;

(vii) to not, without the prior written consent of the Lender, incur or allow to remain any Other Indebtedness arising under this Agreement, except to the extent that any such Other Indebtedness is fully subordinated to all claims of the Lender under this Agreement in any approved and invested in MJ Project;

(viii) to not, without the prior written consent of the Lender, enter into a single transaction or a series of transactions (whether related or not) and whether voluntary or involuntary to sell, lease, transfer or otherwise dispose of the whole or any part of any of the Borrower's investments in any MJ Project;

(ix) to not, without the prior consent of the Lender, create or permit to create any security or encumbrance over the whole or any part of any of the Borrower's investments in any MJ Project;

(x) to not, without the prior consent of the Lender, waive (whether by action or omission) any right of refusal, pre-emption or similar rights in relation to any approved and invested in MJ project;

(xi) to duly and punctually pay and discharge all taxes imposed upon any approved and invested in MJ Project or its assets within the time period allowed without incurring penalties (except to the extent that (A) such payment is being contested in good faith, (B) adequate reserves are being maintained for those taxes, (C) such payment can be lawfully withheld or (D) any such act that is not intentional regarding this clause (xi) and/or is done in good faith shall not be considered a material breach); and

(xii) as soon as the same becomes available, but in any event within 15 days after the end of each calendar month, to provide to the Lender its stand-alone management accounts for that month (comprising a balance sheet, profit and loss statement and cash flow statement). However, a failure to provide such reports shall not be deemed a material breach and may be cured upon written notice by Lender of any such breach.

(j) Upon written request from the Lender, the Borrower shall transfer to the Lender (or any person nominated in writing by the Lender), free of any liens, security interests, options or other encumbrances, 60% of the Borrower's interest in any MJ Project specified by the Lender in such written request. Upon completion of such transfer, any outstanding loan (or portion of a loan) invested in such MJ Project shall be cancelled.

2. PAYMENT TERMS. The principal sum of a loan shall be due and payable within 5 (five) years of its advance. In partial consideration for each loan, the Borrower agrees that 60% (sixty percent) of any Net Profits (as defined above) from any MJ Project shall be used to repay the loan advanced for such MJ Project. As further partial consideration for each loan, following the repayment in full of a loan advanced for an MJ Project, the Borrower agrees to continue to pay the Lender 60% (sixty percent) of any Net Profits (as defined above) from such MJ Project unless and until otherwise agreed by the Parties in writing.

3. FURTHER ASSURANCES.

(a) The Borrower agrees that at any time, and from time to time, the Borrower will promptly execute and deliver all further reasonable instruments and documents, and take all further reasonable action, that may be necessary or desirable, or that the Lender may reasonably request, in order to perfect and or otherwise protect any financial interest granted, or purported to be granted, hereby or to enable the Lender to exercise and/or enforce the Lender's rights and remedies hereunder with respect to any profit-sharing interest.

(b) The Lender shall have the right to receive general financial information, such as statements of financial position, statements of profits or losses or other comprehensive income, cash flow and other financial information at the end of a financial year or quarterly, and other similar type disclosures on a regular basis from the Borrower, or as reasonably requested by the Lender. The Lender shall also have the right to inspect the Borrower's books and records upon the Lender's request at the offices of the Borrower in Colorado, or at such other premises as they may be kept.

(c) The Borrower shall supply to the Lender:

(i) all documents and information provided to the Borrower in respect of his investments in MJ Projects (including, without limitation, any reports or financial statements supplied to investors in such MJ Projects);

(ii) all documents dispatched by the Borrower concerning any MJ Project to his creditors generally at the same time as they are dispatched or promptly thereafter;

(iii) promptly upon, and in any event within five (5) Business Days of, becoming aware of them, the details of any litigation, arbitration or administrative proceedings involving any MJ Project which are current, threatened or pending against the Borrower or its assets (including, without limitation, any investment in any MJ Project);

(iv) promptly upon, and in any event within five (5) Business Days of, becoming aware of them, the details of any judgment or order of a court, arbitral tribunal or other tribunal or any order or sanction of any governmental or other regulatory body which is made involving any MJ Project or the Borrower (including, without limitation, any investment in any MJ Project);

(v) promptly following any request from the Lender, to supply to the Lender such further information regarding the financial condition, business and operations of the Borrower as may be necessary or desirable to determine the compliance by the Borrower with the terms of this Agreement and ability to perform its obligations thereunder, and regarding any MJ Project, as the Lender may reasonably request;

(vi) certified copies of all documents evidencing the Borrower's investment in any approved and invested MJ Projects (including, without limitation, loan agreements, share purchase agreements, share certificates and share registers).

4. FUNDING OF ANY INDIVIDUAL MJ PROJECT AND LOAN.

(a) The Parties agree that this Agreement and corresponding ELOC shall generally remain open-ended, meaning that the exact total amount of money to be loaned shall be unknown at the time of the signing of this Agreement, but will be based on an "as-needed" agreement and done in installment draws from the ELOC, wherein Lender has had the opportunity to accept or decline to provide funding for MJ Investment Opportunities on a case-by-case basis, provided that at no time shall the amount borrowed under this Agreement exceed **12 Million US Dollars (\$12,000,000.00)**. Each MJ Investment Opportunity shall be treated on an individual basis and accepted or denied on a case-by-case basis. In the case of an Approved MJ Investment Opportunity, once the amount of the Borrower's investment in such Approved MJ Investment Opportunity has been agreed by the Parties, the Borrower shall promptly advance the funds to secure the MJ Investment Opportunity, with the express guarantee that the Lender will advance a loan for 60% (sixty percent) of the required funds within five (5) Business Days of receiving a duly completed Utilization Request.

(b) The Borrower has identified the following MJ Investment Opportunities that are available to be acted upon now and the Lender is hereby invited to provide funding for such MJ Investment Opportunities, on the terms set out in this Agreement. The aforementioned MJ Investment Opportunities, which are more fully listed below in Appendix 2, include: (1) **Nova** and its management agreement and association with New Apothecary, a Los Angeles based non-profit dispensary collective; (2) **Naturex II**, a licensed and operating medical MJ dispensary located in Las Vegas, Nevada; and (3) **Las Vegas Natural Care Givers**, aka House of Herbs, a licensed Las Vegas, Nevada grow facility. The initial costs of the Borrower investing in the aforementioned MJ Investment Opportunities were \$7,487,477.00 (Seven million four hundred eighty seven thousand four hundred seventy seven US dollars). The Lender hereby agrees to advance a loan of \$4,492,486.00 (Four million four hundred ninety two thousand four hundred eighty six US dollars), for the purpose of funding 60% (sixty percent) of the cost of investing in the aforementioned MJ Investment Opportunities, which amount shall be transferred to the Borrower within five (5) Business Days of the signing of this Agreement.

5. PREPAYMENT AND PAYMENTS.

(a) The Borrower shall have the right and privilege to prepay all or any portion of the principal loan amounts at any time. The Borrower acknowledges that, notwithstanding the prepayment or repayment of any loan, he will continue to have an obligation to pay the Lender 60% (sixty percent) of any Net Profits (as defined above) from any MJ Projects funded by such loan unless and until otherwise agreed by the Parties in writing.

(b) Payments by the Borrower are to be made in US dollars in immediately available funds to the Lender at such account as the Lender may notify the Borrower without set-off or counterclaim and without any deduction. If the Borrower is compelled to make any deductions for any reason it will pay additional amounts to ensure receipt by the Lender of the full amount that the Lender would have received but for the deduction.

6. REPRESENTATIONS AND WARRANTIES OF THE BORROWER.

The Borrower represents and warrants to the Lender as follows:

(a) Organization of the Borrower. The Borrower has all required power and authority to purchase and/or own company properties and assets, to carry on his business as presently conducted, to enter into and perform contracts, and specifically to enter into this Agreement, to which he is a party, and to carry out the transactions contemplated herein.

The Borrower and the Lender represent and warrant to each other as follows:

(b) Authorization and Non-Contravention by either Party. The potential obligations contemplated herein are valid and binding obligations on the part of the Borrower and the Lender, enforceable in accordance with its terms, except as enforceability may be limited by applicable changes in Colorado or United States criminal and civil law, or other applicable state, local or administrative law, bankruptcy, insolvency, moratorium, reorganization or similar laws, from time to time in effect, which affect enforcement of creditors' rights generally. The execution, delivery, issuance and performance of this Agreement have been duly authorized by all necessary business action of both the Borrower and the Lender. The execution, delivery and acceptance of this Agreement and the performance of any transactions contemplated by this Agreement will not: (i) violate or result in a violation of, conflict with, or result in a violation of or default (whether after the giving of notice, lapse of time or both) under any contract or obligation to which either is a party or by which it or its assets are bound, or any provision of any operating agreement, or cause the creation of any liens, claims, options, charges, pledges, security interests, deeds of trust, voting agreements (except as provided herein), voting trusts, encumbrances, rights or restrictions of any nature upon any of the assets of either Party, except for those which would not have, or be reasonably likely to have, an adverse effect; (ii) violate, conflict with, or result in a default (whether after the giving of notice, lapse of time or both) under, any provision of any law, regulation or rule, or any order of, or any restriction imposed by any court or other governmental agency applicable to the Borrower or the Lender, except for those which would not have, or be reasonably likely to have, a material adverse effect; (iii) require from the Borrower or the Lender any notice to, declaration or filing with, or consent or approval of any governmental authority or other third party, excepting any notice filings pursuant to Regulation D or Rule 144 of the Securities Act and/or applicable state securities laws, from which this project is believed to be exempt; or (iv) accelerate any obligation under, or give rise to a right of termination of, any agreement, permit, license or authorization to which the Borrower is a party or by which he is bound.

7. REPRESENTATIONS AND WARRANTIES OF THE LENDER.

The Lender represents and warrants to the Borrower as follows:

(a) The Lender fully understands and accepts the risks involved in providing loans hereunder and that there is a risk that some, or all, of the funds advanced may not be recoverable from the Borrower. The Lender represents that it is a BVI corporation, duly organized, validly existing, and in good standing under the laws of the British Virgin Islands and the Lender has all required power and authority, through its undersigned representative, to loan money, purchase and/or own company properties and assets, to carry on its business as presently conducted, to enter into and perform contracts, and specifically to enter into this Agreement, to which it is a party, and to carry out the transactions contemplated herein.

(b) The Lender has such knowledge and experience in financial and business matters that the Lender is capable of evaluating the merits and risks of these particular loans for projects in the MJ industry. The Lender is familiar with the risks of lending money that will be invested in companies in the development and start-up stage. Lender acknowledges it bears economic risk from the Borrower's participation in an MJ project and the risk that local, state, federal or any administrative law could change creating a situation where some or all of the MJ Projects may be deemed illegal or unlawful under the laws of the US, or the specific state involved, and as such the Lender may lose its entire loan without receiving repayment.

(c) The Lender is acquiring such interest created by said loan, and any corresponding profit sharing, based upon this Agreement and for its own account, not as a nominee or agent, and only as contemplated in this Agreement, and has no present intention of selling or otherwise distributing such interest.

(d) The Lender understands that this Agreement in and of itself, along with the profit sharing interest, maybe considered "restricted securities" under applicable U.S. Federal and state securities laws and that, pursuant to these laws, the Lender must hold this loan and any profit sharing interest indefinitely unless and until they are registered with the Securities and Exchange Commission and qualified by state authorities, or an exemption from such registration and qualification requirements is available under Rule 144 of the Securities Act ("**the Act**") and this Agreement contemplates that any such security is acquired through an unregistered, private sale and shall be treated as a private placement offering as start-up capital for the potential operations acquired by the Borrower. It is the purpose of this Agreement to classify and treat the contained obligations as a peer-to-peer personal loan of start-up money and not as a traditionally defined security under the Act.

8. **INDEMNIFICATION.** Subject to the limitations set out in this Section 8, Lender shall indemnify and hold Borrower harmless from and against 60% (sixty percent) of all losses, liabilities, costs and expenses, including: (a) should an approved and invested in MJ Project be declared illegal under federal, state, local or other administrative laws and Borrower incur losses directly arising from such declaration (excluding the loss of its initial direct investment in such MJ Project); and (b) any reasonable attorneys' fees, actually incurred, paid or required under penalty of law to be paid, by Borrower resulting in whole or in part from any legal defense or from subsequent changes to governing applicable

federal, state, local or other administrative law, including criminal legal fees, in respect of any approved and invested in MJ Project. This indemnity provision shall be continuous and shall survive the Agreement for a period of six (6) years after its termination. Nothing in this Agreement (including, without limitation, this Section 8) shall require Lender to reimburse or compensate Borrower for the loss of any funds invested in any MJ Project. In no event shall Lender or Borrower be liable to each other for any lost profits, loss of revenue or income, cost of capital, or loss of business reputation or opportunity, whether in contract, tort or otherwise, even if respective Party has been advised of the possibility of such damages.

9. **EVENTS OF DEFAULT.** Each of the following shall constitute an event of default (an “**Event of Default**”), whatever the reason for such event and whether it shall be voluntary or involuntary or be effected by operation of law or pursuant to any judgment or order of any court or any order, rule or regulation of any governmental entity.

(a) Failure by the Borrower to make any payment due under this ELOC;

(b) Entry of a final judgment or judgments for the payment of money aggregating in excess of \$500,000 is rendered against the Borrower regarding an approved and invested in MJ Project and which judgment(s) is not, within sixty (60) days after the entry thereof, bonded, discharged or stayed pending appeal or is not discharged within sixty (60) days after the expiration of such stay; provided, however, that any judgment which is covered by insurance or an indemnity from a credit worthy party shall not be included in calculating the amounts set forth above so long as the Borrower receives such proceeds of insurance or indemnity within sixty (60) days of the issuance of such judgment. For the avoidance of doubts, provisions of this Section 9 (b) shall not apply for any judgement rendered against the Borrower in connection with a case when an approved and invested in MJ Project is declared illegal under federal, state, local or other administrative laws;

(c) Breach by the Borrower of any of his covenants under this Agreement;

(d) Any material representation, warranty or certification made by the Borrower in this Agreement which shall prove to have been false or incorrect in any material respect on the date or dates as of which made;

If any Event of Default shall occur for any reason, whether voluntary or involuntary, and be continuing, the Lender shall provide written notice of such Event of Default, whereupon Borrower shall have 30 days within which to cure the condition giving rise to the Event of Default. Should Borrower not cure the default within 30 days, the Lender may, upon notice or demand, declare the outstanding indebtedness under this Agreement to be due and payable, whereupon the outstanding indebtedness under this Agreement shall be and become immediately due and payable, and the Borrower shall immediately pay to the Lender all such indebtedness. The Borrower agrees to pay the Lender all out-of-pocket costs and expenses incurred by the Lender in any effort to collect

indebtedness under this ELOC if not cured within the 30 day period or the parties reach a mutually agreeable extension or waiver, including attorneys' fees, and to pay interest at the highest rate permitted by applicable law, on such costs and expenses to the extent not paid when demanded.

The Lender shall also have any other rights which the Lender may have been afforded under any contract or agreement at any time and any other rights which the Lender may have pursuant to applicable law. The Lender may exercise any such rights contemporaneously or separately from the exercise of any other remedies hereunder or under applicable law.

10. **NO ORAL MODIFICATIONS.** This Agreement may not be modified, amended, waived, extended, changed, discharged or terminated orally or by any act or failure to act on the part of the borrower or the lender. This Agreement may only be modified, amended, changed, discharged, terminated or waived by an agreement in writing, signed by the party against whom enforcement of any modification, amendment, waiver, extension, change, discharge or termination is sought.

11. **WAIVERS.** All payments required hereunder shall be made irrespective of, and without any deduction for, any setoff, defense or counterclaim. The Borrower and all others who may become liable for the payment of all or any part of the debt do hereby jointly and severally waive presentment and demand for payment, notice of dishonor, protest and notice of protest and non-payment and all other notices of any kind, other than notices specifically required by the terms of this Agreement. No release of any security for the debt or extension of time for payment of this Agreement or any installment hereof, and no alteration, amendment or waiver of any provision of this Agreement made by agreement between the Lender or any other person or party shall release, modify, amend, waive, extend, change, discharge, terminate or affect the liability of the Borrower, and any other person or entity who may become liable for the payment of all or any part of the debt under this Agreement. No notice to or demand on the borrower shall be deemed to be a waiver of the obligation of the Borrower or of the right of the lender to take further action without further notice or demand as provided for in this Agreement. In addition, acceptance by the Lender of any payment in an amount less than the amount then due shall be deemed an acceptance on account only, and the failure to pay the entire amount then due, however the Borrower shall have 30 days to bring current and cure at any time such event occurs.

12. **WAIVER OF TRIAL BY JURY**

Borrower and Lender hereby agree, to the fullest extent permitted by law, to waive their right to trial by jury in any action, proceeding or counterclaim, whether in contract, tort or otherwise, relating directly or indirectly to this Agreement or the loans made, or for any acts or omissions of Lender, its officers, employees, directors or agents in connection therewith.

13. **AUTHORITY.** The Borrower and the Lender (and the undersigned representative of the Borrower or the Lender, if any) represents that the Borrower and

Lender have the full power, authority and legal right to execute and deliver this Agreement and that this Agreement constitutes a valid and binding obligation of the Borrower and the Lender.

14. APPLICABLE LAW, SUBMISSION TO ARBITRATION. This Agreement shall be governed, construed, applied and enforced in accordance with the laws of the State of Colorado, without giving effect to principles of conflicts of law. Any dispute, controversy or claim arising out of or related to this Agreement shall be resolved by binding, final and confidential arbitration administered pursuant to the Colorado Dispute Resolution Act, C.R.S. § 13-22-302(1) and the Colorado Uniform Arbitration Act, C.R.S. § 13-22-207. Any said arbitration shall be settled by arbitration administered by the American Arbitration Association in accordance with its Commercial Arbitration Rules. The seat and place of arbitration shall be Denver, Colorado. Judgment on the award may be entered by any court having jurisdiction thereof. The number of arbitrators shall be three (3). The language of the arbitration shall be English. Except as may be required by law, neither a party nor its representatives may disclose the existence, content, or results of any arbitration hereunder without the prior written consent of all other parties to the arbitration. It is the intent of the Borrower and the Lender that, barring extraordinary circumstances, arbitration proceedings will be concluded within six (6) months from the date the arbitral tribunal has been appointed. The Borrower and the Lender and their representatives shall exercise their best efforts to comply with such intent and, at the time of appointment, each arbitrator will undertake to make a reasonable effort to comply with such intent. The arbitral tribunal may extend this time limit in the interests of justice. Failure to adhere to this time limit shall not constitute a basis for challenging the award

15. ATTORNEY'S FEES. In the event that it should become necessary to employ counsel to collect the debt or enforce a provision herein against the Lender or the Borrower, the Borrower and the Lender further agree that the prevailing party shall be paid all reasonable fees and expenses associated therewith, including, without limitation, reasonable attorney's fees for the services of such counsel, whether or not suit is brought.

16. NOTICES. All notices or other written communications hereunder shall be deemed to have been properly given (i) upon delivery, if delivered in person, (ii) three (3) Business Days (defined below) after having been deposited in overnight delivery with any reputable overnight courier service, or (iii) five (5) Business days after having been deposited in any post office or mail depository regularly maintained by the U.S. Postal Service and sent by registered or certified mail, postage prepaid, return receipt requested, addressed as follows:

If to Borrower:

Andrey Blokh

████████████████████
████████████████████
Moscovskaya Oblast
Russian Federation

If to Lender: [REDACTED] Road
Town, Tortola, BVI
For the attention of: Directors
With a copy to: Emmanouil Roidi, [REDACTED]
[REDACTED] Limassol, Cyprus
Fax: [REDACTED]

or addressed as such party may from time to time designate by written notice to the other party.

Either party, by notice to the other, may designate additional or different addresses for subsequent notices or communications.

“**Business Day**” shall mean a day (other than a Saturday or Sunday) on which banks are open for general business in Nicosia (Cyprus), Moscow (Russia), Amsterdam (Netherlands), New York City (New York, United States of America) and Denver, (Colorado, United States of America).

17. MISCELLANEOUS

(a) Wherever pursuant to this Agreement (i) Lender exercises any right given to it to approve or disapprove, (ii) any arrangement or term is to be satisfactory to Lender, or (iii) any other decision or determination is to be made by Lender, the decision of Lender to approve or disapprove, all decisions that arrangements or terms are satisfactory or not satisfactory and all other decisions and determinations made by Lender, shall be in the sole and absolute discretion of Lender and shall be final and conclusive, except as may be otherwise expressly and specifically provided herein.

(b) Whenever used, the singular shall include the plural, the plural shall include the singular, and the words “Lender” and “Borrower” shall include their respective successors, assigns, heirs, executors and administrators.

18. INCORPORATION OF RECITALS. The recitals set forth at the beginning of this Agreement are hereby incorporated into this Agreement by this reference and this Agreement shall be interpreted with reference to such recitals.

19. SEVERABILITY. This Agreement shall not be severable in any way, but if any provision shall be held to be invalid, the invalidity shall not affect the validity of the remainder of this Agreement and that provision shall be severed from the Agreement and the remainder of this Agreement shall continue in full force and effect.

20. CONFIDENTIALITY. Each party covenants with the other party that it (a) shall maintain this Agreement and the transaction and projects as secret and

confidential (the foregoing, collectively, the “Confidential Information”), (b) shall not disclose any of the terms and conditions of this Agreement or any of the contents hereof and thereof, or the existence of this Agreement or any of the other transaction documents, and (c) shall not copy, forward, publicize, disseminate or otherwise share this Agreement or any of the transaction documents at any time or under any circumstance whatsoever, with any other individual or entity, other than as required pursuant to a valid legal requirement or court or governmental order or in connection with any legal proceeding provided that the party disclosing such information shall provide notice to the other party of such disclosure (to the extent not prohibited by such legal requirement or order) as soon as reasonably possible and shall cooperate with the other party in obtaining a protective order. The only permitted exceptions to the foregoing confidentiality covenants are that each party may provide copies of this Agreement and the transaction documents to its attorneys, accountants and other professional advisors on a confidential basis. The following shall not constitute “Confidential Information”: (i) any information that is publicly known at the time of disclosure, through no wrongful act of Borrower, as of the date such information becomes publicly known; and (ii) any information that Lender agrees in writing is free of such restrictions.

21. ASSIGNMENT. The rights and obligations of the Borrower and/or the Lender under this Agreement may not be assigned without the prior written consent of the other Party, except that the Lender may assign its rights, interests and obligations under this ELOC to any affiliate. “**Affiliate**” means with respect a person, any other person that, directly or indirectly, controls, is controlled by, or is under common control with, the specified person. As used in this definition, the term “control” means the possession, directly or indirectly, of the power to direct or cause the direction of the management and policies of an entity, whether through ownership of voting securities, by contract, or otherwise. Ownership of more than 50% of the beneficial interests of an entity shall be conclusive evidence that control exists. For purposes of the definition of “Affiliate”, “Affiliate” shall include with respect to any natural person, the spouse, parents, siblings, and children of such Person. Without limitation to the generality of the following, with respect to any person controlled, directly or indirectly by a trust a (“**Controlling Trust**”), “Affiliate” includes a beneficiary of such Controlling Trust and any other person directly or indirectly controlled by or under common control with: (a) a beneficiary of such Controlling Trust; or (b) a separate trust, with a beneficiary in common with such Controlling Trust.

22. INDEPENDENT COUNSEL. Each party acknowledges that it has been advised to seek independent legal and tax advice with regard to this Agreement and has either done so or otherwise decided to proceed without such advice of its free will.

23. NO CONSTRUCTION AGAINST THE DRAFTER. Each Party has participated in negotiating and drafting this Agreement, therefore, if an ambiguity or question of intent or interpretation arises, this Agreement is to be construed as if the Parties had drafted it jointly, as opposed to being construed against the Borrower or the Lender because it was responsible for drafting one or more provisions of this Agreement.

IN WITNESS WHEREOF, the Parties have duly executed this Agreement as of the day and year first above written.



Therway Investments (United)
Director
Cetus Investments Limited

Andrey Blokh

Appendix #1

UTILISATION REQUEST FORM

To: **Cetus Investments Limited** as Lender

From: **Andrey Blokh** as Borrower

Date: []

**Personal Peer-to-Peer Equitable Credit Line and Loan Agreement
dated [] (the "Agreement")**

1. We refer to the Agreement. This is a Utilisation Request.
2. We wish to borrow the loan on the following terms:
 - (a) Utilisation Date: not later than []
 - (b) Amount: []
 - (c) Approved MJ Investment Opportunity:
3. Please transfer the proceeds of this loan to the following account:

Beneficiary:	[]
Beneficiary's Address:	[]
Beneficiary's Bank's address:	[]
SWIFT address (BIC):	[]
Beneficiary's account: []	[]
Beneficiary's Correspondence Bank: []	[] [] []

4. This Utilisation Request is irrevocable.

By:

Accepted by Lender:

Date:

Signature:

Appendix 2
Current and Available Projects

1. **Nova Trade Consulting, Inc. (New Apothecary)** – Nova is the management company for New Apothecary, a non-profit MJ collective, which runs a dispensary in Sherman Oaks, California. Nova has a long-term contract to operate and manage the dispensary. The Borrower has previously acquired 50% interest in the management company for \$2,000,000.00 and provided \$ 150,000 as a loan for the working capital.

2. **Nova Trade Consulting, Inc. (Huntington Park)**
Also Nova has established the medical marijuana cultivation facility at that real property located at Maywood Avenue, Huntington Park, County of Los Angeles, California. The Borrower has provided \$ 400,000 as a loan for partial reimbursement of 50% costs for the medical marijuana cultivation facility establishment. Additional financing in the amount of \$ 800,000 shall be provided by the 1st of May 2017.

3. **Naturex II**, is a dispensary and ongoing project in Las Vegas, Nevada which runs a MMJ dispensary. Naturex II, aka Black Jack Collective, has a long-term lease for its present location and has already begun operations. The Borrower has agreed to provide a \$4,000,000 loan to VSLV, Nevada LLC, that shall acquire 80% of the shares of Naturex II as soon as closing conditions are met. The Borrower has 64% interest in VSLV and therefore upon closing of Naturex II deal the Borrower shall have 51.2 % indirect interest in Naturex II. The Borrower has already provided \$1,750,000 as a deposit, remaining \$2,250,000 shall be provided on or about closing. The \$4,000,000 loan shall be partially repaid by VSLV by April 4, 2018 (as soon as another VSLV Member (Vadim Shapiro who has 36% interest in VSLV) contributes his share of financing of the Naturex II deal in the amount of \$ 940,000.00) .
Also the Borrower has provided to VSLV \$750,000.00 as a loan for working capital of Naturex II.

4. **Las Vegas Natural Caregivers** – is an ongoing, licensed, grow facility located in unincorporated Clark County, Las Vegas, Nevada. It is operating and selling product to local dispensaries. The Borrower has previously acquired a 30% ownership interest in the project for \$1,650,000. Also the Borrower has provided to LVNC \$27,827 for working capital of LVNC.

5. **BBMC, BB Marketing, Naturex** – there is currently an offer available for the purpose of an additional dispensary (Naturex, aka Zen Leaf) and a nearly operational cultivation and production facility with appropriate licensing nearly in place, along with their respective holding company (BBMC and BB Marketing). . The Borrower has provided \$619,000.00 as a loan to VSLV for BBMC working

capital (in case this deal is not closed, \$619,000 shall be set-off against the purchase price under Naturex II deal).

Lender is hereby invited to participate in these projects and contribute monies for funding of these start-up projects by agreeing to loan from the ELOC an amount equal to 60% of the above acquisitions. If all projects are approved, as evidenced by the Lender's authorized director's signature below, said monies, \$4,408,096 plus 60% of the expenses incurred by the Borrower as of January 31, 2017 in the amount of \$ 84,390, in total \$4,492,486 , shall be transferred to the Borrower within five (5) Business Days upon execution of this Agreement.

I agree to the ELOC loan on these matters:

Approved:

- 1) Nova Trade Consulting, Inc.
New Apothecary Project

Cetus Investments Limited

By: 
Director

Dated: _____

Approved:

- 2) Nova Trade Consulting, Inc
Huntington Park Project

Cetus Investments Limited

By: 
Director

Dated: _____

Approved:

- 3) Naturex II Project

Cetus Investments Limited

By: 
Director

Dated: _____

Approved:

4) Las Vegas Natural Caregivers, aka House of Herb, Project

Cetus Investments Limited

By:  _____
Director

Dated: _____