
In the
Court of Appeal
of the
State of California
FOURTH APPELLATE DISTRICT
DIVISION ONE

D075028

SALAM RAZUKI,
Plaintiff-Respondent,

v.

NINUS MALAN, SAN DIEGO UNITED HOLDINGS GROUP, LLC,
FLIP MANAGEMENT, LLC, BALBOA AVE COOPERATIVE,
CALIFORNIA CANNABIS GROUP, DEVILISH DELIGHTS, INC.,
CHRIS HAKIM, MIRA ESTE PROPERTIES, LLC and ROSELLE PROPERTIES, LLC,
Defendants-Appellants.

APPEAL FROM THE SUPERIOR COURT OF SAN DIEGO COUNTY
HONORABLE EDDIE C. STURGEON · CASE NO. 37-2018-000034229-CU-BC-CTL

APPELLANTS' APPENDIX
Volume 14 of 19 – Pages 4533 to 4774 of 6477

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7 **SUPERIOR COURT OF THE STATE OF CALIFORNIA**
8
9 **COUNTY OF SAN DIEGO, CENTRAL DIVISION**

10 SALAM RAZUKI, an individual)
11 Plaintiff)

12 vs)

13)
14 NINUS MALAN, an individual; CHRIS)
HAKIM, an individual; MONARCH)
15 MANAGEMENT CONSULTING, INC.,)
California corporation; SAN DIEGO)
16 UNITED HOLDINGS GROUP, LLC, a)
California limited liability company; FLIP)
17 MANAGEMENT, LLC, a California limited)
liability company; MIRA ESTE)
18 PROPERTIES LLC, a California limited)
liability company; ROSELLE PROPERTIES,)
19 LLC, a California limited liability company;)
BALBOA AVE COOPERATIVE, a)
20 California nonprofit mutual benefit)
corporation; CALIFORNIA CANNABIS)
21 GROUP, a California nonprofit mutual)
benefit corporation; DEVILISH DELIGHTS,)
22 INC. a California nonprofit mutual benefit)
corporation; and DOES 1-100, inclusive;)

23 Defendants.)
24)

Case No.: 37-2018-00034229-CU-BC-CTL

(Unlimited Civil Action)

**DECLARATION OF JERRY BACA IN
SUPPORT OF EX PARTE APPLICATION
TO REMOVE RECEIVER FROM MIRA
ESTE FACILITY**

Hearing Date: October 25, 2018

Time: 8:30 AM

Dept.: C-67

I/C Judge: Hon. Eddie C. Sturgeon

Complaint Filed: July 10, 2018

Trial Date: Not Set

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1 I, Jerry Baca, declare:

2 1. I am over the age of 18.

3 2. I am the managing member (and sole member) of Synergy Management
4 Partners, LLC ("Synergy"). Since approximately August 1, 2018, Synergy has managed the
5 Facility at 9212 Mira Este Court, San Diego, California ("Mira Este Facility" or "Facility")
6 for and on behalf of Mira Este Properties, LLC ("MEP").
7

8 3. I have been employed in the cannabis industry for more than 6 years. Among
9 other past experiences in the cannabis industry, I have owned and operated a cannabis
10 dispensary; and I have owned and operated a business in three states that facilitated the
11 physician evaluation of patients for possible cannabis prescriptions.
12

13 4. In connection with Synergy's management of the Mira Este Facility, Synergy
14 is responsible for the day-to-day operations of the Facility, including staffing for the
15 building, installation of utilities, Internet service, and other services, providing security for
16 the Facility, and providing a compliance manager to oversee production at that Facility.
17

18 5. The Mira Este Facility, consisting of approximately 16,000 square feet of
19 space, is a licensed cannabis manufacturer. As such, the Mira Este Facility has the
20 opportunity to enter into sub-license agreements with other producers and manufacturers so
21 long as the safeguards and practices and procedures at the Mira Este Facility are followed.
22 Those safeguards include providing security at the Facility 7 days a week and 24 hours a
23 day. It also includes documenting all items that come into the Facility by manifest, taking
24 control of those items, and placing them in a safe. When a sub licensee producer or
25 manufacturer requires those items for the manufacture of its product, Synergy handles the
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27

1 paperwork, including the documenting of the release of such materials with at least two (2)
2 persons present at all times. Additionally, Synergy coordinates the testing of products with
3 an outside testing company, again with two (2) witnesses present at all times. As noted,
4 Synergy also provides staffing for the building, which includes not only security and a
5 compliance manager, but also all maintenance and cleaning staff. Synergy has also prepared
6 formal written practices and policies that all sub licensees are required to follow.
7

8 6. Existing income from sub licensees at the Facility is minimal due solely to the
9 presence of the receiver. The only producer/sub licensee who has signed a subcontract for
10 use of the Facility is a company known as Edipure. Edipure expended tens of thousands of
11 dollars in preparation for the start of its production activities at the Facility. It also entered
12 into a sublicense agreement to utilize approximately 4000 square feet at the Facility. The
13 sublicense agreement was made after the receiver was removed on or about July 31, 2018
14 and before the receiver was re-appointed on or about August 20, 2018. Under Edipure's
15 sublicense agreement, Edipure pays the Facility on a monthly basis either \$30,000 or 10%
16 of its gross revenues, whichever is greater. Thus far, Edipure has not generated more than
17 \$300,000 per month in gross revenues; therefore, Edipure has paid \$30,000 per month to the
18 Facility for each month it has occupied a portion of the Facility.
19

20 7. The normal cost of improvements and other start-up costs that a sub licensee
21 or producer would need to expend in order to begin operations at the Facility is
22 approximately \$50,000 to \$100,000. Therefore, sub licensees are understandably cautious
23 and careful before entering into sublicense agreements of the type made by Edipure.
24
25
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1 8. Based on our respective contacts in the cannabis industry, Chris Hakim and I
2 developed a list of producers and manufacturers for sublicensing at the Mira Este Facility.
3 Through a series of ongoing discussions that we have had with these contacts in efforts to
4 procure them as sub licensees for the Facility over the last several months, the existence of a
5 receivership over the Facility essentially blocks these potential sub licensees from entering
6 into sublicense agreements of the type made by Edipure. Before the receiver was appointed,
7 almost all of our contacts expressed significant interest and willingness to enter into a
8 sublicense agreement. After the receiver was re-appointed on or about August 20, 2018,
9 none of our contacts expressed interest or a willingness to enter into a sublicense agreement.
10 Without sub licensees and producers and manufacturers such as Edipure, the Mira Este
11 Facility will become insolvent. The following is a list of the companies with whom Mr.
12 Hakim and I had discussions about a sublicense agreement. Each of these companies
13 expressed strong interest in entering into a subcontract agreement until it was made known
14 that the Facility was under a receivership. Each of the companies declined to negotiate
15 further or to enter into a subcontract agreement similar to Edipure's once it was made
16 known that the Facility was under a receivership:
17
18

- 19
- 20 A. Conscious Flowers;
 - 21 B. Eureka Oil (Vape Cartridges);
 - 22 C. Bomb Xtracts (Vape Cartridges, Pre Rolls, Flower, Moonrocks, Candy,
23 Concentrates, Drinks, Edibles and chip);
 - 24 D. 10X (Cannabis infused drinks);
 - 25 E. Cannabis PROS (Candy Company);
 - 26 F. Royal Vape (Vape Cartridges, Pre Rolls, Edibles);
 - 27 G. LOL Edibles (Candy, Chips, etc.);

- 1 H. Xtreme Vape (Vape Oil manufacturing and Vape Cartridges);
2 I. Bloom Farms (Vape Cartridges); and,
3 J. Cannabis Presidentials (Premium Pre Rolls, Vape Cartridges, Flower, Moonrocks,
4 Candies).

5 9. In or about late September 2018, I commenced negotiations with yet another
6 producer/manufacturer, Cream of the Crop (“COTC”). In particular, I started discussions with
7 COTC’s principal, Dustin Milner, concerning a subcontract agreement for his company to utilize
8 space at the Facility. During the negotiations, I mistakenly believed that Mr. Milner was aware
9 that the facility was under receivership. The negotiations with Mr. Milner and myself as well as
10 my consultant, Roberto Sands, continued for a few meetings in October. COCT was extremely
11 interested to the point where it moved extensive equipment to the Facility in order to test its
12 production capability at the Facility. This was done in approximately the first week in October
13 2018. COCT was satisfied with the production run, and COCT and Synergy agreed in principle
14 to a subcontract agreement. The tentative agreement provided that COCT would pay the Facility
15 \$50,000 per month or 5% of their gross, whichever was greater. This included a down payment
16 of \$25,000. The subcontract that was negotiated was for a one-year period.

19 10. Approximately one week ago, a draft contract was prepared by attorney Gina
20 Austin for COCT and the Facility. At that time, the subject of the receiver was raised. Mr.
21 Milner indicated that he had not known about the receiver before then, and sought advice from
22 his counsel. **He later communicated to me that so long as the Facility was under a**
23 **receivership, he would not execute a written sublease with the Facility.**
24

1 11. On or about August 28, 2018, Synergy entered into an accounting agreement
2 and paid a retainer of \$2000 to Justus H Henkes IV, Inc. and Justus "Judd" Henkes IV, CPA for
3 accounting and bookkeeping services at the Mira Este Facility.

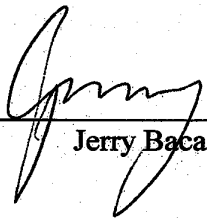
4 12. The management agreement between Synergy and MEP requires all revenues to
5 be deposited into a bank account, with withdrawals to be made only with two (2) signatories, one
6 by Synergy and the other by MEP. On the 5th of each month, the management fees to Synergy
7 are paid along with distributions of profits to MEP.
8

9 13. The only occasion that I have observed the receiver at the Facility was when
10 SoCal Building Ventures, LLC ("SoCal") came to the Facility to retrieve its equipment. The
11 receiver was briefly present during that occasion.
12

13 14. Based on my communications with the prospective sub licensees who have
14 expressed an interest in the Facility, it is my belief that while there is a receiver appointed to
15 oversee the Facility, I will be unable to procure new subleases for the Facility, which will cause
16 the Facility to operate at a negative cash flow.

17 I declare under penalty of perjury that the foregoing is true and correct except as to
18 those matters stated on information and belief and as to those matters I believe it to be true.

19 This declaration was executed on 10-23-18 at San Diego County, California.
20

21
22 
23 _____
24 Jerry Baca
25
26
27

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7 Attorneys for Defendant CHRIS HAKIM

8 **SUPERIOR COURT OF THE STATE OF CALIFORNIA**
9 **COUNTY OF SAN DIEGO, CENTRAL DIVISION**

10)
11 **SALAM RAZUKI, an individual**)

12 **Plaintiff**)

13 vs)

14 **NINUS MALAN, an individual; CHRIS**)
15 **HAKIM, an individual; MONARCH**)
16 **MANAGEMENT CONSULTING, INC.,**)
17 **California corporation; SAN DIEGO**)
18 **UNITED HOLDINGS GROUP, LLC, a**)
19 **California limited liability company; FLIP**)
20 **MANAGEMENT, LLC, a California limited**)
21 **liability company; MIRA ESTE**)
22 **PROPERTIES LLC, a California limited**)
23 **liability company; ROSELLE PROPERTIES,**)
24 **LLC, a California limited liability company;**)
25 **BALBOA AVE COOPERATIVE, a**)
26 **California nonprofit mutual benefit**)
27 **corporation; CALIFORNIA CANNABIS**)
GROUP, a California nonprofit mutual)
benefit corporation; DEVILISH DELIGHTS,)
INC. a California nonprofit mutual benefit)
corporation; and DOES 1-100, inclusive;)

28 **Defendants.**)

Case No.: 37-2018-00034229-CU-BC-CTL

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DECLARATION OF DEFENDANT
CHRIS HAKIM IN SUPPORT OF EX
PARTE APPLICATION TO REMOVE
RECEIVER FROM MIRA ESTE
FACILITY

Hearing Date: October 25, 2018

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Dept.: C-67

I/C Judge: Hon. Eddie C. Sturgeon

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1 I, Chris Hakim, declare:

2 1. I am one of the defendants in the above-referenced matter, and I am over the
3 age of 18.

4 2. At all times herein mentioned, I have been and still am one of the owners of
5 Mira Este Properties LLC (MEP). At all times since MEP was formed, I have been and still
6 am the managing member of MEP. A true and correct copy of the Operating Agreement for
7 MEP is attached hereto as Exhibit 1 and by this reference, made a part hereof. As indicated
8 at paragraph 8.8 of the Operating Agreement (at page 21), provision was made for claims
9 made by Plaintiff Salam Razuki ("Plaintiff") on the distributions of MEP. In particular,
10 provision was made that any claim that Plaintiff asserted would be handled exclusively by
11 Mr. Ninus Malan from his interest, and neither MEP nor I would have any responsibility for
12 such claim.
13

14 3. The assets of MEP consist of certain real estate located at 9212 Mira Este
15 Court, San Diego, California 92126 ("Mira Este Facility"). The real estate is improved with
16 a structure in the nature of a warehouse. MEP acquired the Mira Este Property in August
17 2016 for the purchase price of approximately \$2,625,000.00. The purchase price consisted
18 of a down payment of approximately \$637,500.00, and a new loan in the approximate
19 amount of \$1,987,500.00. **I paid \$420,000.00 from my own personal towards the down**
20 **payment of \$637,500.00.** Plaintiff and Defendant Ninus Malan paid the rest of the down
21 payment.
22

23 4. The operating agreement of MEP provided that I would receive one-half of
24 the net profits, and the other one half would be distributed to Mr. Malan, the other member
25
26

1 of MEP. **Plaintiff has never made any claim or contention that I was not entitled to**
2 **one-half of the net profits of the Mira Este Facility.**

3 4. The existing Business Tax Certificate and State licensing allows the Mira Este
4 Facility to operate as a cannabis manufacturing, production, and distribution facility until
5 November 2019. There are very few cannabis production facilities currently operating under a
6 business tax certificate that has been "grandfathered in", such as the Mira Este Facility. I have
7 made application for and on behalf of the Facility for a conditional use permit, and that has been
8 approved.

9
10 5. As previously stated in my prior declarations in this proceeding, I negotiated
11 the management agreements with SoCal Building Ventures, LLC ("SoCal"). The SoCal
12 management agreement with the Mira Este Facility was operating relatively successfully
13 although SoCal was dilatory in opening the Facility and contracting with other producers
14 and manufacturers, as Synergy is doing now. However, SoCal stopped making its required
15 payments under its management agreement with MEP in or about May 2018, and largely as
16 a result of that as well as other defaults and breaches, SoCal was terminated in July 2018.

17
18 6. At that time, I again was put in the position of needing to negotiate a
19 management agreement for the Mira Este Facility with a new manager. I contracted with
20 Synergy in early August 2018. Almost immediately, and in sharp contrast to SoCal, Synergy
21 opened the Facility and contracted with a sub licensee, Edipure, for its use of the Facility for
22 a one-year period.

23
24 7. As soon as the sub license agreement with Edipure was made, Edipure
25 invested between \$50,000 and \$100,000 in equipping its space at the Mira Este Facility.

1 Under its sub license agreement, Edipure is paying approximately \$30,000 per month or
2 10% of its revenues, whichever is greater for its use of the Facility. Since it had initial sales
3 or "pre-orders" of \$200,000, Edipure is obligated to pay the sum of \$30,000 for its first
4 month of occupancy. Also, the sublicense agreement entitles Edipure to occupy
5 approximately 4000 square feet of space at the Mira Este Facility. It also specifies that the
6 Facility will provide security, staffing, testing, and other overhead as outlined in the
7 Declaration of Jerry Baca. The sub license agreement with Edipure was entered into after
8 the order for initial appointment of the receiver was vacated and before the current
9 appointment of the receiver was made on or about August 20, 2018.
10

11 8. In addition to Edipure, we also had a number of other contacts who
12 communicated to us a strong interest in locating their production and manufacturing
13 activities to the Mira Este Facility. As specified in the Declaration of Jerry Baca, many of
14 these producers and manufacturers were very close to reaching an agreement for a sub
15 license agreement with MEP similar to Edipure's sub license agreement before the receiver
16 was appointed on August 20, 2018. As a result of the appointment of the receiver on August
17 20, 2018, not one of these producers and manufacturers with whom we were
18 negotiating continued negotiating with us. But for the appointment of the receiver on
19 or about August 20, 2018, I have no doubt that the Mira Este Facility would already be
20 fully occupied with sub licensees, paying at least substantial minimum payments to
21 MEP as Edipure is doing.
22
23

24 9. Debt service and overhead of the Mira Este Facility exceed the amount that
25 Edipure is paying. The debt service alone, including taxes and insurance, is approximately
26
27

1 \$30,000 per month. There is also additional and extensive overhead for the Mira Este
2 Property beyond debt service. Overhead expenses include staffing, security, maintenance,
3 and testing services that are required to be provided to sub licensees regardless of the
4 number of sub licensees at the Facility.

5 10. Last month, another producer named Cream of the Crop ("COTC") expressed
6 interest in subcontracting for space at the Facility. The proposed payment by COTC of
7 \$50,000 per month would allow the Facility to operate at a profit. Coupled with the
8 monthly payment by Edipure of \$30,000, the \$50,000 payment by COTC would generate
9 monthly revenues of \$80,000. The Facility can be operated profitably with revenues of that
10 amount. However, I am informed and believe and thereon declare that COTC will not
11 subcontract space at the Facility so long as it is in receivership.
12

13 11. As previously noted, the Synergy management agreement (attached hereto as
14 Exhibit 2 and by this reference made a part hereof) requires that Synergy maintain extensive
15 accounting, recordkeeping, and reporting requirements on a monthly basis and pay itself
16 management fees and distributions on the 5th of each month. Synergy has hired a Certified
17 Public Accountant to handle the accounting required by the management agreement. Under
18 the management agreement, at section 1.1., Synergy is required to maintain proper accounts
19 and ledgers of the Facility, including accounts payable and receivable; to keep all records
20 required by and in accordance with applicable law on behalf of MEP and Synergy as
21 manager of the Facility; to generate customary reports for MEP which will be provided
22 weekly; collect, report and remit all taxes required of the Facility on behalf of MEP; to
23 maintain proper insurance for MEP; to ensure compliance with all conditions and
24
25
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1 requirements for the state license; and to create an operational budget for the Facility. At
2 section 3.4, the Synergy management agreement specifies that all revenues shall be
3 deposited into a "Dedicated Bank Account". Any checks or withdrawals from the Dedicated
4 Bank Account must be signed by both a representative of MEP and Synergy.

5
6 12. With the accounting requirements of the Synergy management agreement,
7 Plaintiff's position regarding the Mira Este Property and MEP can be adequately protected if
8 the Facility is removed from the receivership and if the further order is made that one half of
9 the distributions that would otherwise to be divided between Plaintiff and Mr. Malan are
10 delivered to the Receiver on a monthly basis.

11
12 13. On Thursday, October 18, 2018, I attended a meeting in connection with the
13 forensic accounting for this case. The receiver, Michael Essary, was also present. During
14 the course of the meeting, the receiver was asked how many times he had visited the Mira
15 Este Facility. The receiver stated that he had been there on only one occasion, and then only
16 briefly in connection with SoCal's removal of its equipment in early September. I have
17 never seen the receiver at the Facility, and the receiver has never spoken directly to me
18 about the operations at the Facility or for any other reason other than at the October 18,
19 2018 meeting.

20
21 I declare under penalty of perjury that the foregoing is true and correct except as to
22 those matters stated on information and belief and as to those matters I believe it to be true.

23 This declaration was executed on 10/23/2018, at San Diego County,
24 California.

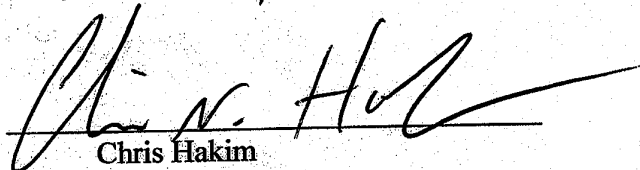
25
26 
Chris Hakim

EXHIBIT 1

THESE SECURITIES HAVE NOT BEEN REGISTERED UNDER THE SECURITIES ACT OF 1933, AS AMENDED. THESE SECURITIES HAVE NOT BEEN REGISTERED OR QUALIFIED PURSUANT TO THE SECURITIES ACT OF 1933 OR THE SECURITIES LAWS OF ANY STATE AND MAY BE OFFERED AND SOLD ONLY IF SO REGISTERED AND QUALIFIED OR IF AN EXEMPTION FROM SUCH REGISTRATION AND QUALIFICATION EXISTS.

**OPERATING AGREEMENT FOR
MIRA ESTE PROPERTIES, LLC, A CALIFORNIA LIMITED LIABILITY COMPANY**

This Amended and Restated Operating Agreement is entered into as of the 8th day of July, 2016 by **Ninus Malan**, an individual, and **Chris N. Hakim**, an individual (referred to individually as a Member and collectively as the Members) with reference to the following:

WHEREAS, the Members desire to form a limited liability company (Company) under the California Revised Limited Liability Company Act.

WHEREAS, the Members enter into this Operating Agreement in order to form and provide for the governance of the Company and the conduct of its business and to specify the Members' relative rights and obligations.

NOW, THEREFORE, for valuable consideration, receipt of which is hereby acknowledged by the Members, the Members hereby agree as follows:

ARTICLE I: DEFINITIONS

The following capitalized terms used in this Agreement have the meanings specified in this Article or elsewhere in the Agreement and when not so defined shall have the meanings set forth in California Corporations Code section 17001.

1.1 "Act" means the California Revised Uniform Limited Liability Company Act (Corporations Code sections 17701.01-17713.13), including amendments from time to time.

1.2 "Agreement" means this operating agreement, as originally executed and as amended from time to time.

1.3 "Articles of Organization" is defined in California Corporations Code section 17701.02(b), as applied to this Company.

1.4 "Assignee" means a person who has acquired a Member's Economic Interest in the Company, by way of a Transfer in accordance with the terms of this Agreement, but who has not become a Member.

1.5 "Assigning Member" means a Member who by means of a Transfer has transferred

MIRA ESTE PROPERTIES, LLC OPERATING AGREEMENT

an Economic Interest in the Company to an Assignee.

1.6 "Bankruptcy" shall mean, and a Member shall be deemed a "Bankrupt Member," on: (i) the filing of an application by a Member for relief by a Member, or that Member's consent to the appointment of a trustee, receiver, or custodian of the Member's other assets; (ii) the entry of a decree or order for relief against the Member by a court of competent jurisdiction in any involuntary case brought against the Member under any bankruptcy, insolvency, or other similar law (collectively, "debtor relief laws") generally affecting the rights of creditors and relief of debtors now or hereafter in effect; (iii) the appointment of a receiver, liquidator, assignee, custodian, trustee, sequestrator, or other similar agent under applicable debtor relief laws for the Member or for any substantial part of that Member's assets or property; (iv) the ordering of the winding up or liquidation of the Member's affairs; (v) the filing of a petition in any such involuntary Bankruptcy case, which petition is not dismissed within 180 days of filing or which is not dismissed or suspended pursuant to Section 305 of the Federal Bankruptcy Code (or any corresponding provision of future United States debtor relief law now or hereafter in effect); (vi) the consent by the Member to the entry of an order for relief in an involuntary case under any such law or the appointment of or the taking of possession by a receiver, liquidator, assignee, trustee, custodian, sequestrator, or other similar agent under any applicable debtor relief law for the Member or for any substantial part of that Member's assets or property; or (vii) the making by a Member of any general assignment for the benefit of creditors.

1.7 "Capital Account" means, as to any Member, a separate account maintained and adjusted in accordance with Article III, Section 3.3 of this Agreement.

1.8 "Capital Contribution" means, with respect to any Member, the amount of money, services, and the fair market value of any property (other than money) contributed to the Company (net of liabilities secured by such contributed property that the Company is considered to assume or take "subject to" under IRC section 752) in consideration of a Percentage Interest held by such Member. A Capital Contribution shall not be deemed a loan. The value of all services rendered must be agreed upon by all Members and the Manager in writing.

1.9 "Capital Event" shall mean and include all receipts from a sale, mortgage, or refinancing of a mortgage, foreclosure, abandonment, condemnation (other than a temporary taking) or other disposition or encumbrance of all or substantially all of the Company's real and/or personal property (including sales of easements, rights of way or other interest in the Company's real estate), and any insurance proceeds for reimbursement of a loss (other than a temporary loss) as a result of fire, flood, or other casualty to all or substantially all of the Company's property, less all expenses and losses attributable to such Capital Events, any mortgage or other indebtedness or portion thereof satisfied out of proceeds from such Capital Events, the cost of any improvement, repair or replacement of such property, and any Capital Contributions or other contributions made to the Company by its Members. Any item included or deducted in determining the proceeds of a Capital Event shall not be included or deducted in determining net cash flow. In the event property is distributed to a Member in kind, the Member shall be deemed to have received a distribution of an amount equal to the fair market value of the property and the unrealized appreciation or

MIRA ESTE PROPERTIES, LLC OPERATING AGREEMENT

unrecorded depreciation in value shall be treated as part of proceeds from a Capital Event realized or incurred by the Company at the time of distribution.

1.10 "Code" or "IRC" means the Internal Revenue Code of 1986, as amended, and any successor provision.

1.11 "Company" means the company named in Article II, Section 2.1 of this Agreement.

1.12 "Economic Interest" means a Person's right to share in the income, gains, losses, deductions, credit or similar items of, and to receive distributions from, the Company, but does not include any other rights of a Member, including the right to Vote or to participate in management.

1.13 "Encumber" means the acts of creating or purporting to create an Encumbrance, whether or not perfected under applicable law.

1.14 "Encumbrance" means, with respect to any Membership Interest, or any element thereof, a mortgage, pledge, security interest, lien, proxy coupled with an interest (other than as contemplated in this Agreement), option, or preferential right to purchase.

1.15 "Gross Asset Value" means, with respect to any item of property of the Company, the item's adjusted basis for federal income tax purposes, except as follows:

(a) The Gross Asset Value of any item of property contributed by a Member to the Company shall be the fair market value of such property, as mutually agreed by the contributing Member and the Company; and

(b) The Gross Asset Value of any item of Company property distributed to any Member shall be the fair market value of such item of property on the date of distribution, as mutually agreed upon by the distributee Member and the Company.

1.16 "Initial Members" means those Members first referenced above in this Agreement. Reference to an "Initial Member" means any of the Initial Members.

1.17 "Involuntary Transfer" means, with respect to any Membership Interest, or any element thereof, any Transfer or Encumbrance, whether by operation of law, pursuant to court order, foreclosure of a security interest, execution of a judgment or other legal process, or otherwise, including a purported transfer to or from a trustee in bankruptcy, receiver, or assignee for the benefit of creditors.

1.18 "Losses." See "Profits and Losses."

1.19 "Majority of Members" means a Member or Members whose Percentage Interest represent more than 50 percent of the Percentage Interests of all the Members.

MIRA ESTE PROPERTIES, LLC OPERATING AGREEMENT

1.20 "Manager" or "Managers" shall mean the Person or Persons named as such in Article II, Section 2.6 of this Agreement or a Person who from time to time shall succeed a Person as the Managers and who, in either case, is serving at the relevant time as a Manager.

1.21 "Member" means an Initial Member or Person who otherwise acquires a Membership Interest, as permitted under this Agreement, and who remains a Member.

1.22 "Membership Interest" as used in this Agreement means a Member's entire, rights, title, interest, and all other rights in the Company, collectively, including the Member's Transferable Interest, any right to Vote or participate in management, and any right to information concerning the business and affairs of the Company.

1.22 "Notice" means a written notice required or permitted under this Agreement. A notice shall be deemed given or sent when deposited, as certified mail or for overnight delivery, postage and fees prepaid, in the United States mails; when delivered to Federal Express, United Parcel Service, DHL WorldWide Express, Airborne Express or other overnight delivery or courier service for overnight delivery, charges prepaid or charged to the sender's account; when personally delivered to the recipient; when transmitted by electronic means, and such transmission is electronically confirmed as having been successfully transmitted; or when delivered to the home or office of a recipient in the care of a person whom the sender has reason to believe will promptly communicate the notice to the recipient.

1.23 "Percentage Interest" means a fraction, expressed as a percentage, the numerator of which is the total of a Member's Capital Account and the denominator of which is the total of all Capital Accounts of all Members as described on Exhibit "A" attached hereto.

1.24 "Person" means an individual, partnership, limited partnership, trust, estate, association, corporation, limited liability company, or other entity, whether domestic or foreign.

1.25 "Profits and Losses" means, for each fiscal year or other period specified in the Agreement, an amount equal to the Company's taxable income or loss for such year or period, determined in accordance with IRC section 703(a).

1.26 "Proxy" means a written authorization signed or an electronic transmission authorized by a member or the Member's attorney-in-fact giving another Person the power to exercise the voting rights of that Member. A Proxy may not be transmitted orally.

1.27 "Regulations" or "Reg" means the income tax regulations promulgated by the United States Department of the Treasury and published in the Federal Register for the purpose of interpreting and applying the provisions of the Code, as such Regulations may be amended from time to time, including corresponding provisions of applicable successor regulations.

1.28 "Substituted Member" is defined in Article VIII, Section 8.4 of this Agreement.

1.29 "Successor in Interest" means an Assignee, a successor of a Person by merger or otherwise by operation of law, or a transferee of all or substantially all of the business or assets of a Person.

1.30 "Transfer" means, with respect to a Membership Interest, or any element of a Membership Interest, any sales, assignment, gift, Involuntary Transfer, or other disposition of a Membership Interest or any element of such a Membership Interest, directly or indirectly, other than an Encumbrance that is expressly permitted under this Agreement.

1.31 "Transferable Interest" means the right, as originally associated with a Person's capacity as a Member, to receive distributions from the Company in accordance with the terms of this Agreement, whether or not the Person remains a Member or continues to own any equity or other rights in the Company. For purposes of this Agreement, and to the extent permitted by law, the term "Transferable Interest" shall not be distinguished from Membership Interest as used in this Agreement as to the agreements of the Members contained herein, regardless of whether there is a separate definition for this term in the Act.

1.31 "Triggering Event" is defined in Article VIII, Section 8.6 of this Agreement.

1.32 "Vote" means a written consent or approval, a ballot cast at a Meeting, or a voice vote.

1.33 "Voting Interest" means, with respect to a Member, the right to Vote or participate in management and any right to information concerning the business and affairs of the Company provided under the Act, except as limited by the provisions of this Agreement. The Members' Voting Interest shall be directly proportional to the Members' Percentage Interest.

ARTICLE II: ARTICLES OF ORGANIZATION

2.1 The name of the Company shall be **MIRA ESTE PROPERTIES, LLC**.

2.2 The initial principal executive office of the Company shall be at 1011 Camino del Rio South, Suite 210, San Diego, CA 92108, or such other place or as may be determined by the Manager from time to time. The mailing address for the Company shall be the same as above.

2.3 The agent for service of process of the Company shall be **David C. Jarvis**, located at 1011 Camino del Rio South, Suite 210, San Diego, CA 92108. The Manager or all the Members may from time to time change the Company's agent for service of process.

2.4 The Company shall be formed for the purposes of real estate ownership of the specific piece of real property already owned by the Company, or to be acquired by the Company, commonly known as 9212 Mira Este Court, #B, San Diego, CA 92126 (the "Property"). It is not the purpose or intention of the Members that the Company participate in any other business activities other than ownership of the above-referenced Property; provided, however, the Company

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may also engage in any other lawful purpose as may from time to time be determined by the Manager and the Members.

2.5 The term of existence of the Company shall commence on the effective date of filing the Articles of Organization with the California Secretary of State, and shall continue until December 31, 2056, unless sooner terminated by the provisions of this Agreement, or as provided by law.

2.6 **Chris N. Hakim** shall be the manager (the "Manager") of the Company. No other person or Member shall act as Manager, or have any management or agency role, with or on behalf of the Company.

ARTICLE III: CAPITALIZATION

3.1 The Members' Capital Contributions to the Company is as outlined in Exhibit "A" of this Agreement. The Members shall receive a credit to their Capital Accounts equal to the value of their capital contribution to the Company. The Members' Membership Interest in the Company shall be as stated in Exhibit "A" of this Agreement. In order to obtain additional funds or for other business purposes, Members may contribute additional capital to the Company, but only upon the written consent of the Manager and the other Members.

3.2 The Manager may determine from time to time that additional Capital Contributions in addition to the Members' Initial Capital Contributions are needed to enable the Company to conduct its business. In the event of such a determination, the Manager shall give notice to all Members in writing at least ninety (90) days before the date on which such additional Capital Contribution is due. The Notice shall set forth the amount of additional Capital Contribution needed, the purpose for which it is needed, and the date by which the Members shall contribute. Each Member shall be required to make an additional Capital Contribution in an amount that bears the same proportion to the total additional Capital Contribution that such Member's Capital Account balance bears to the total Capital Account balances of all Members. No Member may voluntarily make any additional Capital Contributions except with the written consent of the Manager.

3.3 If a Member fails to make an Initial Capital Contribution or additional Capital Contribution required under Article III of this Agreement within thirty (30) days after such Capital Contribution is due, the Manager shall within ten (10) days after said failure notify all other Members in writing of the total amount of Capital Contributions not made by the defaulting Member, and shall specify a number of days within which each non-defaulting Member may make a supplemental Capital Contribution. Such supplemental Capital Contribution shall not be more than the amount of the Capital shortfall not so contributed by the defaulting Member. The Manager may use any reasonable method to provide non-defaulting Members the opportunity to make supplemental Capital Contributions in an amount that bears the same ratio to their Percentage Interest until the Capital shortfall is as fully contributed as possible. Following the supplemental Capital Contribution by the non-defaulting Members, each Members' Percentage Interest shall be

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adjusted to reflect the ratio that the Members' Capital Account bears to the total Capital Accounts of all the Members. The foregoing option shall be in addition to, and not in lieu of, any other rights, including the right to specific performance, that the Company may have against the defaulting Member.

3.4 An individual Capital Account shall be maintained for each Member consisting of that Member's Capital Contribution, (1) increased by that Member's share of Profits, (2) decreased by the Member's share of Losses, and (3) adjusted as required in accordance with applicable provisions of the Code and Regulations.

3.5 A Member shall not be entitled to withdraw any part of the Member's Capital Contribution or to receive any distributions, whether of money or property, from the Company except as provided for in this Agreement.

3.6 No interest shall be paid on funds or property contributed to the capital of the Company or on the balance of a Member's Capital Account.

3.7 A Member shall not be bound by, or be personally liable for, the expenses, liabilities, or obligations of the Company except as otherwise provided in the Act or in this Agreement.

3.8 Except as provided in Article IV below, no Member shall have priority over any other Member with respect to the return of a Capital Contribution, or distributions or allocations of income, gain, losses, deductions, credits, or items thereof.

3.9 In the event a Member has incurred any indebtedness or obligation before the date of this Agreement that relates to or otherwise affects the Company, neither the Company nor any other Member has any liability or responsibility with respect to the indebtedness or obligation unless the indebtedness or obligation is assumed by the Company pursuant to a written instrument signed by all Members. Furthermore, neither the Company nor any Member is responsible or liable for any indebtedness or obligation that is subsequently incurred by any other Member. In the event that a Member, whether before or after the date of this Agreement, incurs any debt or obligation that neither the Company nor any of the other Members is to have any responsibility or liability for, the liable Member must indemnify and hold harmless the Company and the other Members from any liability or obligation they may incur in respect of the debt or obligation.

3.10 Further provided, Exhibit "A" shall further include funds contributed by either or both Members in furtherance of the purchase of the real property referenced in Section 2.4 above, and upon verification by the Manager such funds shall be part of that Member's Capital Contribution.

ARTICLE IV: ALLOCATIONS AND DISTRIBUTIONS

4.1 Except as provided herein, the Profits and Losses of the Company, as well as all

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items of Company income, gain, loss, deduction, distributions, or credit shall be allocated, for Company book purposes and for tax purposes, to a Member in accordance with the Member's Percentage Interest.

4.2 If any Member unexpectedly receives any adjustment allocation, or distribution described in Reg sections 1.704-1(b)(2)(ii)(d)(4), 1.704-1(b)(2)(ii)(d)(5), or 1.704-1(b)(2)(ii)(d)(6), items of Company gross income and gain shall be specifically allocated to that Member in an amount and manner sufficient to eliminate any deficit balance in the Member's Capital Account created by such adjustment, allocation, or distribution as quickly as possible. Any special allocation under this Section 4.2 shall be taken into account in computing subsequent allocations of Profits and Losses so that the net amount of allocations of income and loss and all other items shall, to the extent possible, be equal to the net amount that would have been allocated if the unexpected adjustment, allocation, or distribution had not occurred. The provisions of this Section 4.2 and the other provisions of this Agreement relating to the maintenance of Capital Accounts are intended to comply with Reg sections 1.704-1(b) and 1.704-2 and shall be interpreted and applied in a manner consistent with such Regulations.

4.3 Any unrealized appreciation or unrealized depreciation in the values of Company property distributed in kind to all the Members shall be deemed to be Profits or Losses realized by the Company immediately prior to the distribution of the property and such Profits or Losses shall be allocated to the Members' Capital Accounts in the same proportions as Profits are allocated under Section 4.1. Any property so distributed shall be treated as a distribution to the Members to the extent of the Fair Market Value of the property less the amount of any liability secured by and related to the property. Nothing contained in this agreement is intended to treat or cause such distributions to be treated as sales for value. For the purposes of this Section 4.3, "unrealized appreciation" or "unrealized depreciation" shall mean the difference between the Fair Market Value of such property and the Company's basis for such property.

4.4 In the case of a Transfer of an Economic Interest during any fiscal year, the Assigning Member and Assignee shall each be allocated this Economic Interest's share of Profits and Losses based on the number of days each held the Economic Interest during that fiscal year.

4.5 All cash resulting from the normal business operations of the Company and from a Capital Event shall be distributed among the Members in proportion to their Percentage Interests in the timeframe determined by the Manager.

4.6 If the proceeds from a sale or other disposition of a Company asset consist of property other than cash, the value of such property shall be as determined by the Members. Such non-cash proceeds shall then be allocated among all the Members in proportion to the Percentage Interest. If such non-cash proceeds are subsequently reduced to cash, such cash shall be distributed to each Member in accordance with Section 4.5.

4.7 Notwithstanding any other provisions of this Agreement to the contrary, when there is a distribution in liquidation of the Company, or when any Member's interest is liquidated, all

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items of income and loss first shall be allocated to the Members' Capital Accounts under this Article IV, and other credits and deductions to the Members shall be made to the Members to the extent of and in proportion to their positive Capital Account balances.

4.8 Notwithstanding any provision of this Agreement to the contrary, all distributions of taxable income, net income, net cash flow, net capital proceeds, cash from any Capital Events, or any other distributions or items outlined in Section 4.1 above (collectively, a "Distribution") to the Members of the Company described above shall first be distributed to the Members in satisfaction of all Capital Contributions made to the Company, along with an amount equal to ten percent (10%) annual interest of such Capital Contribution amount as determined by the Company's accountant. Upon satisfaction of the return of the Members' Capital Contributions (plus the 10% annual rate of return on such Capital Contributions), all Distributions shall be made to the Members as provided in Section 4.1 above.

ARTICLE V: MANAGEMENT

5.1 The business of the Company shall be solely managed by the Manager named in Article II, Section 2.6 of this Agreement, or a successor Manager selected in the manner provided in Section 5.3 of this Agreement. The Members shall not have any management role in the Company.

5.2 Unless a Manager resigns or is removed, the Manager shall hold office until a successor is elected and qualified. The Manager need not be a Member, an individual, a resident of the State of California, or a citizen of the United States.

(a) A Manager may resign at any time by giving written notice to the Members without prejudice to the rights, if any, of the Company under any contract to which a Manager is a party. The resignation of a Manager shall take effect upon receipt of that notice or at such later time as shall be specified in the notice. Unless otherwise specified in the notice, the acceptance of the resignation shall not be necessary to make it effective. The resignation of a Manager who is also a Member shall not affect the Manager's rights as a Member and shall not constitute a dissociation of a Member.

(b) A Manager may be removed at any time, with cause, by the Vote of a Majority of Members at a meeting called expressly for that purpose, or by the written consent of all Members. Any removal shall be without prejudice to the rights, if any, of a Manager under any employment contract and, if the Manager is also a Member, shall not affect the Manager's rights as a Member or constitute a dissociation of the Manager as a Member. For purposes of this Section, "cause" shall mean fraud, gross negligence, willful misconduct, embezzlement or a breach of such Manager's obligations under this Agreement or any employment contract with the Company.

5.3 The appointment of a successor Manager shall be made by a Majority of Members for (a) a term expiring with the appointment of a successor, or (b) a term expiring at a definite time specified by a Majority of Members in connection with such an appointment. A successor Manager who is not also a Member may be removed with or without cause at any time by action of a

Majority of Members. A successor Manager who is a Member may be removed only on the Vote of a Majority of Members and the execution and filing of a Certificate of Amendment of the Article of Organization of the Company in conformity with California Corporations Code Section 17054, if necessary, to provide that the Company is to be managed by Manager.

5.4 The day-to-day business, property and affairs of the Company shall be managed exclusively by the Manager. Except for situations in which the approval of the Members is expressly required by this Agreement or by law, the Manager shall have complete and exclusive authority, power, and discretion to manage and control the day-to-day business, property and affairs of the Company, to make all decisions regarding those matters and to perform any and all other acts or activities customary or incident to the day-to-day management of the Company's business, property and affairs. Notwithstanding the foregoing, the Manager shall not take any of the following actions on behalf of the Company unless a Majority of Members has consented to the taking of such action:

- (a) Any amendment to the Articles of Organization of the Company;
- (b) The dissolution of the Company;
- (c) The disposition of all or a substantial part of the Company's assets not in the ordinary course of business;
- (d) The entering into, on behalf of the Company, of any transaction constituting a "reorganization" within the meaning of California Corporations Code Section 17600;
- (e) The Company entering into any single transaction, or series of transactions, which obligate the Company in excess of \$20,000, including but not limited to any real property financing or lease arrangements;
- (f) The borrowing of funds by the Company in excess of \$20,000, including but not limited to any loans or other financing obtained by the Company and secured by the Property; and
- (g) The termination, assignment, subletting, or modification of any lease or occupancy between the Company, on the one hand, and third party tenants or occupants, on the other hand, regarding the Property; provided, however, the Manager may terminate any lease that is in default for more than six (6) months, and the Members further release Manager from any liability for not exercising a Company right or remedy available to Company relating to such tenancies or occupancy.

5.5 It is acknowledged that the Manager may have other business interests which the Manager devotes part of his or her time. The Manager shall devote such time to the conduct of the business of the Company as the Manager, in his or her own good faith and discretion, deems necessary. Limitations on the Manager's duties to the Company are further subject to the following so long as such limitations are not manifestly unreasonable:

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(a) A Manager is **not** obligated to commit a specific portion of his or her time to the business of the Company;

(b) A Manager is free to engage in other business activities in which the Company and the other Member(s) have no direct interest;

(c) A Manager is free to engage in business activities that compete with the Company, including but in no way limited to the ownership of investment real property.

(d) A Manager need not offer business opportunities to the Company or the other Member(s), and may take advantage of those other unrelated business opportunities for his or her own account, and neither the Company nor any other Member has a right to any income or equity opportunities derived by the Manager from those other unrelated business activities.

5.6 The Manager may further, after full disclosure to all Members of all material facts and the Vote of a Majority of Members, the Manager may enter into the following acts even though it would violate the Manager's duty of loyalty to the Company and to the Members:

(a) Enter into a transaction for the purchase of other commercial or residential real property for the purpose of Manager's personal investment in which the Manager takes direct or indirect ownership interest in any such real property without the participation of the Company or the other Member(s).

(b) Own, manage, control, operate, or otherwise participate in any business activities similar or dissimilar to the business of the Company without the participation of the Company or the other Member(s).

It is the specific intention of the Members to grant the Manager authority to engage in business opportunities, competing activities, and otherwise devote time to such other business activities in addition to, and potentially in direct competition with, the business activities of the Company.

5.7 The Manager shall be entitled to reimbursement for all expenses reasonably incurred by the Manager in the performance of the Manager's duties. In addition, in the event the fiduciary duties of the Manager require the Manager to bring any business opportunity to the Company pursuant to, or as required by, applicable California law, then the Manager shall further be entitled to reasonable compensation and reimbursement for arranging, developing, or finding such other business opportunity in addition to any other reimbursement or compensation the Manager is otherwise entitled to receive by law, including but not limited to brokers fees or finders fees.

5.8 Subject to Section 5.4 of this Agreement, the Manager shall have all necessary powers to carry out the purposes, business, and objectives of the Company, including, but not limited to, the right to enter into and carry out contracts of all kinds; to employ employees, agents,

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consultants and advisors on behalf of the Company; to lend or borrow money and to issue evidences of indebtedness; to bring and defend actions in law or at equity; to buy, own, manage, sell, lease, mortgage, pledge or otherwise acquire or dispose of Company property. The Manager may also deal with any related person, firm or corporation on terms and conditions that would be available from an independent responsible third party that is willing to perform. Subject to Section 5.4 of this Agreement, the Manager shall have the authority to sign agreements and other documents on behalf of the Company provided that the Manager act within the customary scope of authority of a manager of a limited liability company.

Without limiting the generality of this Section 5.8, the Manager shall have the power and authority to act on behalf of the Company in executing all loan documents, escrow instructions, purchase and sale documents, and all other documents necessary or advisable relating to real property, leasehold interest, or personal property acquired by the Company. The Manager shall also have the power and authority to act on behalf of the Company to the extent permitted by the law and this Agreement to do the following:

(a) To acquire property from any Person as the Manager may determine. The fact that a Member is directly or indirectly affiliated or connected with any such Person shall not prohibit the Manager from dealing with that Person or Entity;

(b) To borrow money for the Company from banks, other lending institutions, the Members, or Affiliates of the Members or the Manager on such terms as he deems appropriate, and in connection therewith, to hypothecate, encumber and grant security interests in the assets of the Company to secure repayment of the borrowed sums. Except as otherwise provided in the act, no debt shall be contracted or liability incurred by or on behalf of the Company, except by the Manager, and the terms of which will be subject to approval by a Majority of the Members;

(c) To purchase liability and other insurance to protect the property and business of the Company;

(d) To hold and own any Company real and personal properties in the name of the Company;

(e) To invest any funds of the Company temporarily (by way of example but no limitation) in time deposits, short-term governmental obligations, commercial papers or other investments;

(f) To execute on behalf of the Company all instruments and documents, including, without limitation, checks, drafts, notes and other negotiable instruments, mortgages or deeds of trust, security agreements, financing statements, documents providing for the acquisition, mortgage or disposition of property of the Company, assignments, bills of sale, leases, partnership agreements and any other instruments or documents necessary, in the opinion of the Manager, to the business of the Company;

(g) To employ accountants, legal counsel, managing agents or other experts to perform services for the Company and to compensate them from Company funds;

(h) To retain and compensate employees and agents generally, and to define their duties;

(i) To enter into any and all other agreements on behalf of the Company, with any Person for any purpose necessary or appropriate to the conduct of the business of the Company;

(j) To pay reimbursement from the Company of all expenses of the Company reasonably incurred and paid by the Manager on behalf of the Company; and

(k) To do and perform all other acts as may be necessary or appropriate to the conduct of the business of the Company.

5.8 The Manager shall cause all assets of the Company (excepting the Company's funds which are held in Trust) to be held in the name of the Company, whether such assets are real or personal.

5.9 All funds of the Company shall be deposited in one or more accounts with one or more recognized financial institutions at such locations as shall be determined by the Manager.

5.10 Each Member, by execution of this Agreement, irrevocably constitutes and appoints the Manager as such Members' true and lawful attorney-in-fact and agent, with full power and authority in such Member's name, place, and stead to execute, acknowledge, and deliver, and to file or record in any appropriate public office: (a) any certificate or other instrument that may be necessary, desirable, or appropriate to qualify the Company as a limited liability company or to transact business as such in any jurisdiction in which the Company conducts business; (b) any certificate or amendment to the Company's Articles of Organization or to any certificate or other instrument that may be necessary, desirable, or appropriate to reflect an amendment approved by the Members in accordance with the provisions of this Agreement; (c) any certificates or instruments that may be necessary, desirable, or appropriate to reflect the dissolution and winding up of the Company; and (d) any certificates necessary to comply with the provisions of this Agreement. This power of attorney will be deemed to be coupled with an interest and will survive the Transfer of the Member's Economic Interest. Notwithstanding the existence of this power of attorney, each Member agrees to join in the execution, acknowledgement, and delivery of the instruments referred to above if requested to do so by the Manager. This power of attorney is a limited power of attorney and does not authorize the Manager to act on behalf of a Member except as described in this Section 5.10.

5.9 Management responsibilities and fiduciary duties of the Manager may not be materially altered except by the unanimous written consent of all Members and the Manager.

5.10 Except as specified in this Agreement, no Manager or affiliate of a Manager is

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entitled to remuneration for services rendered or goods provided to the Company. The Manager and his affiliate shall receive only the following payments:

(a) The Company shall pay a Manager or the Manager's affiliate for services rendered or goods provided to the Company to the extent that the Manager is not required to render such services or goods themselves without charge to the Company, and to the extent that the fees paid to such Manager or the Manager's affiliate does not exceed the fees that would be payable to an independent responsible third party that is willing to perform such services or provide such goods.

(b) The Company shall reimburse a Manager or a Manager's affiliate for the actual cost of materials used for or by the Company. The Company shall also pay or reimburse the Manager or the Manager's affiliate for organizational expenses (including, without limitation, legal and accounting fees and costs) incurred to form the Company and prepare and file the Articles and this Agreement. Except as otherwise provided herein, a Manager and a Manager's affiliate shall not be reimbursed by the Company for the following expenses: (1) salaries, compensation or fringe benefits of directors, officers or employees of a Manager or a Manager's affiliate; (2) overhead expenses of a Manager or a Manager's affiliate, including, without limitation, rent and general office expenses; and (3) the cost of providing any service or goods for which a Manager or a Manager's affiliate are entitled to received compensation from the Company.

ARTICLE VI: ACCOUNTS AND RECORDS

6.1 The Tax Matters Partner shall be the Manager, as defined for federal income tax purposes, and shall be solely responsible for representing the Company in all dealings with the U.S. Internal Revenue Service and any state, local, and foreign tax authorities. The Tax Matters Partner shall keep the other Members reasonably informed of any Company dealings with any tax agency.

6.2 Complete books of account of the Company's business in which each Company transaction shall be fully and accurately entered, shall be kept at the Company's principal executive office and shall be open to inspection and copying by each Member or the Member's authorized representatives on reasonable Notice during normal business hours. The costs of such inspection and copying shall be borne by the requesting Member.

6.3 Financial books and records of the Company shall be kept on the cash method of accounting, which shall be method of accounting followed by the Company for federal income tax purposes. A balance sheet and income statement of the Company shall be prepared promptly following the close of each fiscal year in a manner appropriate to and adequate for the Company's business and for carrying out the provisions of this Agreement. The fiscal year of the Company shall be January 1 through December 31.

6.4 At all times during the term of existence of the Company, and beyond that term if a Majority of Members deem it necessary, the Manager shall keep or cause to be kept the books of account referred to in Section 6.2, and the following:

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(a) A current list of the full name and last known business or residence address of each Member, together with the Capital Contribution and the share in Profits and Losses of each Member;

(b) A copy of the Articles of Organization, as amended;

(c) Copies of the Company's federal, state, and local income tax or information returns and reports, if any, for the six (6) most recent taxable years;

(d) Executed counterparts of this Agreement, as amended;

(e) Any powers of attorney under which the Articles of Organization or any amendments thereto were executed;

(f) Financial statements of the Company for the six most recent fiscal years; and

(g) The Books and Records of the Company as they relate to the Company's internal affairs for the current and past four fiscal years.

If a Majority of Members deem that any of the foregoing items shall be kept beyond the term of existence of the Company, the repository of said items shall be as designated by the Manager.

6.5 Within ninety (90) days after the end of each taxable year of the Company the Company shall send to each Member all information necessary for the Members to complete their federal and state income tax or information returns, and a copy of the Company's federal, state, and local income tax or information returns for such year.

ARTICLE VII: MEMBERS AND VOTING

7.1 There shall be only one class of membership and no Member shall have any rights or preferences in addition to or different from those possessed by any other Member. Each Member shall Vote in proportion to the Member's Percentage Interest as of the governing record date, determined in accordance with Section 7.2. Unless otherwise provided in this Agreement or required by applicable laws, any action that may or must be taken by the Members shall be by a Vote of a Majority of Members.

7.2 The Manager may call a Meeting of the Members when the Manager determines that such a Meeting is necessary or in the best interest of the Company. The record date for determining the Members entitled to Notice of any Meeting, to vote, to receive any distribution, or to exercise any right with respect to any other lawful action, shall be the date and at a location set by the Manager, provided that such record shall not be more than sixty (60) nor less than ten (10) days prior to the date of the Meeting, nor more than sixty (60) days prior to any other action.

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(a) In the absence of any action setting a record date, the record date shall be determined in accordance with the Act.

7.3 At all Meetings of Members, a Member may Vote in person or by Proxy. Such proxy shall be filed with the Manager or the Company before or at the time of the Meeting, and may be filed by facsimile transmission to the Manager or the Company at the principal executive office of the Company or such other address as may be determined by a Majority of Members for such purposes.

7.4 Any action that may be taken at any meeting of the Members may be taken without a meeting if a consent in writing, setting forth the action so taken, is signed by Members having not less than the minimum number of Votes that would be necessary to authorize or take that action at a meeting at which all Members entitled to Vote thereon were present and Voted. If the Members are requested to consent to a matter without a meeting, each Member shall be given Notice of the matter to be Voted upon in the manner described in Section 7.3 of this Agreement. Any action taken without a meeting shall be effective when the required minimum number of Votes have been received. Prompt Notice of the action shall be given to all Members who have not consented to the action.

7.5 No Member acting solely in the capacity of a Member is an agent of the Company, nor can any Member acting solely in the capacity of a Member bind the Company or execute any instrument on behalf of the Company. Accordingly, each Member shall indemnify, defend, and hold harmless each other Member and the Company from and against any and all loss, cost, expense, liability, or damage arising from or out of any claim based on any action by the Member in contravention of the terms of this Section 7.5.

7.6 To the maximum extent permitted, the Members are further entitled to the rights and privileges granted to the Manager that are outlined in Sections 5.5, 5.6, and other provisions of this Agreement with respect to outside business activities that may be engaged in by the Members which are unrelated to the Company without participation by the Company or the other Members.

ARTICLE VIII: TRANSFERS OF MEMBERSHIP INTERESTS

8.1 A Member may dissociate from the Company at any time by giving Notice of Dissociation to all other Members at least one hundred eighty (180) calendar days before the effective date of dissociation. Dissociation shall not release a Member from any obligations and liabilities under this Agreement accrued or incurred before the effective date of dissociation, nor shall such dissociation affect the rights, duties, or responsibilities of the Manager or the other Member(s) in any way. A withdrawing Member shall divest the Member's entire Membership Interest before the effective date of dissociation in accordance with the transfer restrictions and option rights set forth below.

8.2 Except as expressly provided in this Agreement, a Member shall not Transfer any part of the Member's Membership Interest in the Company, whether now owned or hereafter acquired unless the other Members unanimously approve the transferee's admission to the Company as a Substituted Member upon such Transfer. A Member shall not transfer the Member's Membership Interest in the Company if the Membership Interest to be transferred, when added to the total of all other Membership Interest transferred in the preceding 12 months, causes the termination of the Company under Section 708 of other provision of the Code. No Member may Encumber or permit or suffer any Encumbrance of all or any part of the Member's Membership Interest in the Company unless such Encumbrance has been approved in writing by all other Members. A Member shall not transfer the Member's Membership Interest in the Company without compliance with all federal and state securities laws. Unless otherwise provided for in this Agreement, any Transfer or Encumbrance of a Membership Interest without such approval shall be void. Unless otherwise provided for in this Agreement, upon (i) any attempt by a Member to transfer of the Member's Membership Interest in violation of this Agreement, (ii) the occurrence of a Dissolution Event as stated in Section 9.1 or a Triggering Event as outlined in Section 8.6, or (iii) the dissociation or resignation of a Member as stated in 8.1, the Membership Interest of a Member shall be terminated by the Manager and thereafter that Member shall hold only an Economic Interest, unless such Membership Interest is purchased by the Company and/or remaining Members as provided in this Article VIII. Each Member acknowledges and agrees that such termination or purchase of a Membership Interest upon the occurrence of any of the foregoing events is not unreasonable under the circumstances existing as of the date hereof.

(a) Notwithstanding any other provision of this Agreement to the contrary, a Member who is a natural person may transfer all or any portion of his or her Membership Interest to or from any revocable trust created for the benefit of the Member, or any combination between or among the Member, the Member's spouse, the Member's siblings or the Member's issue; provided that the Member retains a beneficial interest in the trust and all of the Voting Interest included in such Membership Interest. A transfer of a Member's entire beneficial interest in such trust or failure to retain such Voting Interest shall be deemed a Transfer of a Membership Interest. No transfer in this paragraph shall be effective if the Membership Interest to be transferred, when added to the total of all other Membership Interest transferred in the preceding 12 months, causes the termination of the Company under the Code. Further provided, for purposes of this Agreement the death of such initial Member shall cause the Company and/or the other Member(s) the right to purchase the Membership Interest of a Member who died or became disabled as provided in Section 8.8 below notwithstanding that such dead or disabled Member held all or a portion of their Membership Interest in trust.

(b) Notwithstanding any other provision of this Agreement to the contrary, a Member may transfer his or her Membership Interest to another Member unless the Membership Interest to be transferred, when added to the total of all other Membership Interest transferred in the preceding 12 months, causes the termination of the Company under the Code.

(c) Notwithstanding any other provision of this Agreement to the contrary, a Member may transfer his or her Membership Interest to his or her issue and lineal descendants, unless the

Membership Interest to be transferred, when added to the total of all other Membership Interest transferred in the preceding 12 months, causes the termination of the Company under the Code.

(d) Notwithstanding any other provision of this Agreement to the contrary, a Member may transfer his or her Membership Interest such Member's spouse, either during their life or after their death, unless the Membership Interest to be transferred, when added to the total of all other Membership Interest transferred in the preceding 12 months, causes the termination of the Company under the Code.

8.3 No Member shall participate in any Vote or decision in any matter pertaining to the disposition of that Member's Membership Interest in the Company under this Agreement.

8.4 Except as expressly permitted under Section 8.2, a prospective transferee (other than an existing Member) of a Membership Interest may be admitted as a Member with respect to such Membership Interest (a "Substituted Member") only (1) on the unanimous Vote of the Members, and (2) on such prospective transferee's executing a counterpart of this Agreement as a party hereto. To the extent permitted by this Article VIII, any prospective transferee of a Membership Interest shall be deemed an Assignee, and, therefore, the owner of only an Economic Interest until such prospective transferee has been admitted as a Substituted Member. Any person admitted to the Company as a Substituted Member shall be subject to all provisions of this Agreement.

8.5 The initial sale of Membership Interests in the Company to the Initial Members has not been qualified or registered under the securities laws of any state, or registered under the Securities Act of 1933, as amended, in reliance upon exemptions from the registration provisions of those laws. No attempt has been made to qualify the offering and sale of Membership Interest to Members under the California Corporate Securities Law of 1968, as amended, also in reliance upon an exemption from the requirement that a permit for issuance of securities be procured. Notwithstanding any other provision of this Agreement, Membership Interests may not be Transferred or Encumbered unless registered or qualified under applicable state and federal securities law or unless, in the opinion of legal counsel satisfactory to the Company, such qualification is not required. The Member who desires to Transfer a Membership Interest shall be responsible for all legal fees incurred in connection with said opinion.

8.6 Subject to the provisions above, upon the death of a Member, the Company shall have the option, for a period ending sixty (60) calendar days following the determination of the fair market value of the Membership Interest via an appraisal of the Company and its assets by a licensed appraiser, to purchase the Membership Interest in the Company held by the deceased Member at the fair market value of such Membership Interest unless such Membership Interest will be transferred to a permitted transferee outlined above. The other Members, pro rata in accordance with their Membership Interests in the Company, shall then have the option, for a period of sixty (60) days thereafter with regard to any Membership Interest of the deceased Member not acquired by the Company, to purchase the Membership Interest in the Company held by the deceased Member on the same terms and conditions as apply to the Company. If all Members do not elect to purchase the entire remaining Membership Interest in the Company of the deceased Member, then

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the Members electing to purchase shall have the right, pro rata in accordance with their prior Membership Interest in the Company, to purchase the additional Membership Interest in the Company that is not purchased and shall hold such Membership Interest in the Company subject to all of the provisions of this Agreement.

(a) Payment of the purchase price will be made over a period of five (5) years from the date the elections to purchase referenced in this Section 8.8 are finalized. The Company and/or the remaining Member(s) will execute a promissory note made payable to the successor and/or legal representative of the deceased Member's estate, or to their successors or assigns. Said promissory note shall bear an interest rate of the prime rate as published in the Wall Street Journal during the month in which the elections to purchase referenced in this Section are finalized, plus two percent (2%). The promissory note shall be fully amortized over five (5) years, with payments to the lender of said promissory note(s) made monthly. There shall further be no penalty for the prepayment of the principal balance and accrued interest under the promissory note(s). The promissory note shall provide that, in case of default, at the election of the holder, the entire sum of principal and interest immediately will be due and payable, and that the maker shall pay reasonable attorney's fees to the holder in the event suit is commenced because of default. As long as no default occurs in payments on the note, the purchaser(s) shall be entitled to vote the Membership Interest of the dead or disabled Member.

8.7 Transfers Upon Insolvency; Judicial Order Etc.

(a) Occurrence of any of the following events shall constitute an irrevocable offer (an "Irrevocable Offer"), which shall be irrevocable as long as any of the above conditions or events exist, by the Member to whom the event applies (the "Insolvent Participant") to sell all or part of the Insolvent Participant's Membership Interest in the Membership to the Company and/or the other Members:

(1) filing of voluntary or involuntary petition in bankruptcy by a Member, unless the petition is dismissed within sixty (60) days;

(2) a Member's or (1) insolvency; (2) assignment for the benefit of creditors; or (3) entering into any composition agreement with his creditors;

(3) the attempted involuntary transfer or passage of ownership of all or part of a Member's Membership Interest including without limitation, transfer pursuant to charging or other judicial order, legal process, execution, attachment, enforcement of pledge, trust, encumbrance or sale;

(4) the attempted transfer or passage of ownership of all or part of a Member's Membership Interest resulting from, or relating to, the dissolution or annulment of a Member's marriage to such Member's spouse or former spouse; provided, however, this provision does not apply to any Members married as of the date of this Agreement;

(5) the withdrawal of a Member; and

(6) any transfer of a Membership Interest in violation of this Agreement.

(b) Within fifteen (15) days after occurrence of any event or condition constituting an Irrevocable Offer, the Insolvent Participant shall deliver to the Company and the other Members a written Notice of Irrevocable Offer which contains a description of the condition or event giving rise to the Irrevocable Offer. The Notice of Irrevocable Offer shall state the Membership Interest subject to the Irrevocable Offer, any charges to which the Membership Interests are subject and the identity of any party which has obtained possession of the Membership Interests by legal process or otherwise. Notwithstanding any independent knowledge attributable to the Company or the other Members, failure to provide a Notice of Irrevocable Offer shall not give rise to a waiver or estoppel on the part of the Company or the other Members. Further, the options set forth herein may be exercised despite the failure to provide the Notice of Irrevocable Offer, and the time limitations set forth herein shall commence when the Company and the other Members actually receive the Notice of Irrevocable Offer.

(c) First Option. The Company shall have the first option to accept the Irrevocable Offer and to purchase all or part of the Insolvent Participant's Membership Interest identified therein for a thirty (30) day period following receipt of the Notice of Irrevocable Offer.

(d) Second Option. If the Company does not exercise its option for all of the Insolvent Participant's Membership Interest, the Other Members shall have the pro rata option to accept the Irrevocable Offer and to purchase all or part of the available Membership Interest for a thirty (30) day period commencing on the expiration of the first option granted.

(e) Any option to accept the Irrevocable Offer and purchase the Membership Interest subject thereto, shall be exercised by the timely delivery of written notice to the Insolvent Participant and any person who has obtained possession of the Units or Economic Interest as identified in the Notice of Irrevocable Offer.

(f) Purchase Price. Parties electing to exercise options pursuant to this subsection may elect to purchase the Insolvent Participant's Membership Interest at seventy percent (70%) of the fair market value of the subject Membership Interest, payable on the terms set forth in Section 8.6(a) above. The Company and each Member acknowledges that the foregoing terms and purchase price for an Insolvent Participant's Membership Interest is fair and reasonable under circumstances existing as of the date hereof given the significant inconvenience to the Company and the other Members resulting from the occurrence of any event or condition constituting an Irrevocable Offer by a Member, and to retain the continuity of the Company without interference or interruption from third parties.

(g) For purposes of this Agreement, "Membership Interest" includes any economic or other interest in a Member's Membership Interest, or a Transferrable Interest.

8.8 Transfer of Economic Interest From Member **Ninus Malan** to Salam Razuki. Notwithstanding anything in this Agreement to the contrary, by signing this Agreement the Manager and each Member approves the absolute right to the Transfer of a Membership Interest, Transferrable Interest, and/or the Economic Interest held by Member **Ninus Malan**, as Assigning Member, to Salam Razuki or his designee, as Assignee, on terms agreed upon between them at any time from and after the date of this Agreement. Such Transfer shall be on terms agreed upon between them, and the Manager and each Member further approve the terms and conditions of such Transfer and waive all rights, prohibitions and procedures otherwise set forth in this Article 8 to that Transfer. Provided, however, such Transfer between Member **Ninus Malan** and Salam Razuki shall not materially affect the ownership interest of the other Member(s), increase or materially alter the Manager's duties and obligations, and Member **Ninus Malan** and Salam Razuki agree to release the Manager and the other Member(s) from any liabilities relating to such Transfer. On behalf of the Company, the Manager agrees to acknowledge receipt of a copy of the agreement between Member **Ninus Malan** and Salam Razuki, and agrees that the Company shall be bound by and comply with the provisions contained therein including, but not limited to, those regarding distributions to Member **Ninus Malan** or his successor in interest. Any new Member of the Company further agrees to execute a consent to be bound to the terms and conditions of this Agreement as a condition to becoming a Member of the Company.

ARTICLE IX: DISSOLUTION AND WINDING UP

9.1 The Company shall be dissolved on the first to occur of the following events:

(a) The death, incapacity, dissociation, bankruptcy, or corporate dissolution of a Member; provided, however, that the remaining Members may, by the Vote of a Majority of Members within 90 days of the happening of that event, decide to continue the Company, in which case the Company shall not dissolve. If the remaining Members fail to so Vote, the Manager shall wind up the Company. For purposes of this Paragraph (a), in determining a Majority of Members, the Percentage Interest of the Member who has died, become incapacitated, withdrawn, become bankrupt, or dissolved shall not be taken into account;

(b) The expiration of the term of existence of the Company;

(c) The written agreement of all Members to dissolve the Company;

(d) The sale or other disposition of substantially all of the Company's assets;

(e) Entry of a decree of judicial dissolution pursuant to California Corporations Code section 27351; or

(f) At any earlier time at which dissolution may be required under any applicable law.

9.2 On the dissolution of the Company, the Company shall engage in no further business other than that necessary to wind up the business and affairs of the Company. The

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Members who have not wrongfully dissolved the Company shall wind up the affairs of the Company. The Persons winding up the affairs of the Company shall give written Notice of the commencement of winding up by mail to all known creditors and claimants against the Company. After paying or adequately providing for the payment of all known debts of the Company (except debts owing to Members) the remaining assets of the Company shall be distributed or applied in the following order of priority:

- (a) To pay the expenses of liquidation.
- (b) To repay outstanding loans to Members. If there are insufficient funds to pay such loans in full, each Member shall be repaid in the ratio that the Member's respective loan, together with interest accrued and unpaid thereon, bears to the total of all such loans from Members, including all interest accrued and unpaid on those loans. Such repayment shall first be credited to unpaid principal and the remainder shall be credited to accrued and unpaid interest.
- (c) Among the Members in accordance with the provisions of Article IV, Section 4.7 of this Agreement.

9.3 Each Member shall look solely to the assets of the Company for the return of the Member's investment, and if the Company property remaining after the payment or discharge of the debts and liabilities of the Company is insufficient to return the investment of any Member, such Member shall have no recourse against any other Members for indemnification, contribution, or reimbursement.

ARTICLE X: DISPUTE RESOLUTION AND INDEMNIFICATION

10.1 Except as otherwise provided in this Agreement, any controversy or claim arising out of or relating to this Agreement or the breach thereof shall be attempted to be settled by mediation before a single mediator, unless otherwise agreed, in San Diego, California.

(a) The mediation shall be administered by and held in accordance with the Commercial Mediation Rules of the American Arbitration Association.

(b) The parties shall, before the commencement of any proceedings, attempt in good faith to settle their dispute by mediation.

(c) The mediator shall be a retired Judge, familiar with the laws regarding the type of dispute to be mediated.

10.2 The substantive law of the State of California shall be applied to the resolution of this dispute.

10.3 The prevailing party shall be entitled to reimbursement of attorney's fees, costs, and expenses incurred in connection with any litigation.

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10.4 Mediation shall not be the exclusive remedy of a Member or the Company. A Member or the Company may institute legal proceedings in a court of competent jurisdiction only after such party has attempted to resolve any controversy or claim arising out of or relating to this Agreement or the breach thereof through the use of mediation.

10.5 The Company shall indemnify the Manager or any officer of the Company who was or is a party or is threatened to be made a party to, or otherwise becomes involved in, any action nor proceeding to the maximum extent permitted by law.

ARTICLE XI: GENERAL PROVISIONS

11.1 This Agreement constitutes the whole and entire agreement between the parties with respect to the subject matter of this Agreement. This Agreement replaces and supersedes all prior written and oral agreements by and among the Members or any of them.

11.2 This Agreement may be executed in one or more counterparts, each shall be deemed an original, but all of which together shall constitute one and the same instrument.

11.3 This Agreement shall be construed and enforced in accordance with the internal laws of the State of California. If any provision of the Agreement is determined by any court of competent jurisdiction or arbitrator to be invalid, illegal, or unenforceable to any extent, that provision shall, if possible, be construed as though more narrowly drawn if a narrower construction would avoid such invalidity, illegality, or unenforceability or, if that is not possible, such provision shall, to the extent of such invalidity, illegality, or unenforceability, be severed, and the remaining provisions of this Agreement shall remain in effect.

11.4 This Agreement shall be binding on and inure to the benefit of the parties and their heirs, personal representatives, and permitted successors and assigns.

11.5 Whenever used in this Agreement, the singular shall include the plural, the plural shall include the singular, and the neuter gender shall include the male and female as well as a trust, firm, company, or corporation, all as the context and meaning of this Agreement may require.

11.6 The parties to this Agreement shall promptly execute and deliver any and all additional documents, instruments, notices, and other assurances, and shall do any and all other acts and things, reasonably necessary in connection with the performance of their respective obligations under this Agreement and to carry out the intent of the parties. In the event there is any dispute between the parties that should result in litigation or arbitration, the prevailing party in such dispute shall be entitled to recover from the other party all reasonable fees, costs and expenses of enforcing any right of the prevailing party, including without limitation, reasonable attorneys' fees and expenses.

11.7 Except as provided in this Agreement, no provision of this Agreement shall be

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construed to limit in any manner the Members rights in carrying on his, her or its own respective businesses or activities.

11.8 Except as provided in this Agreement, no provision of this Agreement shall be construed to authorize a Member, in the Member's capacity as such, as an agent of any other Member.

11.9 Each Member represents and warrants to the other Members that the Member has the capacity and authority to enter into this Agreement.

11.10 Article titles, sections and headings contained in this Agreement are inserted as a matter of convenience and for ease of reference only and shall be disregarded for all other purposes, including the construction or enforcement of this Agreement or any of its provisions.

11.11 The power to adopt, alter, amend, or repeal this Agreement or the Articles of Organization is vested entirely in the Manager of the Company, unless otherwise provided for in this Agreement or required by law.

11.12 Time is of the essence in every provision of this Agreement that specifies a time for performance.

11.13 This Agreement is made solely for the benefit of the parties to this Agreement and their respective permitted successors and assigns, and no other person or entity shall have or acquire any right by virtue of this Agreement.

11.14 The Members intend the Company to be a limited liability company under the Act. No Member shall take any action inconsistent with the express intent of the parties to this Agreement. The Members further agree that no Member shall petition any Court for an action for partition, pursue any judicial other governmental dissolution of the Company, or otherwise take action intended to force the sale of the assets of the Company under any circumstance except as expressly provided for in this Agreement.

11.15 The Members acknowledge that the tax consequences of each Member's investment in the Company is dependent of each Member's particular financial circumstances. Each Member will rely solely on the Member's financial advisors and not the Company. The Company makes no warranties as to the tax benefits that the Members receive or will receive as a result of the Member's investment in the Company. The parties hereto, and all of them, represent and declare that in executing this Agreement, they rely solely upon their own judgment, belief, and knowledge, and the advice and recommendations of their own independently selected legal and tax counsel, concerning the nature, extent, and duration of their rights and claims, and that they have not been influenced to any extent whatsoever in executing the same by any representations or statements covering any matters made by the other party hereto or by any person representing him or it.

11.16 In the event a Member is not a natural person, neither the Company nor any Member

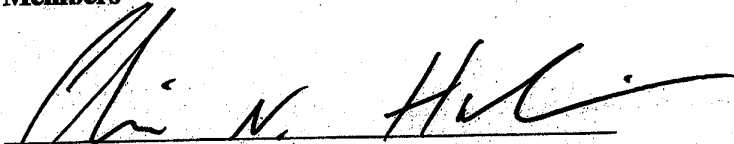
MIRA ESTE PROPERTIES, LLC OPERATING AGREEMENT

will (1) be required to determine the authority of the individual signing this Agreement to make any commitment or undertaking on behalf of the entity or to determine any fact or circumstance bearing on the existence of the authority of the individual, or (2) be required to see to the application or distribution of proceeds paid or credited to individuals signing this Agreement on behalf of the entity.

11.17 One or more attorneys at law may be selected from time to time by the parties to prepare the documentation for the Company, and to perform such other services as may be required. Counsel to a party may also be counsel to one or more other parties, and in accordance with the California Rules of Professional Conduct or similar rules in any other jurisdiction (the "Rules") this constitutes multiple representation. The Members, Manager, and the Company anticipate selecting the Law Offices of Gorla, Weber & Jarvis ("Company Counsel") as legal counsel to the Company. The parties further acknowledge that while communications by the parties with Company Counsel concerning any and matters relating to the business of the Company may be confidential with respect to third parties, no party has any expectation that such communications with Company Counsel are confidential with respect to disputes among or between the parties. The parties further agree and consent to the use of Company Counsel, and understand that Company Counsel has represented one or more of the matters is prior legal matters.

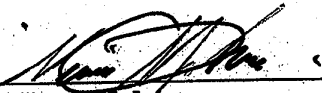
IN WITNESS WHEREOF, the parties have executed or caused to be executed this Agreement on the day and year first above written.

Members



Chris N. Hakim

By signing this Agreement, the above Member further acknowledges review of Sections 5.5, 5.6, 5.7, and 7.6 of this Agreement, agrees that the Member is informed of these provisions, and consents to the terms of Sections 5.5, 5.6, 5.7, and 7.6 of this Agreement.

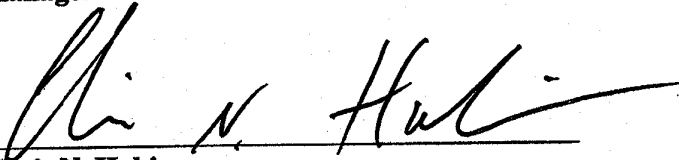


Ninus Malan

By signing this Agreement, the above Member further acknowledges review of Sections 5.5, 5.6, 5.7, and 7.6 of this Agreement, agrees that the Member is informed of these provisions, and consents to the terms of Sections 5.5, 5.6, 5.7, and 7.6 of this Agreement.

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Manager

A handwritten signature in black ink, appearing to read "Chris N. Hakim", written over a horizontal line.

Chris N. Hakim

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Exhibit "A"

Membership Interest of Members

Name and Address of Members/Membership Interest/Capital Contribution

Member #1

Ninus Malan

5065 Logan Ave Suite 101

San Diego CA 92113

Membership Interest: 50%

Capital Contribution:

\$ 325,000 contributed as follows: 1) Cash

2) _____

3) _____

4) Assignment of Contract Rights to Purchase the Property Described in Section 2.4

Member #2

Chris N. Hakim

1545 Hotel Circle South, Suite 115

San Diego, CA 92108

Membership Interest: 50%

Capital Contribution:

\$ 450,000 contributed as follows: 1) Cash

2) _____

3) _____

EXHIBIT 2

MANAGEMENT SERVICES AGREEMENT

THIS MANAGEMENT SERVICES AGREEMENT (the "Agreement") is entered into as of August 3, 2018 (the "Effective Date") in San Diego, California by and between Mira Este Properties, LLC, a California limited liability company (herein the "Company") on the one hand and Synergy Management Partners LLC on (herein "Manager") on the other hand. Each may be referred to herein individually as "Party" or collectively as "Parties."

RECITALS

WHEREAS, the Company has been issued licenses from the state of California ("State") to manufacture and distribute cannabis ("State License") at the real property located at 9212 Mira Este Court, San Diego, CA 92126 (the "Facility");

WHEREAS, Manager has expertise managing cannabis manufacturing and distribution operations; and

WHEREAS, the Company desires to engage Manager to provide the Services as more fully defined herein, and Manager desires to provide such Services to the Company based upon the terms as set forth in this Agreement.

AGREEMENT

NOW, THEREFORE, for good and valuable consideration, the receipt and adequacy of which is hereby acknowledged, and conditions set forth below, the Parties hereto enter this Agreement as follows:

ARTICLE 1.

DUTIES AND RESPONSIBILITIES

Section 1.1: Services. The Company hereby engages Manager to provide the following services (collectively, the "Services"), and Manager hereby accepts such appointment Synergy Management Partners LLC will jointly act as Manager with all Manager decisions to be made jointly by them):

- a. Manage the day-to-day operations of the Facility.
- b. Provide all staff necessary to operate the Facility on behalf of the Company pursuant to the terms hereof.
- c. Maintain proper accounts and ledgers of the Facility, including accounts payable and receivable.
- d. Keep all records required by and in accordance with applicable law on the Company's behalf and as the manager of the Facility.
- e. Generate customary reports for the Company, which will be provided no less

CH

JMS

NM

[Signature]

d. Keep all records required by and in accordance with applicable law on the Company's behalf and as the manager of the Facility.

e. Generate customary reports for the Company, which will be provided no less frequently than weekly.

f. Procure all inventory and equipment needed for the Facility on the Company's behalf.

g. Collect, report and remit all taxes required of the Facility on the Company's behalf.

h. Pay all expenses of the Facility on the Company's behalf, subject to the restrictions contained herein.

i. Maintain proper insurance for the Facility on the Company's behalf.

j. Ensure compliance with all conditions and requirements for the State License.

k. Procure for the Company all vehicles necessary for it to operate its distribution division, whether by lease or purchase arrangement; provided that, the Company agrees in writing to all such arrangements prior to purchase, lease or rental.

l. Create an operational budget for the Facility.

m. Assist design and maintain a website for the Facility.

n. Promote and market the Facility and its services to customers, vendors and other potential sources of revenue.

o. Solicit licensing partners and customers to use the Facility's services and products.

p. Assist create and implement stand operating procedures for the Facility on behalf of the Company.

q. Provide such additional Services as reasonably requested by the Company.

Section 1.2: Inherent Services. The Parties acknowledge and agree that there are functions, responsibilities, activities and tasks not specifically described in this Agreement which are required for the proper performance and provision of the Services and are a necessary, customary or inherent part of, or a necessary sub-part included within, the Services. Manager is empowered to perform such inherent

CH W.M. P. G.

Page 2 of 10

Initials: _____, _____, _____

functions, responsibilities, activities and tasks to the same extent and in the same manner as if specifically described in this Agreement.

Section 1.3: Scope of Services. Manager will provide the Services in substantially the same manner it provides services to its other clients and in accordance with Industry standards. Manager will not be required to devote full time to the Services; however, it shall devote such time to the Services as is necessary to faithfully perform the Services in accordance with this Agreement. The Parties recognize that Manager may now or later render services to, with and on behalf of third parties.

Section 1.4: Compliance with Laws. Manager shall, in performing the Services, faithfully observe and comply with all State, and local laws, ordinances and regulations, applicable to the Services to be rendered under this Agreement and shall obtain any permits or licenses required. The Company agrees to faithfully observe and comply with all federal, State, and local laws, ordinances and regulations, applicable to its operation of the Facility and business and shall obtain any permits or licenses required. The Company agrees to faithfully observe and comply with all State, and local laws, ordinances and regulations, applicable to the Services to be rendered under this Agreement and shall obtain any permits or licenses required.

The Parties shall comply with all federal laws applicable to them as a result of this Agreement or operation of the Facility; provided, the Parties expressly acknowledge and agree that (i) the use, possession, cultivation, manufacture, transportation, purchase and sale of cannabis is federally illegal, (ii) the federal laws and certain states' laws regarding the use, possession, cultivation, transportation, manufacture and furnishing of cannabis (the "Industry") are in conflict; (iii) engaging in the lawful conduct of business operations in the Industry under state law may risk criminal or civil forfeiture, violation of federal law, and heightened risk of criminal or civil prosecution, crime and violence; and (iv) such inherent risks are assumed by each Party, and each Party has elected to execute and fulfill this Agreement despite such risks and waives any defense to enforcement of this Agreement based on cannabis being federally illegal. In the event either Party receives a cease and desist letter from the U.S. Government concerning the operation of cannabis businesses at the Facility or otherwise, it shall inform the other party and either party may immediately terminate this Agreement by written notice to the other Party.

Section 1.5: Exclusive Provider of Services. The Company shall exclusively utilize Manager for performance and delivery of its Services during the Term of this Agreement.

Section 1.6: Employee Leasing. Manager will be responsible for providing all personnel required to provide the Services. All such personnel may be leased to the Company by Manager in accordance with the provisions of this Section 1.6 or shall be employed directly by the Company, as decided agreed by the Parties. If the Parties cannot agree, all personnel will be engaged directly by the Company or through a third-party staffing company of its choosing.

- a. If the Company elects to lease employees from Manager, Manager will use

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Page 3 of 10
Initials: _____

commercially reasonable efforts to supply to the Company the services of the persons identified on Exhibit A hereto, incorporated herein by reference ("Assigned Personnel"), which may be amended from time-to-time by the written agreement of the Manager and the Company. Manager shall fill out Exhibit A, either in type or print, including the name, address, email, telephone number, workers' compensation classification, job position, and compensation for each Assigned Personnel, which the Company will confirm and approve. Manager shall be fully responsible for notifying all Assigned Personnel of their leased employee status. Each Assigned Personnel shall be identified according to workers' compensation classification by proper code and according to pay status under the Fair Labor Standards Act or any other rule or regulation that may apply. The Company's signature shall be affixed to Exhibit A to indicate proper classification of workers' compensation code and pay status. No other employees shall become leased to the Company unless specifically agreed by Manager and the Company. Manager shall not be considered an employer for any employee who does not complete a Manager employment application and who is not accepted by Manager as a leased employee. Manager agrees to notify the Company immediately upon the release, termination or cessation of employment of any Assigned Personnel. The Company agrees to cooperate with Manager in all employment matters. Manager shall be responsible for tracking the hours of and processing payroll for all Assigned Personnel. Manager shall maintain a personnel file and personnel records for Assigned Personnel. All Assigned Personnel shall be considered employees of Manager. Manager shall assume sole and exclusive responsibility for the payment of wages to Assigned Personnel. Manager shall, with respect to said personnel, be responsible for withholding federal, state and local income taxes, withholding and paying over the employee share, and paying the employer share, of Social Security and Medicare taxes, unemployment insurance contributions, and any other payroll-related taxes required by law. Manager shall be responsible for maintaining workers' compensation insurance coverage for Assigned Personnel in an amount and under such terms as required by state law. Manager shall be responsible for ensuring that all applications and insurance enrollment forms are fully completed and returned to Manager by the Assigned Personnel.

b. The Company shall comply with all applicable federal, state and local laws in dealings with Assigned Personnel. Manager shall incur no liability for any violation or alleged violation of law or regulation by the Company.

c. In compliance with state law and federal guidelines, Manager shall, after consultation with the Company:

- i. Have a right to recruit, hire, direct and control Assigned Personnel,
- ii. Have a right to discipline, replace, and terminate the employment of Assigned Personnel and designate the date of separation from employment,
- iii. Have a right to reward, promote, reassign, evaluate and determine the wages, hours, terms and conditions of employment,
- iv. Have the right to resolve and decide employee grievances and disputes, and

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Page 4 of 10

Initials: _____

v. Supervise and direct Assigned Personnel in a reasonable manner consistent with the practices of similar businesses and enterprises.

d. The Company may retain such sufficient direction and control over the Assigned Personnel as is necessary to conduct the Company's business and without which the Company would be unable to conduct its business, discharge any fiduciary responsibility that it may have, or comply with any applicable licensure, regulatory, or statutory requirement of the Company.

e. It shall be Manager's responsibility to implement a safety and training program that meets the standards of regulations issued by the state of California.

f. The Parties each agree that they will comply with all health and safety laws, right-to-know laws, regulations, ordinances, directives and rules imposed by controlling federal, state, and local government, and that they will immediately report all accidents and injuries to the other party.

g. Environmental factors, equipment, machinery and all other matters which affect employee health and safety shall be maintained in compliance with OSHA standards, which shall be the responsibility of Manager.

h. Roberto Sanz and Jerry Baca shall not be entitled to compensation as Assigned Personnel but rather will be compensated by Manager through its compensation due hereunder.

Section 1.7: Long-Term Agreement. The Parties acknowledge and agree that it is the Parties' intent to, during the Term of this Agreement, negotiate a definitive agreement whereby Manager would continue to operate the Facility, if the Parties can come to mutually agreed upon terms. The Parties agree to negotiate such agreement in good faith during the Term of this Agreement. The Parties acknowledge that a long-term agreement would be conditioned upon the results of the Litigation.

Section 1.8: Prior Agreements. The Parties acknowledge that the Company has recently terminated the services of SoCal Building Ventures, LLC as manager of the Facility pursuant to a management services and option to purchase agreement ("SoCal Agreement"), and that such termination has led to litigation regarding the management and ownership rights in the Facility, Case No. 37-2018-00034229-CU-bc-CTL in the Superior Court of San Diego, Central Division (the "Litigation"). Manager acknowledges and understands that the Litigation could affect Manager's ability to perform under this Agreement or ability to receive timely payment for services, should the court or other parties to the Litigation take certain actions. Excepting the right to indemnification as herein detailed, Manager hereby agrees to waive any breach of this Agreement resulting from the Litigation.

Section 1.9: Manager Brands. The Parties acknowledge and agree that the Manager has certain Industry contacts and intends to introduce certain of those contacts to the Company as licensing partners for the Facility to manufacture the contacts' branded cannabis products (the "Manager Brands").

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ARTICLE 2.

TERM OF AGREEMENT; TERMINATION

Section 2.1: Term. This Agreement is entered into on the Effective Date hereof, shall take effect immediately, and shall remain in effect for a period of Ninety (90) days (the "Term"), unless earlier terminated by the Parties.

Section 2.2: Termination. This Agreement may be terminated by either Party with fifteen (15) days' prior written notice to the other Party or immediately upon the material breach of this Agreement by providing the breaching Party written notice of the termination and reason therefor.

Section 2.3: Effect of Termination. Upon termination of this Agreement, Manager shall promptly return all documents and information of the Company or relating to the Facility to the Company. The provisions of this Agreement relating to confidential information and indemnity shall survive termination of this Agreement. In addition, following termination of this Agreement, Manager shall be entitled to continue to receive compensation as detailed in Article 3 of this Agreement.

ARTICLE 3.

COMPENSATION AND EXPENSES

Section 3.1: Compensation. The Company shall pay for the Services provided by Manager as follows:

a. During the term of this Agreement, as compensation for its Services, Manager shall be entitled to receive thirty three percent (33%) of the net profits of the Facility each month ("Management Fee"). For purposes of this Agreement, "net profits" means all revenues generated by the Facility less all costs and expenses of the Facility each month.

b. Following termination of this Agreement, Manager will be entitled to receive two and a half percent (5%) of the net profits of the Facility generated by the Manager Contacts each month.

c. All fees due Manager hereunder will be payable in arrears on the fifth (5th) day of the month, beginning the month following the Effective Date.

Section 3.2: Advances; Reimbursement. Manager agrees to advance all funds, up to

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\$30,000.00, required by the Facility until the Facility has sufficient revenues to cover its ongoing expenses, which advances will be reimbursed by the Company. In connection with the Services, the Company shall reimburse Manager for any expenses or costs actually and reasonably incurred and paid by Manager on behalf of the Company. Notwithstanding anything to the contrary contained herein, all advances from the Manager for expenses prior to there being sufficient revenues of the Facility shall be reimbursed only sixty seven percent (67%), leaving thirty three percent (33%) of such expenses to be borne directly by the Manager, but only to the extent such reimbursed expenses have not been calculated within the net profits due Manager.

Section 3.3: Expenses. The Company shall be responsible for all costs and expenses of operating its Facility and providing products and services to customers, including but not limited to, payment of taxes, the Manager's direct costs associated with the Assigned Personnel, marketing, compliance, insurance, inventory, and rent, whether or not such costs and expenses are to be paid by directly by the Company or by the Manager on the Company's behalf. Otherwise, Manager shall be responsible for its costs associated with provision of its Services. The Parties specifically acknowledge that an entity affiliated with the principal of the Company is entitled to receive \$8,500 per month during the Term of this Agreement for rent, which shall be treated as an expense of the Facility prior to payment of any fee to Manager. ^{\$35,000} (CH) NM

Section 3.4: Dedicated Account. The Company shall establish a dedicated bank account in its name ("Dedicated Account") and each party shall designate one person to act as signatory on such account. All revenues generated from the Facility shall be deposited into the Dedicated Account and all expenses relating to the Facility shall be paid from the Dedicated Account. Manager shall not be permitted to remove or permit an expense from the Dedicated Account in an amount in excess of \$5,000 without the Company's prior written consent. The Manager shall not use the Dedicated Account for its own purposes or for any other client of Manager and shall hold and use all funds in the Dedicated Account in trust for the benefit of the Company. The Company shall have the authority to remove the Manager's signatory from the Dedicated Account upon termination of this Agreement. The Company may not remove the Management Fee from the account without Manager's prior written permission. The Parties may agree to open more than one Dedicated Account; provided, all such accounts are subject to the provisions of this Section.

ARTICLE 4.

INDEPENDENT CONTRACTOR STATUS

Section 4.1: Relationship of Parties. It is understood and agreed that the Manager is an independent contractor in respect to Manager's relationship to Company, and that Manager is not and should not be considered an agent or employee of the Company for any purpose. Manager will have full control and discretion as to the ways and means of performing any and all Services to be provided under this Agreement. It is understood that in the performance of this Agreement, Manager is not in any way

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acting as an employee of Company, and Manager will be responsible for all taxes, social security payments, and other similar payments or contributions due as a result of any payments made pursuant to the terms of this Agreement. As an independent contractor, Manager agrees that Company has no obligation under the state or federal laws regarding employee liability, and that Company's total commitment and liability under this Agreement is the performance of its obligations and the payment of the fees as herein described.

Section 4.2: Contracts. Manager may not enter into any contract or binding agreement on behalf of the Company, written or oral, in an amount of \$2,500.00 or more or in duration to extend past the Term of this Agreement, without the prior written consent of the Company. The Company may enter into contracts without Manager's prior consent; however, the Company will consult with Manager prior to entering into any agreement that could materially impact the Facility or Manager's Services. The Parties agree that they will agree on the form manufacturing and distribution agreements to be used by the Facility and Manager will not enter into any manufacturing or distribution agreement substantially different from the forms agreed to by the Parties.

ARTICLE 5.

INDEMNIFICATION

Section 5.1: Company Indemnification. The Company agrees to indemnify and hold harmless Manager and its subsidiaries, partners, affiliates, principals, directors or agents ("Manager Indemnified Parties") from and against and in respect of any and all liabilities, obligations, assessments, suits, actions, proceedings, claims, or demands asserted against Company and/or Manager or any Manager Indemnified Party or any judgments, damages, losses, including any loss of business or credit costs, expenses and fees, including reasonable attorneys' fees incurred by the Manager Indemnified Parties as a result of the Company's conduct, Litigation or Manager's provision of Services in accordance with this Agreement.

Section 5.2: Willful Misconduct. Company will not relieve or indemnify the Manager Indemnified Parties from liability caused by the willful misconduct, material breach of this Agreement, or negligence of Manager Indemnified Parties, their officers, agents, or servants.

Section 5.3: Manager Indemnification. The Manager agrees to indemnify and hold harmless the Company and its subsidiaries, partners, affiliates, principals, directors or agents ("Company Indemnified Parties") from and against and in respect of any and all liabilities, obligations, assessments, suits, actions, proceedings, claims, or demands asserted against Company and/or Manager or any Company Indemnified Party or any judgments, damages, losses, including any loss of business or credit costs, expenses and fees, including reasonable attorneys' fees incurred by the Company Indemnified Parties as a result of the Manager's willful misconduct, negligence or material breach of this Agreement.

ARTICLE 6.

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GENERAL PROVISIONS

Section 6.1: Mediation. The Parties agree that, prior to litigation, any controversy or claim arising out of or relating to this Agreement, or the breach thereof, shall first be mediated by the Parties. Mediation shall occur at a mutually agreed upon location in the State of California with a mediator mutually agreed by the Parties. If the Parties cannot agree to a date, location or mediator within ten (10) days from the date any Party gives the other Party written notice of the potential claim or controversy, then the controversy may be submitted directly to a court of appropriate jurisdiction.

Section 6.2: Attorneys' Fees. If any legal action is necessary to enforce or interpret the terms of this Agreement, the prevailing Party will be entitled to reasonable attorneys' fees, costs, and necessary disbursements in addition to any other relief to which that party may be entitled. This provision will be construed as applicable to the entire contract.

Section 6.3: Integration. This instrument contains the entire Agreement of the Parties with respect to the subject matter hereof and there are no other promised representations or warranties affecting it. This Agreement supersedes any and all other agreements, either oral or in writing, between Manager and Company with respect to the engagement of Manager by Company and contains all of the covenants and agreements between the Parties with respect to that engagement in any manner whatsoever. Each Party to this Agreement acknowledges that no representation, inducements, promises, or agreements, orally or otherwise, have been made by any Party, or anyone acting on behalf of any Party that are not embodied in the Agreement, and that no other agreement, statement, or promise not contained in this Agreement will be valid or binding on either Party.

Section 6.4: Modification. Any modification of this Agreement will be effective only if it is in writing and signed by the Party to be charged.

Section 6.5: Waiver. The failure of either Party to insist on strict compliance with any of the terms, covenants, or conditions of this Agreement by the other Party will not be deemed a waiver of that term, covenant, or condition, nor will any waiver or relinquishment of any right or power at any one time or times be deemed a waiver or relinquishment of that right or power for all or any other times.

Section 6.6: Severability. If any provision in this Agreement is held by a court of competent jurisdiction or arbitrator to be unreasonable, invalid, void, or unenforceable, then this Agreement will be deemed amended to provide for the modification of the unreasonable, invalid, void, or unenforceable provision to the extent that the court or arbitrator finds reasonable, and the remaining provisions of this Agreement will continue in full force without being impaired or invalidated in any way.

Section 6.7: Governing Law/ No Adverse Construction. This Agreement will be governed by and construed in accordance with the laws of the State of California. The Parties agree that this Agreement was prepared by all signatories hereto and their counsel, and in case of ambiguity shall not be

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construed more strongly against one than against the others.

Section 6.8: Notices. All notices, requests, demands and other communications required or permitted to be given pursuant to this Agreement shall be in writing and deemed duly given, made and received when (a) personally delivered or (b) three (3) business days after said notice, request, demand and other communication is deposited in U.S. Mail, certified mail, return receipt requested or by overnight mail addressed as follows or at such other addresses as either Party may advise the other from time to time in writing in compliance with this section of this Agreement:

Section 6.9: Counterparts. This Agreement may be executed by the Parties in one or more counterparts, each of which shall be deemed to be an original, and it shall not be necessary for the same counterpart of this Agreement to be signed by all of the Parties in order for it to be binding upon all of the Parties in accordance with the terms hereof. Electronic or facsimile delivery of this Agreement will be accepted and enforceable.

Section 6.10: Successors and Assigns. The terms and conditions of this Agreement shall be binding upon and inure to the benefit of the Parties hereto, and to their shareholders, subsidiaries, related and affiliated entities, representatives, successors, assigns, and every person (whether natural or artificial), firm, or entity now or previously affiliated with any of the Parties hereto, or who may become affiliated with any of the Parties hereto in the future. Notwithstanding, neither Party may assign this Agreement without the written consent of the other Party, and any purported assignment without such written consent shall be null and void.

Section 6.11: Representation of Authority. Each Party represents and warrants to the other that the execution and delivery of this Agreement and the performance of such Party's obligations hereunder have been duly authorized and that the Agreement is a valid and legal agreement binding on such Parties and enforceable in accordance with its terms.

Section 6.12: Further Assurances. The Parties shall at their own cost and expense execute and deliver such further documents and instruments and shall take such other actions as may be reasonably required or appropriate to carry out the intent and purposes of this Agreement.

Section 6.13: Confidentiality. The Parties agree that at no time (either during or subsequent to the term of this Agreement) will any Party disclose or use, except as required to fulfil its obligations under this Agreement, any Proprietary and Confidential Information of the other Party, or any subsidiary or affiliate of the other Party, acquired during the term of this Agreement. The term "Proprietary and Confidential Information" shall mean, but is not limited to, all information which is known or intended to be known only to the disclosing Party, its subsidiaries and affiliates, and their employees, including any document, record, financial or other information of the disclosing Party, or others in a confidential relationship with the disclosing Party, and further relates to specific business matters such as the

CH *Wm. H. G. Gray*

disclosing party's financial information, identity of customers and patients, policies and procedures, fee structures, trade secrets, proprietary know-how, account information, and other information relating to other business of the disclosing Party, its subsidiaries and affiliates, and their employees. Manager agrees not to remove from the Location except with approval of the Company or as necessary to perform services in accordance with the terms of this Agreement, any physical property item, document, record, or other information of the Company or its affiliates.

Each Party agrees to return, immediately upon termination of this agreement hereunder, any and all documentation or physical property and Proprietary and Confidential Information of the other Party that is in the possession of such Party, in whatever format it may be maintained, regardless of who it is, or developed by, and to destroy all said information and documentation if requested by the disclosing Party and provide a certificate of destruction upon request by the disclosing Party.

Notwithstanding the foregoing, the restrictions contained in this section shall not apply to any Proprietary and Confidential Information that is required by law or the order of any court or governmental agency, or in any litigation or similar proceeding to be disclosed; provided that the disclosing party shall, prior to making any such required disclosure, notify the other party with sufficient notice to permit that party to seek an appropriate protective order.

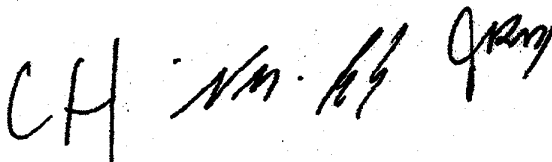
Section 6.14: Acts of God. No Party shall be liable in any respect for failure to comply with the terms of this Agreement due wholly or in part to acts of God, acts of the other party, acts or civil or military authority, fires, floods, epidemics, quarantine restrictions, war, armed hostilities, riots, strikes, lockouts, breakdown, differences with workers, accidents to machinery, delays in transportation, or any other cause beyond the reasonable control of the Party.

Section 6.15: Representation. The Parties acknowledge and agree that they have jointly drafted this Agreement through joint representation by Austin Legal Group, APC and that, if desired, each Party has had the opportunity to seek, and has sought, its own independent counsel to advise it as to the effects and consequences of entering into this Agreement.

Section 6.16: Non-Circumvention. The Parties hereby acknowledge that the Manager will be introducing the Company to certain Assigned Personnel. In consideration of the foregoing, the Company hereby agrees and warrants that it shall not, directly or indirectly, interfere with, circumvent, attempt to circumvent, or obviate or interfere with the relationship of the Manager and its Assigned Personnel for the purpose of gaining any benefit, whether such benefit is monetary or otherwise.

IN WITNESS WHEREOF, the Parties hereto have caused this Assignment to be duly executed by their duly authorized representatives as of the date of this Assignment. The undersigned, by their execution of this Agreement, represent and warrant that they have authority to execute this Agreement on behalf of its respective Party.

[Signature Page Follows]




Page 11 of 10

Initials: _____

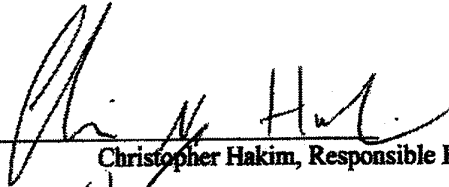
MANAGER:
Synergy Management Partners LLC

Dated: 8-3-18

By: 
Jerry R. Baca, Responsible Party

COMPANY:
Mira Este Properties, LLC

Dated: 8/3/18

By: 
Christopher Hakim, Responsible Party
Chris (CH)

Dated: 8/3/18

By: 
Ninus Malan, Responsible Party

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12 of 12

Page 11 of 10

Initials: _____

1 Charles F. Gorla, Esq. (SBN68944)
GORIA, WEBER & JARVIS
2 1011 Camino del Rio South, Suite 210
San Diego, CA 92108
3 Tel.: (619) 692-3555
Fax: (619) 296-5508
4

5 Attorneys for Defendants
Chris Hakim, Mira Este Properties, LLC
Monarch Management Consulting, Inc.
6 Roselle Properties, LLC
7

8 **SUPERIOR COURT OF THE STATE OF CALIFORNIA**
9 **COUNTY OF SAN DIEGO, CENTRAL DIVISION**

10 SALAM RAZUKI, an individual)
11 Plaintiff,)

12 vs)

13)
14 NINUS MALAN, an individual; CHRIS)
HAKIM, an individual; MONARCH)
15 MANAGEMENT CONSULTING, INC.,)
California corporation; SAN DIEGO)
16 UNITED HOLDINGS GROUP, LLC, a)
California limited liability company; FLIP)
17 MANAGEMENT, LLC, a California limited)
liability company; MIRA ESTE)
18 PROPERTIES LLC, a California limited)
liability company; ROSELLE PROPERTIES,)
19 LLC, a California limited liability company;)
BALBOA AVE COOPERATIVE, a)
20 California nonprofit mutual benefit)
corporation; CALIFORNIA CANNABIS)
21 GROUP, a California nonprofit mutual)
benefit corporation; DEVILISH DELIGHTS,)
22 INC. a California nonprofit mutual benefit)
corporation; and DOES 1-100, inclusive;)

23)
24 Defendants.)
25

Case No.: 37-2018-00034229-CU-BC-CTL

(Unlimited Civil Action)

PROOF OF SERVICE

Dept.: C-67

I/C Judge: Hon. Eddie C. Sturgeon

Complaint Filed: July 10, 2018

Trial Date: Not Set

IMAGED FILE

26 I, Charles F. Gorla, declare that: I am, and was at the time of service of the papers herein
27

1 referred to, over the age of eighteen years, not a party to this action, and am employed in the County
2 of San Diego, California, in which County the within mentioned mailing occurred. My business
3 address is 1011 Camino del Rio South, Suite 210, San Diego, California 92108.

4 I served the following document(s):

- 5 • Ex Parte Application for Order Vacating Receiver at Mira Este Facility, Declaration of
Charles F. Gorla, Points and Authorities;
- 6 • Declaration of Chris Hakim in Support of Ex Parte Application;
- 7 • Declaration of Jerry Baca in Support of Ex Parte Application

8 on the following addressees:

9 Steven A. Elia (steve@elialaw.com) 10 Marua Griffin (maura@elialaw.com) 11 James Joseph (james@elialaw.com) 12 Law Offices of Steven Elia 2221 Camino del Rio S., #207 San Diego, CA 92108 Tel. (619) 444-2244 Fax (619) 440-2233 Attorneys for Plaintiff	Robert Fuller (rfullerAnelsonhardiman.com) Salvatore J. Zimmit (szimmit@nelsonhardiman.com) Nelson Hardiman LLP 11835 West Olympic Blvd., Suite 900 Los Angeles, CA 90064 Tel. (310) 203-2807 Fax (310) 203-2727 Attorneys for SoCal Building Ventures LLC
13 Gina M. Austin (gaustin@austinlegalgroup.com) 14 Tamara M. Leetham (tamara@austinlegalgroup.com) 15 Austin legal Group 3990 Old Town Avenue, Suite A-112 16 San Diego, CA 92110 Tel. (619) 924-9600 17 Fax. (619) 881-0045 Attorneys for Defendants Ninus Malan et al.	Richardson C. Griswold (rgriswold@griswoldlawsandiego.com) Griswold Law 444 S. Cedros Avenue, Suite 250 Solana Beach, CA 92075 Tel. (858) 481-1300 Fax. (888) 624-9177 Attorney for Receiver Michael Essary
18 Daniel Watts 19 dwatts@galuppolaw.com Lou Galuppo 20 l galuppo@galuppolaw.com	Matt Mahoney Esq. (mahoney@wmalawfirm.com)

21 **XX VIA ELECTRONIC FILING SERVICE:** Complying with Code of Civil
22 Procedure section 1010.6, my electronic business address is chasgoria@gmail.com and I caused such
23 document(s) to be electronically served through the e-service system for the above entitled case to
those parties on the Service List maintained on its website for this case on October 24, 2018. The file
transmission was reported as complete and a copy of the Filing/Service Receipt will be maintained
with the original document(s) in our office.

24 I declare under penalty of perjury that the foregoing is true and correct. Executed on October
25 24, 2018 at San Diego County, California.

26 
27 CHARLES F. GORLA

1 Richardson C. Griswold, Esq. (CA Bar No. 246837)
GRISWOLD LAW, APC
2 444 S. Cedros Avenue, Suite 250
Solana Beach, California 92075
3 Phone: (858) 481-1300
4 Fax: (888) 624-9177

5 Attorney for Court-Appointed Receiver
MICHAEL W. ESSARY

6
7
8 SUPERIOR COURT OF CALIFORNIA
9 FOR THE COUNTY OF SAN DIEGO

10
11 SALAM RAZUKI, an individual,
12 Plaintiff,

13 v.

14 NINUS MALAN, an individual; CHRIS
HAKIM, an individual; MONARCH
15 MANAGEMENT CONSULTING, INC. a
California corporation; SAN DIEGO UNITED
16 HOLDING GROUP, LLC, a California limited
liability company; FLIP MANAGEMENT,
17 LLC, a California limited liability company;
MIRA ESTE PROPERTIES, LLC, a California
18 limited liability company; ROSELLE
PROPERTIES, LLC, , a California limited
19 liability company; BALBOA AVE
COOPERATIVE, a California nonprofit mutual
20 benefit corporation; CALIFORNIA CANNABIS
GROUP, a California nonprofit mutual benefit
21 corporation; DEVILISH DELIGHTS, INC., a
California nonprofit mutual benefit corporation;
22 and DOES 1-100, inclusive,

23 Defendants.
24

CASE NO.: 37-2018-00034229-CU-BC-CTL

NOTICE OF ENTRY OF ORDER

Judge: Hon. Eddie C. Sturgeon
Dept: C-67

25 TO ALL INTERESTED PARTIES AND COUNSEL OF RECORD:

26 PLEASE TAKE NOTICE that having considered the *ex parte* application of Defendants
27 Ninus Malan, San Diego United Holdings Group, LLC, Balboa Ave Cooperative, Flip Management,
28 LLC, California Cannabis Group and Devilish Delights, Inc. (collectively "Malan Defendants"), and

1 good cause appearing before the Court at the hearing on September 27, 2018 in the above-entitled
2 Court, the Court has signed and entered the Order attached hereto as **Exhibit A**.

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Dated: October 25, 2018

Respectfully Submitted,



Richardson C. Griswold, Esq.
Attorney for Court-Appointed Receiver,
Michael W. Essary

EXHIBIT A

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SUPERIOR COURT OF CALIFORNIA
FOR THE COUNTY OF SAN DIEGO

SALAM RAZUKI, an individual,
Plaintiff,

v.

NINUS MALAN, an individual; CHRIS
HAKIM, an individual; MONARCH
MANAGEMENT CONSULTING, INC. a
California corporation; SAN DIEGO UNITED
HOLDING GROUP, LLC, a California limited
liability company; FLIP MANAGEMENT,
LLC, a California limited liability company;
MIRA ESTE PROPERTIES, LLC, a California
limited liability company; ROSELLE
PROPERTIES, LLC, , a California limited
liability company; BALBOA AVE
COOPERATIVE, a California nonprofit mutual
benefit corporation; CALIFORNIA CANNABIS
GROUP, a California nonprofit mutual benefit
corporation; DEVILISH DELIGHTS, INC., a
California nonprofit mutual benefit corporation;
and DOES 1-100, inclusive,
Defendants.

CASE NO.: 37-2018-00034229-CU-BC-CTL

[PROPOSED] ORDER

Judge: Hon. Eddie C. Sturgeon
Dept: C-67
Date: September 27, 2018
Time: 8:30 a.m.

This matter came on for hearing on September 27, 2018 at 8:30 a.m. in Department C-67, the Honorable Judge Eddie C. Sturgeon, presiding, on the *ex parte* application of Defendants Ninus Malan, San Diego United Holdings Group, LLC, Balboa Ave Cooperative, Flip Management, LLC,

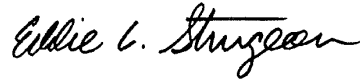
1 California Cannabis Group and Devilish Delights, Inc. (collectively "Malan Defendants"). Upon
2 reviewing the papers and records filed in this matter and taking into account argument by counsel at
3 the hearing, and good cause appearing,

4 NOW THEREFORE, IT IS HEREBY ORDERED, ADJUDGED AND DECREED:

- 5 1. Malan Defendants' request for an order requiring Receiver to execute a power-of-
6 attorney in favor of counsel for Malan Defendants is denied.
- 7 2. Plaintiffs, Plaintiffs-In-Intervention and Defendants shall meet and confer to prepare
8 a stipulated protective order for submission to the Court in this matter.
- 9 3. Receiver shall not utilize the services of accountant John Yaeger for any current or
10 future accounting or consulting services. Receiver is authorized to utilize the services of accountant
11 John Yaeger to assistance with the review of past accounting and operational activity.
- 12 4. Receiver is authorized to utilize the consulting services of Aaron Lachant of MMLG,
13 LLC. However, Mr. Lachant's consulting services shall cease after his \$10,000 initial retainer is
14 exhausted by the Receiver.
- 15 5. Sunrise Property Investments, LLC shall be within the scope of the forensic audit
16 conducted by accountant Brian Brinig in this matter. However, this expansion of the forensic audit
17 scope shall be stayed until Sunrise Property Investments, LLC retains counsel in this matter and
18 counsel is given the opportunity to address this potential expansion of the forensic audit with this
19 Court.
- 20 6. Any potential cost apportionment of the forensic audit between the parties in this
21 matters shall be determined at the hearing set for November 16, 2018 at 1:30 p.m.

22
23 IT IS SO ORDERED.

24 Dated: 10/17/2018, 2018



Judge of the Superior Court Eddie C Sturgeon

1 PROOF OF SERVICE

2 *Salam Razuki v. Ninus Malan, et al.*
3 *San Diego County Superior Court Case No. 37-2018-00034229-CU-BC-CTL*

4 I am employed in the County of San Diego, State of California. I am over the age of 18 and
5 am not a party to the within action. I am employed by Griswold Law, APC and my business address
is 444 S. Cedros Avenue, Suite 250, Solana Beach, California 92075.

6 On *October 25, 2018*, I served the documents described as **NOTICE OF ENTRY OF**
7 **ORDER** on each interested party, as follows:

8 **SEE ATTACHED SERVICE LIST**

9
10 **(VIA MAIL)** I placed a true and correct copy(ies) of the foregoing document in a sealed
11 envelope(s) addressed to each interested party as set forth above. I caused each such envelope, with
12 postage thereon fully prepaid, to be deposited with the United States Postal Service. I am readily
13 familiar with the firm’s practice for collection and processing of correspondence for mailing with the
United States Postal Service. Under that practice, the correspondence would be deposited with the
United States Postal Service on that same day with postage thereon fully prepaid in the ordinary
course of business.

14 **(VIA OVERNIGHT DELIVERY)** I enclosed the documents in an envelope or package provided
15 by an overnight delivery carrier and addressed to each interested party. I placed the envelope or
16 package for collection and overnight delivery in the overnight delivery carrier depository at Solana
Beach, California to ensure next day delivery.

17 X **(VIA ELECTRONIC MAIL)** I caused true and correct copy(ies) of the foregoing document(s)
18 to be transmitted via **One Legal e-service** to each interested party at the electronic service addresses
listed on the attached service list.

19 **(BY FACSIMILE)** I transmitted a true and correct copy(ies) of the foregoing documents via
20 facsimile.

21 I declare under penalty of perjury under the laws of the State of California that the foregoing
22 is true and correct. Executed on *October 25, 2018*, in Solana Beach, California.

23 
24 Katie Westendorf

SERVICE LIST

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Counsel for Plaintiff Salam Razuki

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Counsel for SoCal Building Ventures, LLC

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Salvatore Zimmitti, Esq.
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Email: rfuller@nelsonhardiman.com; szimmitti@nelsonhardiman.com

ATTORNEY OR PARTY WITHOUT ATTORNEY: STATE BAR NO.: 277861 NAME: Daniel Watts SBN 277861 Steven Blake SBN 235502 FIRM NAME: Galuppo & Blake STREET ADDRESS: 2792 Gateway Rd. Suite 102 CITY: Carlsbad STATE: CA ZIP CODE: 92009 TELEPHONE NO.: 760-431-4575 FAX NO.: 760-431-4579 E-MAIL ADDRESS: dwatts@galuppolaw.com ATTORNEY FOR (name): Appellants Ninus Malan, et. al.	ELECTRONICALLY FILED Superior Court of California, County of San Diego 10/30/2018 at 05:02:00 PM Clerk of the Superior Court By Greg Hohman, Deputy Clerk
SUPERIOR COURT OF CALIFORNIA, COUNTY OF SAN DIEGO STREET ADDRESS: 330 W Broadway MAILING ADDRESS: 330 W Broadway CITY AND ZIP CODE: San Diego 92101 BRANCH NAME: Central	
PLAINTIFF/PETITIONER: Salam Razuki DEFENDANT/RESPONDENT: Ninus Malan	CASE NUMBER: 37-2018-00034229-CU-BC-CTL
<input checked="" type="checkbox"/> NOTICE OF APPEAL <input type="checkbox"/> CROSS-APPEAL (UNLIMITED CIVIL CASE)	

Notice: Please read *Information on Appeal Procedures for Unlimited Civil Cases* (Judicial Council form APP-001) before completing this form. This form must be filed in the superior court, not in the Court of Appeal. A copy of this form must also be served on the other party or parties to this appeal. You may use an applicable Judicial Council form (such as APP-009 or APP-009E) for the proof of service. When this document has been completed and a copy served, the original may then be filed with the court with proof of service.

1. NOTICE IS HEREBY GIVEN that (name): Ninus Malan, et. al. (See Exhibit A for full list of appealing parties) appeals from the following judgment or order in this case, which was entered on (date): September 26, 2018
- Judgment after jury trial
 - Judgment after court trial
 - Default judgment
 - Judgment after an order granting a summary judgment motion
 - Judgment of dismissal under Code of Civil Procedure, §§ 581d, 583.250, 583.360, or 583.430
 - Judgment of dismissal after an order sustaining a demurrer
 - An order after judgment under Code of Civil Procedure, § 904.1(a)(2)
 - An order or judgment under Code of Civil Procedure, § 904.1(a)(3)–(13)
 - Other (describe and specify code section that authorizes this appeal):

2. For cross-appeals only:
- a. Date notice of appeal was filed in original appeal:
 - b. Date superior court clerk mailed notice of original appeal:
 - c. Court of Appeal case number (if known):

Date: October 30, 2018

Daniel Watts

 (TYPE OR PRINT NAME)



 (SIGNATURE OF PARTY OR ATTORNEY)

1 Steven W. Blake, Esq., SBN 235502
Andrew W. Hall, Esq., SBN 257547
2 Daniel Watts, Esq. SBN 277861
GALUPPO & BLAKE
3 A Professional Law Corporation
2792 Gateway Road, Suite 102
Carlsbad, California 92009
4 Phone: (760) 431-4575
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6 Gina M. Austin (SBN 246833)
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7 Tamara M. Leetham (SBN 234419)
E-mail: tamara@austinlegalgroup.com
8 AUSTIN LEGAL GROUP, APC
3990 Old Town Ave, Ste A-112
9 San Diego, CA 92110
Phone: (619) 924-9600
10 Facsimile: (619) 881-0045

11 Attorneys for Defendants
12

13 SUPERIOR COURT OF CALIFORNIA, COUNTY OF SAN DIEGO
14 CENTRAL DIVISION

15 SALAM RAZUKI, an individual,
16 Plaintiff,
17 vs.
18 NINUS MALAN, an individual; MONARCH
19 MANAGEMENT CONSULTING, INC., a
California corporation; SAN DIEGO UNITED
20 HOLDING GROUP, LLC, a California limited
liability company; MIRA ESTE
21 PROPERTIES, LLC, a California limited
liability company; ROSELLE PROPERTIES,
22 LLC, a California limited liability company;
23 and DOES 1-100, inclusive,
24 Defendants.
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Case No.: 37-2018-00034229-CU-BC-CTL
Assigned: Hon. Judge Sturgeon
Dept.: C-67
Exhibit A to Notice of Appeal

List of Appealing Parties

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List of Appealing Parties

- 1. Ninus Malan
- 2. San Diego United Holdings Group, LLC
- 3. Flip Management, LLC
- 4. California Cannabis Group
- 5. Balboa Ave Cooperative
- 6. Devilish Delights, Inc.

List of Appealing Parties

1 Steven W. Blake, Esq., SBN 235502
2 Andrew W. Hall, Esq., SBN 257547
3 Daniel Watts, Esq. SBN 277861
4 **GALUPPO & BLAKE**
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8 Phone: (760) 431-4575
9 Fax: (760) 431-4579

10 Attorneys for Defendant Ninus Malan

11 SUPERIOR COURT OF CALIFORNIA, COUNTY OF SAN DIEGO

12 CENTRAL DIVISION

13 SALAM RAZUKI, an individual,

14 Plaintiff,

15 vs.

16 NINUS MALAN, an individual; MONARCH
17 MANAGEMENT CONSULTING, INC., a
18 California corporation; SAN DIEGO
19 UNITED HOLDING GROUP, LLC, a
20 California limited liability company; MIRA
21 ESTE PROPERTIES, LLC, a California
22 limited liability company; ROSELLE
23 PROPERTIES, LLC, a California limited
24 liability company; and DOES 1-100,
25 inclusive,

26 Defendants.

27 AND ALL RELATED CROSS-ACTIONS

Case No.: 37-2018-00034229-CU-BC-CTL

PROOF OF SERVICE

I am employed in San Diego County. I am over the age of 18 and not a party to this action. My business address is 2792 Gateway Road, Suite 102, Carlsbad, California 92009.

PROOF OF SERVICE

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On **October 30, 2018**, I served the foregoing document(s) in this action described as:

NOTICE OF APPEAL

[X] addressed as follows:

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James Joseph
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Attorneys for Defendants and Cross-Complainants Mira Este Properties, LLC, Monarch Management Consulting, Inc. and Chris Hakim

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San Diego, CA 92108

Attorneys for Court-Appointed Receiver

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Co-Counsel for Ninus Malan

Gina Austin

Tamara M. Leetham

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San Diego, CA 92110

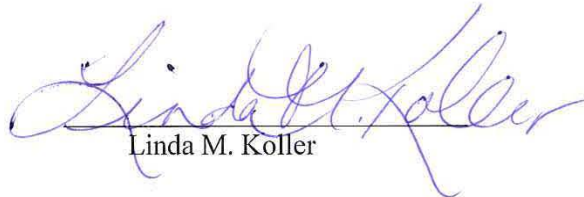
gaustin@austinlegalgroup.com

tamara@austinlegalgroup.com

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6 [X] **VIA ELECTRONIC FILING SERVICE:** Complying with Code of Civil Procedure
7 section 1010.6, my electronic business address is lkoller@galuppolaw.com and I caused
8 such document(s) to be electronically served through the e-service system for the above
9 entitled case to those parties on the Service List maintained on its website for this case.
The file transmission was reported as complete and a copy of the Filing/Service Receipt
will be maintained with the original document(s) in our office.

10 [X] **BY U.S. MAIL** I deposited such envelopes in the mail at Carlsbad, California. The
11 envelopes were mailed with postage thereon fully prepaid. I am readily familiar with
12 GALUPPO & BLAKE's practice of collection and processing correspondence for
13 mailing. Under that practice, documents are deposited with the United States Postal
Service on the same day which is stated in the proof of service, with postage fully prepaid
at Carlsbad, California in the ordinary course of business.

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16 Executed on **October 30, 2018** at Carlsbad, California

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19 Linda M. Koller

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PROOF OF SERVICE

1 Charles F. Goria, Esq. (SBN68944)
2 GORIA, WEBER & JARVIS
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4 San Diego, CA 92108
5 Tel.: (619) 692-3555
6 Fax: (619) 296-5508
7 Email: chasgoria@gmail.com
8 Attorneys for Defendants CHRIS HAKIM
9 MIRA ESTE PROPERTIES LLC, and
10 ROSELLE PROPERTIES LLC

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SUPERIOR COURT OF THE STATE OF CALIFORNIA
COUNTY OF SAN DIEGO, CENTRAL DIVISION

SALAM RAZUKI, an individual
Plaintiff,

vs.

NINUS MALAN, an individual; CHRIS
HAKIM, an individual; MONARCH
MANAGEMENT CONSULTING, INC.,
California corporation; SAN DIEGO
UNITED HOLDINGS GROUP, LLC, a
California limited liability company; FLIP
MANAGEMENT, LLC, a California limited
liability company; MIRA ESTE
PROPERTIES LLC, a California limited
liability company; ROSELLE
PROPERTIES, LLC, a California limited
liability company; BALBOA AVE
COOPERATIVE, a California nonprofit
mutual benefit corporation; CALIFORNIA
CANNABIS GROUP, a California nonprofit
mutual benefit corporation; DEVILISH
DELIGHTS, INC. a California nonprofit
mutual benefit corporation; and DOES 1-
100, inclusive;

Defendants.

AND RELATED CROSS-COMPLAINTS

AND COMPLAINT IN INTERVENTION.

) Case No.: 37-2018-00034229-CU-BC-CTL

) (Unlimited Civil Action)

)
) **ANSWER OF DEFENDANTS CHRIS**
) **HAKIM, MIRA ESTE PROPERTIES LLC,**
) **AND ROSELLE PROPERTIES LLC TO**
) **UNVERIFIED COMPLAINT IN**
) **INTERVENTION**

) Dept.: C-67

) I/C Judge: Hon. Eddie C. Sturgeon

) Complaint Filed: July 10, 2018

) Trial Date: Not Set

) IMAGED FILE

1 COMES NOW, defendants CHRIS HAKIM, MIRA ESTE PROPERTIES LLC, and
2 ROSELLE PROPERTIES LLC, and severing themselves from their Co-Defendants, answer the
3 unverified Complaint in Intervention (“Complaint”) on file herein by denying, pursuant to Code of
4 Civil Procedure Section 431.30(d), generally and specifically each and all allegations thereof.

5
6 **FIRST AFFIRMATIVE DEFENSE**
(Failure to State Cause of Action)

7 As a further, separate and First Affirmative Defense, Defendants allege that the Complaint,
8 and each and every purported cause of action therein alleged, fails to state facts sufficient to
9 constitute a cause of action against these answering Defendants.

10
11 **SECOND AFFIRMATIVE DEFENSE**
(Comparative Negligence)

12 As a further, separate and Second Affirmative Defense, Defendants allege that the
13 Complaint, and each and every purported cause of action therein alleged, are barred by reason that
14 at the time and place of the incidents alleged, Plaintiff-in-Intervention or its agents did not exercise
15 ordinary and reasonable care, caution or prudence to avoid such incidents or to protect themselves
16 from damage or injury, and the resulting damage, if any, sustained by Plaintiff-in-Intervention
17 and/or its agents was proximately caused and contributed to by the comparative negligence of
18 Plaintiff-in-Intervention and/or its agents.

19
20 **THIRD AFFIRMATIVE DEFENSE**
(Breach by Plaintiff-in-Intervention)

21
22 As a further, separate and Third Affirmative Defense, Defendants allege that the Complaint,
23 and each and every purported cause of action therein alleged, are barred by reason that any failure
24 on the part of these answering Defendants to perform the obligations as alleged in said Complaint
25 are excused by the breaches of Plaintiff-in-Intervention and/or its agents or representatives in
26 failing, refusing and neglecting to perform their obligations under the subject statutes and/or

1 agreements and/or otherwise, which performance by Plaintiff-in-Intervention and/or its agents was
2 and is a condition precedent to any obligation of these answering Defendants.
3

4 **FOURTH AFFIRMATIVE DEFENSE**
5 (Privilege)

6 As a further, separate and Fourth Affirmative Defense, Defendants allege that the
7 Complaint, and each and every purported cause of action therein alleged, is barred by reason that
8 the alleged acts and conduct of these answering Defendants were and are privileged.

9 **FIFTH AFFIRMATIVE DEFENSE**
10 (Statute of Limitations)

11 As a further, separate and Fifth Affirmative Defense, these answering Defendants allege that
12 the Complaint, and each and every purported cause of action therein alleged, are barred by the
13 Statute of Limitations, including but not limited to Code of Civil Procedure Sections 337, 338, 339,
14 340, and 343.

15 **SIXTH AFFIRMATIVE DEFENSE**
16 (Waiver)

17 As a further, separate and Sixth Affirmative Defense, Defendants allege that the Complaint,
18 and each and every purported cause of action therein alleged, are barred by reason that Plaintiff-in-
19 Intervention and/or its agents waived any and all rights it may have had under the purported
20 agreement or agreements and/or statute or statutes by failing, refusing, and neglecting to properly
21 perform their obligations thereunder and by undertaking other conduct, the exact nature of which
22 will be inserted herein by amendment or proved at the time of trial.

23 **SEVENTH AFFIRMATIVE DEFENSE**
24 (Estoppel)

25 As a further, separate and Seventh Affirmative Defense, Defendants allege that the
26 Complaint, and each and every purported cause of action therein alleged, are barred in that Plaintiff-

1 in-Intervention and/or its agents are estopped to assert any breach of any obligations by these
2 answering Defendants by reason of the affirmative malfeasance, misfeasance, or intentional
3 misconduct of Plaintiff-in-Intervention and/or its agents, which conduct or omissions estops them
4 from asserting any breach of obligation by these answering Defendants.
5

6 **EIGHTH AFFIRMATIVE DEFENSE**
7 (Failure to Give Adequate Notice)

8 As a further, separate and Eighth Affirmative Defense, Defendants allege that the
9 Complaint, and each and every purported cause of action therein alleged, are barred by reason that
10 Plaintiff-in-Intervention and/or its agents failed to give reasonable, timely, sufficient and adequate
11 notice relative to the alleged damage or injury complained of, and that by reason thereof, the
12 Complaint and each and every cause of action alleged therein are barred as against these answering
13 Defendants.

14 **NINTH AFFIRMATIVE DEFENSE**
15 (Lack of Basis for Remedies Alleged)

16 As a further, separate and Ninth Affirmative Defense, these answering Defendants allege
17 that the injuries and damages complained of by Plaintiff-in-Intervention do not accurately reflect the
18 actual injuries and damages, if any, sustained by Plaintiff-in-Intervention, and by reason thereof, the
19 remedies requested by Plaintiff-in-Intervention are barred.

20 **TENTH AFFIRMATIVE DEFENSE**
21 (Third-Party Negligence)

22 As a further, separate and Tenth Affirmative Defense, these answering Defendants allege
23 that the losses and damages complained of by Plaintiff-in-Intervention, if any, were proximately
24 caused by the sole negligence, acts, omissions and faults of parties, individuals and organizations
25 other than these answering Defendants.
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ELEVENTH AFFIRMATIVE DEFENSE
(Lack of Compliance with Statutory Obligations)

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As a further, separate and Eleventh Affirmative Defense, these answering Defendants allege that Plaintiff-in-Intervention and/or its agents have failed to comply with the applicable statutory provisions for asserting the causes of action alleged in the Complaint, and accordingly, are barred from asserting said claims in this action.

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TWELFTH AFFIRMATIVE DEFENSE
(Failure to Mitigate)

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As a further, separate and Twelfth Affirmative Defense, these answering Defendants allege that the Complaint, and each and every purported cause of action therein alleged, is barred by reason of the failure to mitigate damages and injuries by Plaintiff-in-Intervention and/or its agents.

THIRTEENTH AFFIRMATIVE DEFENSE
(Laches)

As a further, separate and Thirteenth Affirmative Defense, Defendants allege that the Complaint, and each and every purported cause of action therein alleged, is barred by reason that Plaintiff-in-Intervention and/or its agents delayed an unreasonable period of time before asserting any purported rights under said statute or statutes or agreement or agreements, which delay has been prejudicial to Defendants. That by reason thereof, and based on the doctrine of laches, said causes of action alleged in the Complaint are barred.

FOURTEENTH AFFIRMATIVE DEFENSE
(Assumption of Risk)

As a further, separate and Fourteenth Affirmative Defense, Defendants allege that the Complaint, and each and every purported cause of action therein alleged, are barred by reason that Plaintiff-in-Intervention and/or its agents, with full knowledge of all risks attendant thereto, voluntarily and knowingly assumed any and all risks attendant upon the conduct referred to in said Complaint, and all purported damages alleged to be related thereto were proximately caused

1 thereby. Alternatively, Defendants allege that any damages suffered by Plaintiff-in-Intervention
2 should be reduced based upon the comparative fault, negligence, and carelessness of Plaintiff-in-
3 Intervention and/or its agents.
4

5 **FIFTEENTH AFFIRMATIVE DEFENSE**
6 (Unclean Hands/In pari delicto)

7 As a further, separate and Fifteenth Affirmative Defense, Defendants allege that the
8 Complaint, and each and every purported cause of action therein alleged, are barred in that Plaintiff-
9 in-Intervention and/or its agents are guilty of wrongful misconduct and/or omissions in connection
10 with the transaction(s) or event(s) forming the basis of this litigation and should therefore be barred
11 from all legal or equitable relief requested in the Complaint or otherwise by reason of their unclean
12 hands and by the doctrine of in pari delicto.

13 **SIXTEENTH AFFIRMATIVE DEFENSE**
14 (Lack of Privity)

15 As a further, separate and Sixteenth Affirmative Defense, these answering Defendants allege
16 that the Complaint, and each and every purported cause of action therein alleged, are barred in that
17 Plaintiff-in-Intervention was not and is not in privity of contract with these answering Defendants.

18 **SEVENTENTH AFFIRMATIVE DEFENSE**
19 (Reasonable Grounds for Actions)

20 As a further, separate and Seventeenth Affirmative Defense, Defendants allege that penalties
21 and/or punitive damages should be denied or reduced because any acts or omissions of
22 Defendants were in good faith and Defendant had reasonable grounds for believing that the acts
23 or omissions did not violate any statutes or other laws relating to the matters alleged in the
24 Complaint.
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1 **EIGHTEENTH AFFIRMATIVE DEFENSE**
2 (Good Faith)

3 As a further, separate and Eighteenth Affirmative Defense, these answering Defendants
4 allege that the Complaint and each and every purported claim therein alleged are barred in that each
5 and every act and/or omission alleged against these answering Defendants was done or omitted in
6 good faith and in conformity with the law, that defendant had reasonable grounds for believing
7 that its conduct did not violate any provision of the purported applicable codes of the State of
8 California, and that any purported violation of any statute or statutes as alleged in the Complaint
9 was unintentional.

10 **NINETEENTH AFFIRMATIVE DEFENSE**
11 (Statute of Frauds)

12 As a further, separate and Nineteenth Affirmative Defense, Defendants allege that the
13 Complaint, and each and every purported cause of action therein alleged, is barred by the Statute of
14 Frauds, including but not limited to Civil Code Section 1624.

15 **TWENTIETH AFFIRMATIVE DEFENSE**
16 (Accord and Satisfaction)

17 As a further, separate and Twentieth Affirmative Defense, Defendants allege that prior to
18 the commencement of the within action, a bona fide dispute existed between real party in interest
19 and defendant as to the matters alleged in the Complaint, and prior to the commencement of the
20 within action, plaintiff and these answering Defendants entered into an accord and satisfaction,
21 by the terms of which any and all obligations allegedly owed by these answering Defendants
22 were satisfied and discharged, and that by reason thereof, the Complaint, and each and every
23 purported cause of action therein alleged, are barred.

24 **TWENTY-FIRST AFFIRMATIVE DEFENSE**
25 (Ratification)

1 As a further, separate and Twenty First Affirmative Defense, Defendants allege that
2 Plaintiff-in-Intervention acknowledged, ratified, consented to and acquiesced in the alleged acts or
3 omissions, if any, of these answering Defendants, thus barring plaintiff from any relief as prayed for
4 herein.

5
6 **TWENTY-SECOND AFFIRMATIVE DEFENSE**
7 (Intervening/Supervening Acts)

8 As a further, separate and Twenty Second Affirmative Defense, Defendants allege that
9 plaintiff is barred from recovery because any injuries or damages alleged by plaintiff, if any, were
10 the result of new, independent, intervening, or superseding causes that are unrelated to any conduct
11 of the defendants. Any action on the part of these answering Defendants was not the proximate or
12 producing cause of any alleged injuries or damages plaintiff claims were sustained. Such
13 intervening acts or omissions require that any recovery in favor of plaintiff must be apportioned
14 among all parties and entities responsible for plaintiff's damages, if any.

15 **TWENTY-THIRD AFFIRMATIVE DEFENSE**
16 (Discharge of Duties)

17 Defendants are informed and believes and thereon allege that, prior to the commencement of
18 this action, Defendants duly performed, paid, satisfied, and/or otherwise discharged all of their
19 duties and obligations arising out of applicable law. Therefore Defendants allege that any alleged
20 failure to perform any statutory or other obligations was excused and/or prevented by the actions
21 and/or omissions of plaintiff and/or other parties.

22 **TWENTY-FOURTH AFFIRMATIVE DEFENSE**
23 (Impossibility)

24 Defendants allege that any duty or obligation they may have had to perform to the benefit of
25 plaintiff were rendered impossible to perform due to the conduct of plaintiff or other persons and
26 facts outside of Defendant's control.

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2 **TWENTY-FIFTH AFFIRMATIVE DEFENSE**
3 (Legitimate, Good Faith Business Reasons)

4 Defendants' actions involving Plaintiff-in-Intervention, if any, were based solely on
5 legitimate, good- faith, non-discriminatory business reasons.

6 **TWENTY-SIXTH AFFIRMATIVE DEFENSE**
7 (Injuries Caused by Others)

8 Defendants allege that any injuries or damages alleged by plaintiff, if any, were caused, in
9 whole or in part, by the acts or omissions of others, for whose conduct Defendants are not
10 responsible.

11 **TWENTY-SEVENTH AFFIRMATIVE DEFENSE**
12 (Additional Defenses)

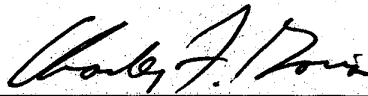
13 Defendants allege that they may have other, separate, and additional defenses of which they
14 are not presently aware, and hereby reserve the right to assert them by amendment to this answer, as
15 allowed and permitted under California law.

16 WHEREFORE, defendants pray as follows:

- 17 1. That plaintiff takes nothing by way of its suit;
18 2. For reasonable attorney's fees and costs of suit incurred herein; and,
19 3. For such other and further relief as the court deems proper.

20 Gorias, Weber & Jarvis

21
22 Dated: November 1, 2018

23 
24 Charles F. Gorias
25 Attorneys for Defendants
26 CHRIS HAKIM,
27 MIRA ESTE PROPERTIES LLC,
and ROSELLE PROPERTIES LLC,

2 **PROOF OF SERVICE**

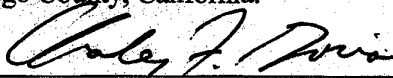
3 I, Charles F. Gorla, declare that: I am, and was at the time of service of the papers herein
4 referred to, over the age of eighteen years, not a party to this action, and am employed in the County
5 of San Diego, California, in which County the within mentioned mailing occurred. My business
address is 1011 Camino del Rio South, Suite 210, San Diego, California 92108. I served the
following document(s):

6 Answer by Chris Hakim, Roselle Properties LLC, and Mira Este Properties LLC to
7 Complaint in Intervention
on the following addressees:

8 Steven A. Elia (steve@elialaw.com) 9 Maura Griffin (maura@elialaw.com) 10 James Joseph (james@elialaw.com) 11 Law Offices of Steven Elia 12 2221 Camino del Rio S., #207 13 San Diego, CA 92108 14 Tel. (619) 444-2244 15 Fax (619) 440-2233 16 Attorneys for Plaintiff	Robert Fuller (rfuller@nelsonhardiman.com) Salvatore J. Zimmitt (szimmitt@nelsonhardiman.com) Nelson Hardiman LLP 11835 West Olympic Blvd., Suite 900 Los Angeles, CA 90064 Tel. (310) 203-2807 Fax (310) 203-2727 Attorneys for SoCal Building Ventures LLC
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Daniel Watts dwatts@galuppolaw.com Lou Galuppo lgaluppo@galuppolaw.com	Matt Mahoney Esq. (mahoney@wmalawfirm.com)

22 **XX VIA ELECTRONIC FILING SERVICE:** Complying with Code of Civil
23 Procedure section 1010.6, my electronic business address is chasgoria@gmail.com and I caused such
24 document(s) to be electronically served through the One Legal e-service system for the above
entitled case to those parties on the Service List maintained on its website for this case on November
25 2, 2018. The file transmission was reported as complete and a copy of the Filing/Service Receipt
will be maintained with the original document(s) in our office.

26 I declare under penalty of perjury that the foregoing is true and correct, and that this
declaration was executed on November 2, 2018, at San Diego County, California.

27 
28 Charles F. Gorla

ATTORNEY OR PARTY WITHOUT ATTORNEY: STATE BAR NO.: SBN68944 NAME: Charles F. Gorla, Esq. FIRM NAME: Gorla, Weber & Jarvis STREET ADDRESS: 1011 Camino del Rio South, Suite 210 CITY: San Diego STATE: CA ZIP CODE: 92108 TELEPHONE NO.: 619-692-3555 FAX NO.: 619-296-5508 E-MAIL ADDRESS: chasgorla@gmail.com ATTORNEY FOR (name): Defs. Chris Hakim, Roselle Properties LLC, Mira Este Properties LLC	FOR COURT USE ONLY
SUPERIOR COURT OF CALIFORNIA, COUNTY OF San Diego STREET ADDRESS: 330 W. Broadway MAILING ADDRESS: 330 W. Broadway CITY AND ZIP CODE: San Diego, CA 92101 BRANCH NAME: Central Division (Hall of Justice)	
PLAINTIFF/PETITIONER: SALAM RAZUKI DEFENDANT/RESPONDENT: NINUS MALAN ET AL.	
<input type="checkbox"/> NOTICE OF APPEAL <input checked="" type="checkbox"/> CROSS-APPEAL (UNLIMITED CIVIL CASE)	CASE NUMBER: 37-2018-00034229-CU=BC-CTL

Notice: Please read *Information on Appeal Procedures for Unlimited Civil Cases* (Judicial Council form APP-001) before completing this form. This form must be filed in the superior court, not in the Court of Appeal. A copy of this form must also be served on the other party or parties to this appeal. You may use an applicable Judicial Council form (such as APP-009 or APP-009E) for the proof of service. When this document has been completed and a copy served, the original may then be filed with the court with proof of service.

1. NOTICE IS HEREBY GIVEN that (name): Chris Hakim, Roselle Properties LLC, Mira Este Properties LLC appeals from the following judgment or order in this case, which was entered on (date): September 26, 2018
- Judgment after jury trial
 - Judgment after court trial
 - Default judgment
 - Judgment after an order granting a summary judgment motion
 - Judgment of dismissal under Code of Civil Procedure, §§ 581d, 583.250, 583.360, or 583.430
 - Judgment of dismissal after an order sustaining a demurrer
 - An order after judgment under Code of Civil Procedure, § 904.1(a)(2)
 - An order or judgment under Code of Civil Procedure, § 904.1(a)(3)-(13)
 - Other. (describe and specify code section that authorizes this appeal):

2. For cross-appeals only:
- a. Date notice of appeal was filed in original appeal: October 30, 2018
 - b. Date superior court clerk mailed notice of original appeal:
 - c. Court of Appeal case number (if known):

Date: November 2, 2018

Charles F. Gorla
(TYPE OR PRINT NAME)


(SIGNATURE OF PARTY OR ATTORNEY)

Form Approved for Optional Use
 Judicial Council of California
 APP-002 (Rev. January 1, 2017)

NOTICE OF APPEAL/CROSS-APPEAL (UNLIMITED CIVIL CASE)
(Appellate)

Page 1 of 1
 Cal. Rules of Court, rule 8.100
 www.courts.ca.gov

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1 Charles F. Gorla, Esq. (SBN68944)
GORIA, WEBER & JARVIS
2 1011 Camino del Rio South, Suite 210
San Diego, CA 92108
3 Tel.: (619) 692-3555
Fax: (619) 296-5508

4 Attorneys for Defendants
5 Chris Hakim, Mira Este Properties, LLC
Monarch Management Consulting, Inc.
6 Roselle Properties, LLC

7 **SUPERIOR COURT OF THE STATE OF CALIFORNIA**
8 **COUNTY OF SAN DIEGO, CENTRAL DIVISION**

10	SALAM RAZUKI, an individual)	Case No.: 37-2018-00034229-CU-BC-CTL
11	Plaintiff,)	(Unlimited Civil Action)
12	vs)	PROOF OF SERVICE
13)	
14	NINUS MALAN, an individual; CHRIS)	
15	HAKIM, an individual; MONARCH)	
16	MANAGEMENT CONSULTING, INC.,)	
17	California corporation; SAN DIEGO)	
18	UNITED HOLDINGS GROUP, LLC, a)	Dept.: C-67
19	California limited liability company; FLIP)	I/C Judge: Hon. Eddie C. Sturgeon
20	MANAGEMENT, LLC, a California limited)	
21	liability company; MIRA ESTE)	
22	PROPERTIES LLC, a California limited)	Complaint Filed: July 10, 2018
23	liability company; ROSELLE PROPERTIES,)	Trial Date: Not Set
24	LLC, a California limited liability company;)	
25	BALBOA AVE COOPERATIVE, a)	
26	California nonprofit mutual benefit)	
27	corporation; CALIFORNIA CANNABIS)	
	GROUP, a California nonprofit mutual)	
	benefit corporation; DEVILISH DELIGHTS,)	
	INC. a California nonprofit mutual benefit)	
	corporation; and DOES 1-100, inclusive;)	IMAGED FILE
	Defendants.)	

26 I, Charles F. Gorla, declare that: I am, and was at the time of service of the papers herein

1 referred to, over the age of eighteen years, not a party to this action, and am employed in the County
2 of San Diego, California, in which County the within mentioned mailing occurred. My business
3 address is 1011 Camino del Rio South, Suite 210, San Diego, California 92108.

4 I served the following document(s):

- 5 • Notice of Cross-Appeal

6 on the following addressees:

<p>7 Steven A. Elia, Esq. (steve@elialaw.com) Maura Griffin, Esq. (maura@elialaw.com) James Joseph, Esq. (james@elialaw.com) 8 Law Offices of Steven Elia 2221 Camino del Rio S., #207 9 San Diego, CA 92108 Tel. (619) 444-2244 10 Fax (619) 440-2233 11 Attorneys for Plaintiff</p>	<p>Robert Fuller, Esq. (rfullerAnelsonhardiman.com) Salvatore J. Zimmitt, Esq. (szimmitt@nelsonhardiman.com) Nelson Hardiman LLP 11835 West Olympic Blvd., Suite 900 Los Angeles, CA 90064 Tel. (310) 203-2807 Fax (310) 203-2727 Attorneys for SoCal Building Ventures LLC</p>
<p>12 Gina M. Austin, Esq. (gaustin@austinlegalgroup.com) 13 Tamara M. Leetham, Esq. (tamara@austinlegalgroup.com) Austin legal Group 14 3990 Old Town Avenue, Suite A-112 San Diego, CA 92110 15 Tel. (619) 924-9600 16 Fax. (619) 881-0045 Attorneys for Defendants Ninus Malan et al.</p>	<p>Richardson C. Griswold, Esq. (rgriswold@griswoldlawsandiego.com) Griswold Law 444 S. Cedros Avenue, Suite 250 Solana Beach, CA 92075 Tel. (858) 481-1300 Fax. (888) 624-9177 Attorney for Receiver Michael Essary</p>
<p>17 Daniel Watts, Esq. dwatts@galuppolaw.com 18 Lou Galuppo, Esq. lgaluppo@galuppolaw.com 19 Galuppo & Blake 2792 Gateway Road, Suite 102 20 Carlsbad, CA 92009 21 Tel.No. 760-431-4575 22 Fax No. 760-431-4579 Attorneys for Defendants Ninus Malan et al.</p>	

23 **XX (VIA ELECTRONIC FILING SERVICE)** Complying with Code of Civil
24 Procedure section 1010.6, my electronic business address is chasgoria@gmail.com and I caused such
25 document(s) to be electronically served through the e-service system of One Legal for the above
26 entitled case to those parties on the Service List maintained on its website for this case on November
27 2, 2018. The file transmission was reported as complete and a copy of the Filing/Service Receipt
will be maintained with the original document(s) in our office.

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XX (BY MAIL) by placing a copy thereof in a separate envelope for each said addressee, addressed to each such addressee at the address indicated above. I then sealed each envelope, and with the postage thereon fully prepaid, deposited each in the United States Mail at San Diego County, California, on November 2, 2018.

I declare under penalty of perjury that the foregoing is true and correct. Executed on November 2, 2018 at San Diego County, California.



CHARLES F. GORIA

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Andrew W. Hall, Esq., SBN 257547
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11 Attorneys for Defendants

12
13 SUPERIOR COURT OF CALIFORNIA, COUNTY OF SAN DIEGO
14 CENTRAL DIVISION

15 SALAM RAZUKI, an individual,
16 Plaintiff,
17 vs.
18 NINUS MALAN, an individual; MONARCH
19 MANAGEMENT CONSULTING, INC., a
California corporation; SAN DIEGO UNITED
20 HOLDING GROUP, LLC, a California limited
liability company; MIRA ESTE
21 PROPERTIES, LLC, a California limited
liability company; ROSELLE PROPERTIES,
22 LLC, a California limited liability company;
23 and DOES 1-100, inclusive,
24 Defendants.
25

Case No.: 37-2018-00034229-CU-BC-CTL
Assigned: Hon. Judge Sturgeon
Dept.: C-67
**Notice of Ex Parte Application and
Application of Ninus Malan, Monarch, San
Diego United Holdings Group, Balboa Ave
Cooperative, Devilish Delights, and
California Cannabis Group for order
setting appellate bond amount**
Date: November 6, 2018
Time: 8:30 a.m.
Judge: Sturgeon
Dept.: C-67

ELECTRONICALLY FILED
Superior Court of California,
County of San Diego
11/05/2018 at 10:26:00 AM
Clerk of the Superior Court
By Richard Day, Deputy Clerk

Ex Parte Application to Set Appellate Bond Amount

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Ex Parte Notice

Defendants Ninus Malan, Monarch, San Diego United Holdings Group, Balboa Ave Cooperative, Devilish Delights, and California Cannabis Group apply for an order setting the appellate bond amount for their pending appeal of the preliminary injunction order issued on September 26, 2018 appointing Michael Essary as receiver, and staying the order until the bond is posted. Defendants also ask the court to order Plaintiff to post an additional bond of \$800,000 to keep the September 26th order in place. The application is based on this notice, memorandum of points and authorities, supporting declarations, and any evidence presented at or before the hearing.

Counsel for the moving defendants gave ex parte notice via email to all parties and the receiver in this action on November 5, 2018 at 7:28 a.m. See *Decl. Daniel Watts*.

The hearing will happen on November 6, 2018 at 8:30 a.m. in Department C-67 of the Superior Court for the County of San Diego at 330 W. Broadway, San Diego, CA in front of the honorable Judge Eddie Sturgeon.

Dated: November 5, 2018



Daniel Watts
Steven W. Blake
GALUPPO & BLAKE, APLC
Attorneys for Defendant Ninus Malan

1 **Summary**

2 Defendants have appealed this court’s September 26th order issuing a preliminary
3 injunction appointing a receiver. This application asks the court to set the amount of
4 undertaking to stay the court’s order during the appeal. The undertaking must account for the
5 likely damage the respondent – Plaintiff Salam Razuki – would incur if the receiver is removed
6 during the appeal. Among the factors to consider are the appellants’ net worth, the harm the
7 respondent would incur if the receiver is removed, and the respondent’s likelihood of success
8 on the merits of his claim.

9 Factor 1: The moving defendants are indigent companies, including two member-
10 owned cooperatives and not-for-profit mutual benefit corporations. Far from profitable,
11 Devilish Delights, Inc. and Balboa Ave Cooperative are legally bound *not* to earn a profit.
12 They cannot post a bond without taking out a loan. It is inequitable to set anything more than a
13 nominal bond for an appellant with no assets.

14 The for-profit appellants are in no better shape. Their combined gross revenue of about
15 \$200,000 per month barely covers expenses. When the receiver’s \$25,000 to \$50,000 bills are
16 included, they are suffering a 25 percent monthly loss. They are in ever-increasing debt, as the
17 receiver himself admits, having filed a request to take out a \$600,000 loan to cover *short-term*
18 expenses. Requiring more than a nominal undertaking would be inequitable.

19 Factor 2: Plaintiff-Respondent Salam Razuki would suffer no damages if the receiver is
20 removed. First, the companies in receivership do not earn a profit; they operate at a loss. If the
21 receiver is removed, they are in better shape, not worse. Removing the receiver gives them
22 room to breathe and pay down their debts. The receiver is a burden they cannot sustain, and
23 removing him helps anyone with an interest in them.

24 But more importantly, Plaintiff does not claim to have an ownership interest in any of
25 the companies in receivership. He claims only a partial interest in the profits *and losses* of RM
Property Holdings, LLC. RM Property Holdings, *not* Plaintiff, has a potential claim to some of
the shares in *some* of the companies in receivership. And since those companies are losing

1 money every day, RM Property Holdings will also lose money if it ever acquires an interest in
2 those companies. Plaintiff, entitled to 75 percent of the *losses* of RM Property Holdings, will
3 suffer no losses if the receiver is gone. Throughout this litigation, Plaintiff has *not once* alleged
4 that RM Property Holdings is profitable. In his complaint, Plaintiff actually asks to dissolve
5 RM Property Holdings, the only company in which he claims a theoretical ownership interest.

6 Factor 3: Respondent has no likelihood of success on the merits of his claim. His
7 complaint alleges a claim for breach of contract. He claims Defendant Ninus Malan agreed to
8 transfer Malan's shares in Defendant companies to RM Property Holdings – but only after
9 Plaintiff and Malan conduct an accounting of their finances, capitalize RM Property Holdings,
10 and Plaintiff transfers his *own* shares in two other companies (Sunrise and Super 5) into the
11 holding company. These are necessary conditions precedent to Malan's duty to transfer his
12 shares. But Plaintiff has not shown that Plaintiff transferred his shares in Sunrise or Super 5, or
13 that they finished an accounting, or that they capitalized RM Property Holdings, or that
14 Plaintiff or Malan actually own any of the shares they're supposed to transfer. He hasn't tried
15 to prove any of these, and each element is necessary to show he is likely to succeed.

16 Finally, the Plaintiff's claims fail because they are based on a contract that was illegal
17 at the time it was signed, since it sought to divvy up the proceeds from marijuana operations. In
18 2017, contracts dealing with marijuana were void as against public policy. The receivership
19 order, which assumed Plaintiff could succeed on a void contract, was void at its inception.

20 To get a receiver appointed, Plaintiff also needed to show a danger to Plaintiff's
21 property. Plaintiff does not own and does not claim to own any of the Defendants – he claims
22 ownership to the *losses* of RM Property Holdings, LLC, a completely different company.
23 Incidentally, it is literally impossible for Plaintiff to own part of Balboa Ave Cooperative, a
24 member-owned mutual benefit corporation. Because Plaintiff does not claim to own the actual
25 companies in receivership, he has no property that would hypothetically be put at risk without
a receiver.

1 **Argument**

2 Perfecting an appeal stays enforcement of an order appointing a receiver if “an
3 **undertaking in a sum fixed by the trial court** is given on condition that if the judgment or
4 order is affirmed or the appeal is withdrawn, or dismissed, the appellant will pay all damages
5 which the respondent may sustain by reason of the stay.” Code Civ. Proc., § 917.5. The trial
6 court has a duty to fix the amount of the bond, and failure to fix it upon application by the
7 appellant is reversible error. *Rondos v. Superior Court, Solano County* (1957) 150 Cal.App.2d
8 304, 305 (“It appears that the court refused to fix the stay bond because the application asserted
9 that it was based, among other grounds, on the ground that the plaintiff was not entitled to the
10 appointment of a receiver. ...That refusal amounted to refusal to perform a duty cast upon the
11 respondent court by the law and warrants the issuance of this court's peremptory writ.”).

12 **A. Undertaking to stay order appointing receiver should be nominal because**
13 **appellants are indigent.**

14 “The court may, in its discretion, waive a provision for a bond in an action or
15 proceeding and make such orders as may be appropriate as if the bond were given, if the court
16 determines that the principal is unable to give the bond because the principal is indigent and is
17 unable to obtain sufficient sureties, whether personal or admitted surety insurers. In exercising
18 its discretion the court shall take into consideration all factors it deems relevant, including but
19 not limited to the character of the action or proceeding, the nature of the beneficiary, whether
20 public or private, and the potential harm to the beneficiary if the provision for the bond is
21 waived.” Code Civ. Proc., § 995.240.

22 The receiver himself will tell the court that the companies in receivership are indigent.
23 In his own ex parte application filed two weeks ago, he asks for permission to take out a
24 \$600,000 loan because Defendants cannot pay their immediate operating expenses while
25 simultaneously bearing the cost of the receiver, receiver’s counsel, and forensic audit. *See*
Decl. Austin, Exhibit D. Plaintiff Razuki says these companies are more than a million dollars

1 in debt. *See generally, Complaint.* Defendant Malan says the same thing. So does SoCal. The
2 Balboa companies run a deficit every month and have unpaid bills, including their mortgage,
3 loans owed to people who subsidized them earlier this year, and more than \$150,000 in sales
4 taxes that SoCal was supposed to pay while SoCal was managing them. The companies are
5 indigent.

6 Two of the companies will always be indigent because they are legally barred from
7 making a profit. Devilish Delights, Inc. and Balboa Ave Cooperative are not-for-profit mutual
8 benefit corporations who operate for the benefit of their members, and have no stock holders.
9 They do not earn profits, and they have no money to post an undertaking.

10 The companies meet the elements of §995.240, so the court should stay the preliminary
11 injunction during the appeal without a bond. Alternatively, the court should set a bond at a
12 nominal amount – no more than \$500 – because of the Defendants’ financial state.

13 **B. Undertaking should be nominal because respondent Plaintiff Razuki will not**
14 **suffer injury if the receiver is removed.**

15 This receiver’s job is to “to preserve the property or rights of any party.” Code Civ.
16 Proc. §564(b). The only problem is, the Defendants in receivership are not Plaintiff’s property.
17 Plaintiff claims he will someday have the right to 75 percent of the profits and losses of RM
18 Property Holdings, a company which is not a plaintiff in this action. It is RM Property
19 Holdings that has a potential claim to some of the Defendants, not Plaintiff Razuki. Defendants
20 are *not Plaintiff’s property* – and Plaintiff’s complaint does not allege that they are. If we
21 accept 100 percent of Plaintiff’s allegations, he will have the right to share in the losses of RM
22 Property Holdings *after* he performs an accounting of his and Malan’s assets, pays money to
23 capitalize RM Property Holdings, and transfers his own shares in Sunrise and Super 5 to RM
24 Property Holdings – *not before*. But even if he emerges victorious, triumphant in his ability to
25 share in the losses of RM Property Holdings, the companies in receivership will not be his
property. They will be owned in part by RM Property Holdings.

1 The same situation presented itself in *Rondos v. Superior Court, Solano County* (1957)
2 151 Cal.App.2d 190, 191–195. The trial court put a business called the Stork Club in
3 receivership because the plaintiff came into court waving around a contract. The contract said
4 the defendants agreed to sell the Stork Club to the plaintiff. They also agreed to form a holding
5 company to operate the business – just like RM Property Holdings here. The parties’
6 agreement said the defendants’ interest would transfer upon close of escrow. But escrow never
7 closed. Because the precondition did not occur, the defendants rescinded the agreement, just
8 like Malan rescinded the transfer agreement in this case. The plaintiff sued to force the sale,
9 dissolve the holding company, perform an accounting, and distribute the assets according to
10 each partner’s interests – just like Plaintiff Razuki. The plaintiff asked for a receiver, which
11 the trial court appointed. On appeal, the court “concluded that the order appointing the receiver
12 is void.” *Id.* at 193. The plaintiff did not own the Stork Club business or its assets, the appellate
13 court held, because “by express stipulation of the contract title to...the business and its assets
14 was not to pass until [close of escrow],” an event that never occurred. *Id.* “The result, therefore,
15 is that the order appointing the receiver was made without jurisdiction for want of the required
16 property interest and was equally void for want of proof of the danger to a property interest
17 involved if such interest had existed. The requirements of the statute are jurisdictional.” *Id.* The
18 order appointing the receiver was **void**.

19 Plaintiff Razuki does not show that he owns any of the Defendants in receivership. He
20 claims to own part of RM Property Holdings, LLC, a company which is *not* in receivership and
21 which has not asked for a receiver. Plaintiff will suffer no injury if the receiver is vacated
22 because his property is not in receivership, so the undertaking should be nominal.

23 Even if Plaintiff owned the Defendants, removing the receiver would not damage him
24 because there is no evidence the companies are in danger if the receiver is removed. The
25 Balboa dispensary is up and running, albeit at a deficit because of the \$50,000 monthly cost of
paying the receiver. There has been no evidence at any time that the operators of the Balboa
dispensary are spending money on frivolous things. Defendants have filed multiple

Ex Parte Application to Set Appellate Bond Amount

1 declarations showing exactly what they are spending money on. In August, for example,
2 expenses were:

3 ATM: \$68,700
4 Vendors (e.g. product for sale): \$54,570.55
5 Past-due invoices (Sonoma Pacific, San Diego Reader): \$6,522.88
6 Advertising (Weed Maps and San Diego Reader): \$12,439
7 Management fees to Far West (a.k.a. payroll): \$24,800
8 Security (a.k.a. payroll): \$17,264
9 Maintenance: \$2,064.29
10 Total: \$185,360.72

11 In September:

12 ATM: \$59,700
13 Vendors: \$52,441.80
14 Advertising (Weed Maps and San Diego Reader): \$24,878.65
15 Management fees to Far West, Hancock, Adam Knopf (a.k.a. payroll):
16 \$62,847.01
17 Security: \$8,323.20
18 Maintenance: \$2,342.62
19 Total: \$210,533.28

20 Decl. Austin; Decl. Rising; Decl. Malan.

21 Add about \$50,000 to each of those to account for the bills of the receiver, his counsel, and
22 the forensic accountant. Exhibit B to Gina Austin's declaration shows the receiver's expenses:

- 23 - \$13,213.45 to the receiver's attorney in September.
- 24 - \$12,400.78 to the receiver's attorney in August.
- 25 - \$20,072.50 to the receiver's accountant for just 16 days of work in September.

26 The receiver filed a declaration on September 5th authenticating his own billings, paying
27 himself \$17,028 on July 30th, \$812 on August 6th, \$9,651 on August 13th, and \$7,658 on
28 September 1st. He also inexplicably paid \$100 for the premium on the receiver bond on July
29 26th – a fee that was supposed to be paid by Plaintiff Razuki.

30 Revenue during this period is insufficient to pay these bills, as shown by the receiver's
31 request for a \$600,000 loan. *Decl. Austin, Exhibit D.*

1 **C. Undertaking should be nominal because respondent Plaintiff has not shown a**
2 **likelihood of success on the merits of his claim.**

3 In deciding whether to waive a bond requirement, the court considers “all factors it
4 deems relevant,” including whether Code Civ. Proc. §995.240. Whether Plaintiff can succeed
5 on his breach of contract claim is relevant to the need for an undertaking because if Plaintiff
6 cannot succeed, he should not have a receiver in the first place.

7 An agreement with an illegal object is unenforceable, and a Plaintiff cannot get a
8 receiver appointed based on an invalid contract. Civ. Code §1668, §1608 (unlawful
9 consideration voids entire contract); *Yoo v. Jho* (2007) 147 Cal.App.4th 1249, 1251. “In
10 determining whether the subject of a given contract violates public policy, courts must rely on
11 the state of the law as it existed **at the time the contract was made.**” *Bovard v. American*
Horse Enterprises, Inc. (1988) 201 Cal.App.3d 832, 840 fn.3.

12 Here, the contract was made in November 2017, a time when the “state of the law” in
13 California was that courts would refuse to enforce contracts for profits or ownership of
14 businesses selling goods banned under federal law, including marijuana. “A violation of
15 federal law is a violation of law for purposes of determining whether or not a contract is
16 unenforceable as contrary to the public policy of California.” *Kashani v. Tsann Kuen China*
17 *Enterprise Co.* (2004) 118 Cal.App.4th 531, 543. When “the evidence establishe[s] both parties
18 entered into the business purchase agreement with the knowledge that the business was
19 substantially involved in the sale of [illegal] goods, and buyer specifically intended to continue
20 selling such merchandise after taking over the business,” courts will not enforce the contract.
21 *Yoo, supra*, at 1255. This contract for the transfer of Malan’s and Razuki’s shares in marijuana-
22 related companies to RM Property Holdings is void. *Bovard, supra*, at 839-840.

23 The contract is also illegal under state law because it transfers ownership of marijuana
24 dispensaries to RM Property Holdings, a company in which Plaintiff claims an ownership
25 interest, but which is not approved by the Bureau of Cannabis Control. Any “individual who
will be participating in the direction, control, or management” of a licensee of the Bureau of

1 Cannabis Control must send detailed information to the Department of Justice. Bus.&Prof
2 Code § 26001(al) (defining “owner”). They must submit fingerprint images, a record of their
3 arrests, proof of their legal right to occupy building, a statement from the landowner showing
4 consent to their operation, proof of a bond, and a list of everyone with a financial interest in the
5 entity applying for a license, among other things. Id. §26051.5 *et. seq.* There is no evidence
6 Razuki has done any of these things, so he and his companies cannot legally cannot operate a
7 dispensary in California.

8 The claim for a receiver fails because Plaintiff’s claims are compensable – if at all –
9 through money damages. Plaintiff does not claim to own anything unique. He does not claim to
10 own real property. He does not even claim to own the holding company. He claims only a right
11 to future profits and losses from RM Holdings, LLC. If he feels like he’s being deprived of
12 those profits, he can try to prove damages at trial. But he does not need injunctive relief.

13 Finally, the parties rescinded the agreement on which Plaintiff sues. See *Malan’s*
14 *Verified Cross-complaint* at ¶¶75, 151. A party is not entitled to relief on a rescinded
15 agreement.

16 **D. Court should issue temporary stay before appellants post the undertaking.**

17 “If the enforcement of the judgment or order would be stayed on appeal only by the
18 giving of an undertaking, a trial court shall not have power, without the consent of the adverse
19 party, to stay the enforcement thereof pursuant to this section for a period which extends for
20 more than 10 days beyond the last date on which a notice of appeal could be filed.” Code Civ.
21 Proc. §918. To spare the Defendants the incredible expense of the receiver, his lawyer, and the
22 forensic accountant continuing to bill them \$50,000 per month, the court should stay
23 enforcement of the September 26th order under Section 918 until Defendants post their
24 undertaking.
25

1 **E. In addition, the court should increase the amount Plaintiff posted as an**
2 **undertaking to get the receiver appointed.**

3 Regardless of the size of Defendants’ undertaking under Section 917.5, the court should
4 increase the amount of Plaintiff’s undertaking by \$800,000.

5 Code of Civil Procedure 996.010 allows the court to determine Plaintiff’s bond has
6 “become insufficient”. When it has, the court should order Plaintiff to post an additional bond,
7 and unless he does, “all rights obtained by giving the original bond immediately cease.”

8 This court originally ordered Razuki to post a \$350,000 bond intended to compensate
9 Defendants for harm they might conceivably suffer during the receivership. As the receiver’s
10 report says, though, the receiver is imposing expenses of more than \$50,000 per month on the
11 Defendants in receivership. The \$350,000 bond will be exhausted in just three more months,
12 assuming the receiver’s costs remain the same.

13 Plus, according to the multiple declarations of Heidi Rising, Gina Austin, Chris Hakim,
14 and others, the receiver’s very presence at the facilities has dissuaded potential suppliers from
15 doing business with Defendants. The Mira Este facility, for instance, could have contracts
16 tomorrow with manufacturers, but everyone is staying away as long as the receiver is in place.
17 The costs of these missed opportunities exceed the cost of the receiver himself. If we factor in
18 the lost opportunities to develop the businesses, the \$350,000 bond is already depleted.

19 The court should require Plaintiff to post an additional bond of \$800,000 to keep the
20 receiver in place.

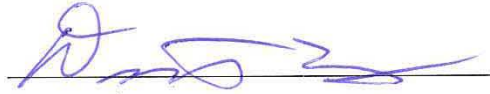
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Conclusion

The court should set a nominal undertaking of \$500 for Defendants' appellate bond, and order Plaintiff to post an additional undertaking of \$800,000.

Dated: November 5, 2018



Daniel Watts
Steven W. Blake
GALUPPO & BLAKE, APLC
Attorneys for Defendant Ninus Malan

1 Steven W. Blake, Esq., SBN 235502
Andrew W. Hall, Esq., SBN 257547
2 Daniel Watts, Esq. SBN 277861
GALUPPO & BLAKE
3 A Professional Law Corporation
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4 Carlsbad, California 92009
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5 Fax: (760) 431-4579

6 Attorneys for Defendant Ninus Malan

ELECTRONICALLY FILED
Superior Court of California,
County of San Diego
11/05/2018 at 10:26:00 AM
Clerk of the Superior Court
By Richard Day, Deputy Clerk

7
8 SUPERIOR COURT OF CALIFORNIA, COUNTY OF SAN DIEGO
9 CENTRAL DIVISION

10 SALAM RAZUKI, an individual,
11 Plaintiff,
12 vs.
13 NINUS MALAN, an individual; MONARCH
14 MANAGEMENT CONSULTING, INC., a
California corporation; SAN DIEGO UNITED
15 HOLDING GROUP, LLC, a California limited
liability company; MIRA ESTE
16 PROPERTIES, LLC, a California limited
liability company; ROSELLE PROPERTIES,
17 LLC, a California limited liability company;
and DOES 1-100, inclusive,
18 Defendants.

Case No.: 37-2018-00034229-CU-BC-CTL

Assigned: Hon. Judge Sturgeon
Dept.: C-67

**Declaration of Daniel Watts ISO
Application of Ninus Malan, Monarch, San
Diego United Holdings Group, Balboa Ave
Cooperative, Devilish Delights, and
California Cannabis Group for order
setting appellate bond amount**

Date: November 6, 2018
Time: 8:30 a.m.
Judge: Sturgeon
Dept.: C-67

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I, Daniel Watts, declare the following:

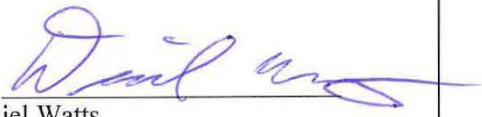
1. I am over the age of 18 years, I am not a party to this action, and I am an attorney licensed to practice in California and working at Galuppo & Blake, counsel for Ninus Malan in this action.

2. I have personal knowledge of the facts stated in this declaration, and if called upon to testify, I could and would do so competently.

3. On November 5, 2018, at 7:28 a.m., I gave ex parte notice via email to counsel for Plaintiff Salam Razuki, receiver Michael Essary, Plaintiffs-in-intervention SoCal, and all Defendants informing them of the nature of the application and the time, place, and date of the hearing. As of the signing of this declaration, I have not heard whether they intend to oppose the application.

I declare under penalty of perjury under the laws of the State of California that the foregoing is true and correct.

DATE: November 5, 2018

BY: 
Daniel Watts
Attorney for Defendant Malan

1 Gina M. Austin (SBN 246833)
E-mail: *gaustin@austinlegalgroup.com*
2 Tamara M. Leetham (SBN 234419)
E-mail: *tamara@austinlegalgroup.com*
3 AUSTIN LEGAL GROUP, APC
3990 Old Town Ave, Ste A-112
4 San Diego, CA 92110
Phone: (619) 924-9600
5 Facsimile: (619) 881-0045

6 Attorneys for Defendant Ninus Malan

ELECTRONICALLY FILED
Superior Court of California,
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11/05/2018 at 10:26:00 AM
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By Richard Day, Deputy Clerk

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8 **SUPERIOR COURT OF THE STATE OF CALIFORNIA**
9 **COUNTY OF SAN DIEGO- CENTRAL DIVISION**

10
11 SALAM RAZUKI, an individual,

12 Plaintiff,

13 vs.

14 NINUS MALAN, an individual; CHRIS
15 HAKIM, an individual; MONARCH
MANAGEMENT CONSULTING, INC., a
16 California corporation; SAN DIEGO
UNITED HOLDINGS GROUP, LLC, a
17 California limited liability company; FLIP
MANAGEMENT, LLC, a California
18 limited liability company; ROSELLE
PROPERTIES, LLC, a California limited
19 liability company; BALBOA AVE
COOPERATIVE, a California nonprofit
20 mutual benefit corporation; CALIFORNIA
CANNABIS GROUP, a California
21 nonprofit mutual benefit corporation;
DEVILISH DELIGHTS, INC. a California
22 nonprofit mutual benefit corporation; and
DOES 1-100, inclusive;

23 Defendants.

CASE NO. 37-2018-00034229-CU-BC-CTL

DECLARATION OF HEIDI RISING

AUSTIN LEGAL GROUP, APC
3990 Old Town Ave, Ste A-112
San Diego, CA 92110

1 I, Heidi Rising, declare:
2 1. I am over the age of 18 and I am named as a party to this dispute in SoCal
3 Building Ventures, LLC's first amended complaint-in-intervention. I have personal knowledge of
4 the facts stated in this declaration. If called as a witness, I would testify competently thereto.
5 2. On or around August 1, 2018, I was informed that Far West Management was put
6 into place as the management company for a marijuana outlet located at 8863 Balboa Avenue,
7 Suite E (the "Balboa Dispensary").
8 3. I have been the acting general manager of the Balboa Dispensary, under Far West
9 Management, since August 1, 2018. The Dispensary opened for business to the public under our
10 management on August 3, 2018.
11 4. I am in charge of tracking the Balboa Dispensary's finances. I input the total
12 amount of cash on hand on a daily basis, including: ATM disbursements, sales, vendor payments,
13 management fees, advertising expenses, security fees, and other operating and maintenance
14 expenses. This information is entered into a daily spreadsheet. Attached to my declaration are true
15 and correct copies of the daily spreadsheets through October 21, 2018. (Exhibit A).
16 5. Far West Management operates the Balboa Dispensary, it pays all of the operating
17 costs and fees, and then any remainder is disbursed to Balboa Ave Cooperative.
18 6. Currently, I understand that all monies expended for the Balboa Dispensary must
19 be approved by the receiver, Michael Essary (the "Receiver"). The process for approving
20 financials through the Receiver requires Far West Management to send invoices to Mr. Essary,
21 and he is allowed to approve or deny the requests at his sole discretion. This has become
22 extremely problematic and it is preventing us from being able to do our jobs.
23 7. When invoices from vendors go unpaid, it sours the business relationships between
24 the vendors and the Balboa Dispensary, and it will ultimately lead to the Balboa Dispensary being
25 unable to stock product on its shelves, and sales will suffer.
26 8. Currently we have had to put all of our vendors on consignment, and we have been
27 forced to stop ordering product. The issue is that we have to submit orders through vendors to
28 receive an invoice, then we have to tell them to wait to process the order until it is approved

1 through the Receiver. This is a time consuming process that many vendors do not want to deal
2 with. The entire process is harming our business relationships with vendors, and at the end of the
3 day it is our reputation on the line.

4 9. The process of approving all expenses also hinders our ability to operate. The
5 Receiver refuses to pay Far West Management for its services. Mr. Essary states that the Court
6 order does not permit him to approve our management fee. He then elaborated by saying that
7 there are outstanding receivership expenses, but I assume he means that they take priority.
8 Attached to my declaration is a true and correct copy of the email where Mr. Essary discusses his
9 inability to approve paying Far West Management's fees. (Exhibit B).

10 10. It is my understanding that Far West Management is not under the receivership,
11 because it is not a party to the dispute for which the Receiver was put in place. Far West
12 Management cannot afford to work for free. If the management fees are not paid by the Receiver
13 as required by the management contract, it will not be able to continue operating the Balboa
14 Dispensary. Attached to my declaration is a true and correct copy of the contract with Far West
15 Management. (Exhibit C).

16 11. My boss, Adam Knopf, informed Gina Austin, Golden State Greens' Attorney,
17 that Far West Management will only be able to commit to operating the Balboa Dispensary
18 through Thursday, October 25, 2018, unless its management services bills are paid. He stressed
19 that Far West Management is a management company only, it does not finance business loans,
20 and it cannot carry the costs of the businesses it operates. A true and correct copy of the Adam
21 Knopf's email is attached to my declaration. (Exhibit B).

22 12. It will cost \$216, 313 per month in order to continue operating the Balboa
23 Dispensary. This number reflects the minimum amount required in order to operate the business.

24 13. At minimum, the operating expenses include: advertising, security, cash
25 disbursements for the on-site ATM, cash disbursements to pay the product vendors, maintenance
26 expenses, and the Far West Management fee. In total, each of these costs constitute the break
27 even amount required in order to operate the Balboa Dispensary. Without this amount, the Balboa
28 Dispensary will be forced to close its doors.

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I declare under penalty of perjury under California state law that the foregoing is true and correct. Executed in San Diego, California, on October 24, 2018.


Heidi Rising

AUSTIN LEGAL GROUP, APC
3990 Old Town Ave, Ste A-112
San Diego, CA 92110

EXHIBIT A

4634

PLPCC - Daily Sales and Cash Reconciliation

- Process:**
- 1.) Enter Copy Previous Days Roll-Over
 - 2.) Enter Total Cash Collected from Each Location
 - 3.) Enter Vendor/Expenses Paid out from Day's Money
 - 4.) Cross Reference Cash on Hand with Unreconciled Amount
 - 5.) Add notes as needed to help explain any items you deem necessary

EXAMPLE
2018-08-01

Decription	420 Report	Difference	
		(Cash &420)	Note
Beginning Cash Balance	2,384.62		
Sales - Walk-In		-	
Sales - Delivery		-	
Additional Money In			
Total Money In	2,384.62		
Less: Money on Hold for Vendors			
Total Money on Hold			
Remaining Cash	2,384.62	0	

Check #	Checks Paid	
	Amount	Descriptions

P, Bill Payment = B, For Expense: List Account (Advertising, Supplies, Etc.)

Vendor Name		Inventory Entered	
		Delivery	Walk In
Vendor Name	P		
Vendor Name	B		
Vendor Name			
Vendor Name			
Vendor Name			
Vendor Name			
Vendor Name			
Vendor Name			
Vendor Name			
Vendor Name			
Vendor Name			
Vendor Name			
Vendor Name			
Vendor Name			

Hammer and Nails	21.44	Keys
For Cashier Drawers	600.00	
Backstock Change	1,901.00	
Expense - Vendor Name		
Expense - Vendor Name		
Expense - Vendor Name		
Expense - Vendor Name		
Expense - Vendor Name		
Bank Deposit		
ATM # 1 (Bud Room)	1,700.00	
ATM # 2 (Waiting Room)		
Total Disbursement	(4,222.44)	
Carryover Amount	(1,837.82)	

PLPCC - Daily Sales and Cash Reconciliation

- Process:**
- 1.) Enter Copy Previous Days Roll-Over
 - 2.) Enter Total Cash Collected from Each Location
 - 3.) Enter Vendor/Expenses Paid out from Day's Money
 - 4.) Cross Reference Cash on Hand with Unreconciled Amount
 - 5.) Add notes as needed to help explain any items you deem necessary

EXAMPLE		
Date	2018-08-02	
Description	420 Report	Difference (Cash & 420) Note
Beginning Cash Balance	(1,837.82)	
Sales - Walk-In	-	-
Sales - Delivery	-	-
Additional Money In	-	
Total Money In	(1,837.82)	
Less: Money on Hold for Vendors		
Total Money on Hold		
Remaining Cash	(1,837.82)	0

Check #	Amount	Descriptions
---------	--------	--------------

Bill Payment = B, For Expense:
List Account (Advertising,
Supplies, Etc.)

Vendor Name	P	Inventory Entered	
		Delivery	Walk In
Vendor Name	P		
Vendor Name	B		
Vendor Name			
Vendor Name			
Vendor Name			
Vendor Name			
Vendor Name			
Vendor Name			
Vendor Name			
Vendor Name			
Vendor Name			
Vendor Name			
Vendor Name			
Vendor Name			
Expense - Vendor Name			
Expense - Vendor Name			
Expense - Vendor Name			
Expense - Vendor Name			
Expense - Vendor Name			
Expense - Vendor Name			
Expense - Vendor Name			
Expense - Vendor Name			
Expense - Vendor Name			
Bank Deposit			
ATM # 1 (Bud Room)			
ATM # 2 (Waiting Room)			
Total Disbursement			
Carryover Amount		(1,837.82)	

4636

PLPCC - Daily Sales and Cash Reconciliation

- Process:
- 1.) Enter Copy Previous Days Roll-Over
 - 2.) Enter Total Cash Collected from Each Location
 - 3.) Enter Vendor/Expenses Paid out from Day's Money
 - 4.) Cross Reference Cash on Hand with Unreconciled Amount
 - 5.) Add notes as needed to help explain any items you deem necessary

EXAMPLE

Date 2018-08-03

Decription	420 Report	Difference (Cash &420) Note	
		Check #	Amount
Beginning Cash Balance	(1,837.82)		
Sales - Walk-In	1,921.95		1,921.95
Sales - Delivery	-		-
Additional Money In	-		-
Total Money In	84.13		
Less: Money on Hold for Vendors	-		
	-		
	-		
	-		
Total Money on Hold	-		
Remaining Cash	84.13	0	1,921.95

**P, Bill Payment = B, For
Expense: List Account
(Advertising, Supplies, Etc.)**

**Inventory Entered
Delivery Walk In**

Vendor Name	P	B	Delivery	Walk In
Vendor Name	-			
Vendor Name	-			
Vendor Name	-			
Vendor Name	-			
Vendor Name	-			
Vendor Name	-			
Vendor Name	-			
Vendor Name	-			
Vendor Name	-			
Vendor Name	-			
Vendor Name	-			
Vendor Name	-			
Vendor Name	-			
Vendor Name	-			
Vendor Name	-			
Vendor Name	-			
Expense - Vendor Name	-			
Expense - Vendor Name	-			
Expense - Vendor Name	-			
Expense - Vendor Name	-			
Expense - Vendor Name	-			
Expense - Vendor Name	-			
Expense - Vendor Name	-			
Expense - Vendor Name	-			
Bank Deposit	-			
ATM # 1 (Bud Room)	1,000.00			
ATM # 2 (Waiting Room)	-			
Total Disbursement	(1,000.00)			
Carryover Amount	(915.87)			

PLPCC - Daily Sales and Cash Reconciliation

- Process:**
- 1.) Enter Copy Previous Days Roll-Over
 - 2.) Enter Total Cash Collected from Each Location
 - 3.) Enter Vendor/Expenses Paid out from Day's Money
 - 4.) Cross Reference Cash on Hand with Unreconciled Amount
 - 5.) Add notes as needed to help explain any items you deem necessary

EXAMPLE

Date	2018-08-04			
Description	420 Report	Difference	(Cash & 420)	Note
Beginning Cash Balance	(915.87)			
Sales - Walk-In	7,994.03			7,994.03
Sales - Delivery	-			-
Additional Money In	-			-
Total Money In	7,078.16			
Less: Money on Hold for Vendors				
		<u>Check #</u>	<u>Amount</u>	<u>Descriptions</u>
Total Money on Hold				
Remaining Cash	7,078.16	0	7,994.03	

For Vendor: Product Purchase = P,
 Bill Payment = B, For Expense: List
 Account (Advertising, Supplies, Etc.)

Vendor Name		Inventory Entered	Delivery	Walk In
Vendor Name	P			
Vendor Name	B			
Vendor Name				
Vendor Name				
Vendor Name				
Vendor Name				
Vendor Name				
Vendor Name				
Vendor Name				
Vendor Name				
Vendor Name				
Vendor Name				
Vendor Name				
Vendor Name				
Vendor Name				
Expense - Vendor Name	-			
Expense - Vendor Name	-			
Expense - Vendor Name	-			
Expense - Vendor Name	-			
Expense - Vendor Name	-			
Expense - Vendor Name	-			
Expense - Vendor Name	-			
Expense - Vendor Name	-			
Expense - Vendor Name	-			
Bank Deposit	-			
ATM # 1 (Bud Room)	6,000.00			
ATM # 2 (Waiting Room)	-			
Total Disbursement	(6,000.00)			
Carryover Amount	1,078.16			

PLPCC - Daily Sales and Cash Reconciliation

- Process:
- 1.) Enter Copy Previous Days Roll-Over
 - 2.) Enter Total Cash Collected from Each Location
 - 3.) Enter Vendor/Expenses Paid out from Day's Money
 - 4.) Cross Reference Cash on Hand with Unreconciled Amount
 - 5.) Add notes as needed to help explain any items you deem necessary

Date	EXAMPLE		
2018-08-05	420 Report	Difference (Cash & 420)	Note
Beginning Cash Balance	1,078.16		
Sales - Walk-In	4,766.11	4,766.11	
Sales - Delivery	-		
Additional Money In	-		
Total Money In	5,844.27		
Less: Money on Hold for Vendors			Checks Paid
			<u>Check #</u> <u>Amount</u> <u>Descriptions</u>
Total Money on Hold			
Remaining Cash	5,844.27	0	4,766.11

For Vendor: Product Purchase = P,
 Bill Payment = B, For Expense: List
 Account (Advertising, Supplies, Etc.)

Vendor Name	Inventory Entered	Delivery	Walk In
Vendor Name	P		
Vendor Name	B		
Vendor Name			
Vendor Name			
Vendor Name			
Vendor Name			
Vendor Name			
Vendor Name			
Vendor Name			
Vendor Name			
Vendor Name			
Vendor Name			
Vendor Name			
Vendor Name			
Walmart		13.27	
Expense - Vendor Name		-	
Expense - Vendor Name		-	
Expense - Vendor Name		-	
Expense - Vendor Name		-	
Expense - Vendor Name		-	
Expense - Vendor Name		-	
Expense - Vendor Name		-	
Expense - Vendor Name		-	
Bank Deposit		-	
ATM # 1 (Bud Room)		2,000.00	
ATM # 2 (Waiting Room)			
Total Disbursement		(2,013.27)	
Carryover Amount		3,831.00	

PLPCC - Daily Sales and Cash Reconciliation

- Process:**
- 1.) Enter Copy Previous Days Roll-Over
 - 2.) Enter Total Cash Collected from Each Location
 - 3.) Enter Vendor/Expenses Paid out from Day's Money
 - 4.) Cross Reference Cash on Hand with Unreconciled Amount
 - 5.) Add notes as needed to help explain any items you deem necessary

EXAMPLE		2018-08-06	
Date	420 Report	Difference (Cash & 420)	Note
Decription			
Beginning Cash Balance	3,831.00		
Sales - Walk-In	7,548.92	7,548.92	
Sales - Delivery	-	-	
Additional Money In	10.00		
Total Money In	11,389.92		
Less: Money on Hold for Vendors			
Total Money on Hold			
Remaining Cash	11,389.92	0	7,548.92

For Vendor: Product Purchase = P,
 Bill Payment = B, For Expense: List
 Account (Advertising, Supplies, Etc.)

Vendor Name		Inventory Entered	Delivery	Walk In
Vendor Name	-	P		
Vendor Name	-	B		
Vendor Name				
Vendor Name				
Vendor Name				
Vendor Name				
Vendor Name				
Vendor Name				
Vendor Name				
Vendor Name				
Vendor Name				
Vendor Name				
Vendor Name				
Vendor Name				
Expense - Vendor Name	-			
Expense - Vendor Name	-			
Expense - Vendor Name	-			
Expense - Vendor Name	-			
Expense - Vendor Name	-			
Expense - Vendor Name	-			
Expense - Vendor Name	-			
Expense - Vendor Name	-			
Expense - Vendor Name	-			
Bank Deposit	-			
ATM # 1 (Bud Room)	2,000.00			
ATM # 2 (Waiting Room)	-			
Total Disbursement	(2,000.00)			
Carryover Amount	9,389.92			

4640

PLPCC - Daily Sales and Cash Reconciliation

- Process:**
- 1.) Enter Copy Previous Days Roll-Over
 - 2.) Enter Total Cash Collected from Each Location
 - 3.) Enter Vendor/Expenses Paid out from Day's Money
 - 4.) Cross Reference Cash on Hand with Unreconciled Amount
 - 5.) Add notes as needed to help explain any items you deem necessary

EXAMPLE			
Date	2018-08-07		
Decription	420 Report	Difference (Cash & 420)	Note
Beginning Cash Balance	9,389.92		
Sales - Walk-In	6,628.29	6,628.29	
Sales - Delivery	-	-	
Additional Money In	-		
Total Money In	16,018.21		
Less: Money on Hold for Vendors			
Kiva	1,240.00		
	-		
	-		
	-		
Total Money on Hold	1,240.00		
Remaining Cash	14,778.21	0	6,628.29

For Vendor: Product Purchase = P,
 Bill Payment = B, For Expense: List
 Account (Advertising, Supplies, Etc.)

Vendor Name			Inventory Entered	
			Delivery	Walk In
Vendor Name	-	P		
Vendor Name	-	B		
Vendor Name				
Vendor Name				
Vendor Name				
Vendor Name				
Vendor Name				
Vendor Name				
Vendor Name				
Vendor Name				
Vendor Name				
Vendor Name				
Vendor Name				
Vendor Name				
Expense - Vendor Name	-			
Expense - Vendor Name	-			
Expense - Vendor Name	-			
Expense - Vendor Name	-			
Expense - Vendor Name	-			
Expense - Vendor Name	-			
Expense - Vendor Name	-			
Expense - Vendor Name	-			
Expense - Vendor Name	-			
Bank Deposit				
ATM # 1 (Bud Room)	2,000.00			
ATM # 2 (Waiting Room)				
Total Disbursement	(2,000.00)			
Carryover Amount	12,778.21			

PLPCC - Daily Sales and Cash Reconciliation

- Process:
- 1.) Enter Copy Previous Days Roll-Over
 - 2.) Enter Total Cash Collected from Each Location
 - 3.) Enter Vendor/Expenses Paid out from Day's Money
 - 4.) Cross Reference Cash on Hand with Unreconciled Amount
 - 5.) Add notes as needed to help explain any items you deem necessary

EXAMPLE			
Date	2018-08-08		
Decription	420 Report	Difference (Cash & 420)	Note
Beginning Cash Balance	12,778.21		
Sales - Walk-In	4,733.59	4,733.59	
Sales - Delivery	-	-	
Additional Money In	-		
Total Money In	17,511.80		
Less: Money on Hold for Vendors			
			<u>Check #</u> <u>Amount</u> <u>Descriptions</u>
Total Money on Hold			
Remaining Cash	17,511.80	0	4,733.59

For Vendor: Product Purchase = P,
 Bill Payment = B, For Expense: List
 Account (Advertising, Supplies, Etc.) Inventory Entered

Vendor Name			Delivery	Walk In
Vendor Name	-	P		
Vendor Name	-	B		
Vendor Name				
Vendor Name				
Vendor Name				
Vendor Name				
Vendor Name				
Vendor Name				
Vendor Name				
Vendor Name				
Vendor Name				
Vendor Name				
Vendor Name				
Vendor Name				
Walmart	52.00			
Expense - Vendor Name	-			
Expense - Vendor Name	-			
Expense - Vendor Name				
Expense - Vendor Name				
Expense - Vendor Name				
Expense - Vendor Name				
Expense - Vendor Name				
Bank Deposit				
ATM # 1 (Bud Room)				
ATM # 2 (Waiting Room)				
Total Disbursement	(52.00)			
Carryover Amount	17,459.80			

4642

PLPCC - Daily Sales and Cash Reconciliation

- Process:**
- 1.) Enter Copy Previous Days Roll-Over
 - 2.) Enter Total Cash Collected from Each Location
 - 3.) Enter Vendor/Expenses Paid out from Day's Money
 - 4.) Cross Reference Cash on Hand with Unreconciled Amount
 - 5.) Add notes as needed to help explain any items you deem necessary

EXAMPLE			
Date	2018-08-09		
Decription	420 Report	Difference (Cash & 420)	Note
Beginning Cash Balance	17,459.80		
Sales - Walk-In	6,200.97	6,200.97	
Sales - Delivery	-		
Additional Money In	0.03		
Total Money In	23,660.80		
Less: Money on Hold for Vendors			
Total Money on Hold			
Remaining Cash	23,660.80	0	6,200.97

For Vendor: Product Purchase = P,
 Bill Payment = B, For Expense: List
 Account (Advertising, Supplies, Etc.)

Vendor Name		Inventory Entered	
		Delivery	Walk In
Vendor Name	-	P	
Vendor Name	-	B	
Vendor Name			
Vendor Name			
Vendor Name			
Vendor Name			
Vendor Name			
Vendor Name			
Vendor Name			
Vendor Name			
Vendor Name			
Vendor Name			
Vendor Name			
Vendor Name			
Vendor Name			
Vendor Name			
Calchamber	121.89		
Expense - Vendor Name	-		
Expense - Vendor Name	-		
Expense - Vendor Name	-		
Expense - Vendor Name			
Expense - Vendor Name			
Expense - Vendor Name			
Expense - Vendor Name			
Expense - Vendor Name			
Bank Deposit	-		
ATM # 1 (Bud Room)	4,000.00		
ATM # 2 (Waiting Room)	-		
Total Disbursement	(4,121.89)		
Carryover Amount	19,538.91		

PLPCC - Daily Sales and Cash Reconciliation

- Process:**
- 1.) Enter Copy Previous Days Roll-Over
 - 2.) Enter Total Cash Collected from Each Location
 - 3.) Enter Vendor/Expenses Paid out from Day's Money
 - 4.) Cross Reference Cash on Hand with Unreconciled Amount
 - 5.) Add notes as needed to help explain any items you deem necessary

EXAMPLE

Date	2018-08-09		Difference	Note
Decription	420 Report	(Cash & 420)		
Beginning Cash Balance	19,538.91			
Sales - Walk-In	8,315.11		8,315.11	
Sales - Delivery	-			
Additional Money In	-			
Total Money In	27,854.02			
Less: Money on Hold for Vendors				
Total Money on Hold				
Remaining Cash	27,854.02	0	8,315.11	

Checks Paid		
Check #	Amount	Descriptions

For Vendor: Product Purchase = P,
 Bill Payment = B, For Expense: List
 Account (Advertising, Supplies, Etc.)

Vendor Name		Inventory Entered	
		Delivery	Walk In
Vendor Name	-	P	-
Vendor Name	-	B	-
Vendor Name	-		
Vendor Name	-		
Vendor Name	-		
Vendor Name	-		
Vendor Name	-		
Vendor Name	-		
Vendor Name	-		
Vendor Name	-		
Vendor Name	-		
Vendor Name	-		
Vendor Name	-		
Vendor Name	-		
Vendor Name	-		
Vendor Name	-		
Expense - Vendor Name	-		
Expense - Vendor Name	-		
Expense - Vendor Name	-		
Expense - Vendor Name	-		
Expense - Vendor Name	-		
Expense - Vendor Name	-		
Expense - Vendor Name	-		
Expense - Vendor Name	-		
Expense - Vendor Name	-		
Expense - Vendor Name	-		
Bank Deposit	-		
ATM # 1 (Bud Room)	2,000.00		
ATM # 2 (Waiting Room)	-		
Total Disbursement	(2,000.00)		
Carryover Amount	25,854.02		

PLPCC - Daily Sales and Cash Reconciliation

- Process:
- 1.) Enter Copy Previous Days Roll-Over
 - 2.) Enter Total Cash Collected from Each Location
 - 3.) Enter Vendor/Expenses Paid out from Day's Money
 - 4.) Cross Reference Cash on Hand with Unreconciled Amount
 - 5.) Add notes as needed to help explain any items you deem necessary

EXAMPLE			
Date	2018-08-11		
Decription	420 Report	Difference (Cash & 420)	Note
Beginning Cash Balance	25,854.02		
Sales - Walk-In	6,926.64	6,926.64	
Sales - Delivery	-	-	
Additional Money In	-	-	
Total Money In	32,780.66		
Less: Money on Hold for Vendors			
			Checks Paid
			<u>Check #</u> <u>Amount</u> <u>Descriptions</u>
Outco	3,224.00		
Select	3,472.00		
Total Money on Hold	6,696.00		
Remaining Cash	26,084.66	0	6,926.64

For Vendor: Product Purchase = P,
 Bill Payment = B, For Expense: List
 Account (Advertising, Supplies, Etc.) **Inventory Entered**

Vendor Name		Delivery	Walk In
Vendor Name	-	P	-
Vendor Name	-	B	-
Vendor Name	-		
Vendor Name	-		
Vendor Name	-		
Vendor Name	-		
Vendor Name	-		
Vendor Name	-		
Vendor Name	-		
Vendor Name	-		
Vendor Name	-		
Vendor Name	-		
Vendor Name	-		
Vendor Name	-		
Vendor Name	-		
Vendor Name	-		
Vendor Name	-		
Target	11.67		
Expense - Vendor Name	-		
Expense - Vendor Name	-		
Expense - Vendor Name	-		
Expense - Vendor Name	-		
Expense - Vendor Name	-		
Expense - Vendor Name	-		
Expense - Vendor Name	-		
Expense - Vendor Name	-		
Expense - Vendor Name	-		
Bank Deposit	-		
ATM # 1 (Bud Room)	2,000.00		
ATM # 2 (Waiting Room)	-		
Total Disbursement	(2,011.67)		
Carryover Amount	24,072.99		

PLPCC - Daily Sales and Cash Reconciliation

Process:

- 1.) Enter Copy Previous Days Roll-Over
- 2.) Enter Total Cash Collected from Each Location
- 3.) Enter Vendor/Expenses Paid out from Day's Money
- 4.) Cross Reference Cash on Hand with Unreconciled Amount
- 5.) Add notes as needed to help explain any items you deem necessary

EXAMPLE		
Date	2018-08-12	
Decription	420 Report	Difference (Cash & 420) Note
Beginning Cash Balance	24,072.99	
Sales - Walk-In	4,860.08	4,860.08
Sales - Delivery	-	-
Additional Money In	-	
Total Money In	28,933.07	
Less: Money on Hold for Vendors		
Cal Vape	1,851.00	
	-	
	-	
	-	
Total Money on Hold	1,851.00	
Remaining Cash	27,082.07	0 4,860.08

For Vendor: Product Purchase = P,
 Bill Payment = B, For Expense: List
 Account (Advertising, Supplies, Etc.)

Inventory Entered

Vendor Name			Delivery	Walk In
Vendor Name	-	P		
Vendor Name	-	B	-	-
Vendor Name				
Vendor Name				
Vendor Name				
Vendor Name				
Vendor Name				
Vendor Name				
Vendor Name				
Vendor Name				
Vendor Name				
Vendor Name				
Vendor Name				
Vendor Name				
Vendor Name				
Vendor Name				
Target	137.15			
Staples	61.60			
Expense - Vendor Name	-			
Expense - Vendor Name	-			
Expense - Vendor Name	-			
Expense - Vendor Name	-			
Expense - Vendor Name	-			
Expense - Vendor Name	-			
Bank Deposit	-			
ATM # 1 (Bud Room)	2,000.00			
ATM # 2 (Waiting Room)	-			
Total Disbursement	(2,198.75)			
Carryover Amount	24,883.32			

PLPCC - Daily Sales and Cash Reconciliation

- Process:**
- 1.) Enter Copy Previous Days Roll-Over
 - 2.) Enter Total Cash Collected from Each Location
 - 3.) Enter Vendor/Expenses Paid out from Day's Money
 - 4.) Cross Reference Cash on Hand with Unreconciled Amount
 - 5.) Add notes as needed to help explain any items you deem necessary

EXAMPLE			
Date	2018-08-13		
Description	420 Report	Difference (Cash & 420)	Note
Beginning Cash Balance	24,883.32		
Sales - Walk-In	4,701.30	4,701.30	
Sales - Delivery	-	-	
Additional Money In	-		
Total Money In	29,584.62		
Less: Money on Hold for Vendors			
Total Money on Hold			
Remaining Cash	29,584.62	0	4,701.30

For Vendor: Product Purchase = P,
 Bill Payment = B, For Expense: List
 Account (Advertising, Supplies, Etc.)

Vendor Name			Inventory Entered	
			Delivery	Walk In
Vendor Name	-	P		
Vendor Name	-	B		
Vendor Name				
Vendor Name				
Vendor Name				
Vendor Name				
Vendor Name				
Vendor Name				
Vendor Name				
Vendor Name				
Vendor Name				
Vendor Name				
Vendor Name				
Vendor Name				

Reader	1,529.00
Edward Security	9,200.00
Weedmaps	4,000.00
Expense - Vendor Name	-
Expense - Vendor Name	
Expense - Vendor Name	
Expense - Vendor Name	
Expense - Vendor Name	
Expense - Vendor Name	
Bank Deposit	-
ATM # 1 (Bud Room)	2,000.00
ATM # 2 (Waiting Room)	
Total Disbursement	(16,729.00)
Carryover Amount	12,855.62

PLPCC - Daily Sales and Cash Reconciliation

- Process:**
- 1.) Enter Copy Previous Days Roll-Over
 - 2.) Enter Total Cash Collected from Each Location
 - 3.) Enter Vendor/Expenses Paid out from Day's Money
 - 4.) Cross Reference Cash on Hand with Unreconciled Amount
 - 5.) Add notes as needed to help explain any items you deem necessary

EXAMPLE			
Date	2018-08-14	420 Report	Difference (Cash & 420) Note
Description			
Beginning Cash Balance	12,855.62		
Sales - Walk-In	5,033.32		5,033.32
Sales - Delivery	-		-
Additional Money In	-		-
Total Money In	17,888.94		
Less: Money on Hold for Vendors			
		<u>Check #</u>	<u>Checks Paid Amount</u> <u>Descriptions</u>
Total Money on Hold			
Remaining Cash	17,888.94		5,033.32

**For Vendor: Product Purchase = P,
Bill Payment = B, For Expense: List
Account (Advertising, Supplies, Etc.) Inventory Entered**

Vendor Name		P	B	Delivery	Walk In
Vendor Name	-				
Vendor Name	-				
Vendor Name	-				
Vendor Name	-				
Vendor Name	-				
Vendor Name	-				
Vendor Name	-				
Vendor Name	-				
Vendor Name	-				
Vendor Name	-				
Vendor Name	-				
Vendor Name	-				
Vendor Name	-				
Vendor Name	-				
Walmart	101.25				
Expense - Vendor Name	-				
Expense - Vendor Name	-				
Expense - Vendor Name	-				
Expense - Vendor Name	-				
Expense - Vendor Name	-				
Expense - Vendor Name	-				
Expense - Vendor Name	-				
Expense - Vendor Name	-				
Bank Deposit					
ATM # 1 (Bud Room)	2,000.00				
ATM # 2 (Waiting Room)					
Total Disbursement	(2,101.25)				
Carryover Amount	15,787.69				

PLPCC - Daily Sales and Cash Reconciliation

- Process:**
- 1.) Enter Copy Previous Days Roll-Over
 - 2.) Enter Total Cash Collected from Each Location
 - 3.) Enter Vendor/Expenses Paid out from Day's Money
 - 4.) Cross Reference Cash on Hand with Unreconciled Amount
 - 5.) Add notes as needed to help explain any items you deem necessary

EXAMPLE			
Date	2018-08-15		
Decription	420 Report	Difference (Cash & 420)	Note
Beginning Cash Balance	15,787.69		
Sales - Walk-In	5,602.54	5,602.54	
Sales - Delivery	-	-	
Additional Money In	-		
Total Money In	21,390.23		
Less: Money on Hold for Vendors			Checks Paid
Pearl Pharma Excise	345.60		<u>Check #</u> <u>Amount</u> <u>Descriptions</u>
Loudpack Excise	1,339.02		
	-		
	-		
Total Money on Hold	1,684.62		
Remaining Cash	19,705.61	0	5,602.54

For Vendor: Product Purchase = P,
 Bill Payment = B, For Expense: List
 Account (Advertising, Supplies, Etc.) **Inventory Entered**

Vendor Name			Delivery	Walk In
Vendor Name	-	P		
Vendor Name	-	B		
Vendor Name	-			
Vendor Name	-			
Vendor Name	-			
Vendor Name	-			
Vendor Name	-			
Vendor Name	-			
Vendor Name	-			
Vendor Name	-			
Vendor Name	-			
Vendor Name	-			
Vendor Name	-			
Vendor Name	-			
Vendor Name	-			
Expense - Vendor Name	-			
Expense - Vendor Name	-			
Expense - Vendor Name	-			
Expense - Vendor Name	-			
Expense - Vendor Name	-			
Expense - Vendor Name	-			
Expense - Vendor Name	-			
Expense - Vendor Name	-			
Expense - Vendor Name	-			
Bank Deposit	-			
ATM # 1 (Bud Room)	2,000.00			
ATM # 2 (Waiting Room)	-			
Total Disbursement	(2,000.00)			
Carryover Amount	17,705.61			

PLPCC - Daily Sales and Cash Reconciliation

- Process:
- 1.) Enter Copy Previous Days Roll-Over
 - 2.) Enter Total Cash Collected from Each Location
 - 3.) Enter Vendor/Expenses Paid out from Day's Money
 - 4.) Cross Reference Cash on Hand with Unreconciled Amount
 - 5.) Add notes as needed to help explain any items you deem necessary

EXAMPLE			
Date	2018-08-16		
Decription	420 Report	Difference (Cash & 420)	Note
Beginning Cash Balance	17,705.61		
Sales - Walk-In	7,441.58	7,441.58	
Sales - Delivery	-		
Additional Money In	-		
Total Money In	25,147.19		
Less: Money on Hold for Vendors			Checks Paid
			<u>Check #</u> <u>Amount</u> <u>Descriptions</u>
Sonoma Pacific Distro	4,992.88	Old management invoice	
Papa & Barkley	572.40		
	-		
	-		
Total Money on Hold	5,565.28		
Remaining Cash	19,581.91	0	7,441.58

For Vendor: Product Purchase = P,
 Bill Payment = B, For Expense: List
 Account (Advertising, Supplies, Etc.) **Inventory Entered**

Vendor Name			Delivery	Walk In
Vendor Name	-	P		
Vendor Name	-	B		
Vendor Name				
Vendor Name				
Vendor Name				
Vendor Name				
Vendor Name				
Vendor Name				
Vendor Name				
Vendor Name				
Vendor Name				
Vendor Name				
Vendor Name				
Vendor Name				
Vendor Name				
Expense - Vendor Name	-			
Expense - Vendor Name	-			
Expense - Vendor Name	-			
Expense - Vendor Name	-			
Expense - Vendor Name	-			
Expense - Vendor Name	-			
Expense - Vendor Name	-			
Expense - Vendor Name	-			
Expense - Vendor Name	-			
Bank Deposit				
ATM # 1 (Bud Room)				
ATM # 2 (Waiting Room)				
Total Disbursement				
Carryover Amount	19,581.91			

PLPCC - Daily Sales and Cash Reconciliation

- Process:**
- 1.) Enter Copy Previous Days Roll-Over
 - 2.) Enter Total Cash Collected from Each Location
 - 3.) Enter Vendor/Expenses Paid out from Day's Money
 - 4.) Cross Reference Cash on Hand with Unreconciled Amount
 - 5.) Add notes as needed to help explain any items you deem necessary

EXAMPLE			
Date	2018-08-17		
Decription	420 Report	Difference (Cash & 420)	Note
Beginning Cash Balance	19,581.91		
Sales - Walk-In	10,573.53	10,573.53	
Sales - Delivery	-		
Additional Money In	2.04		
Total Money In	30,157.48		
Less: Money on Hold for Vendors			
Vets Leaf	232.50		
	-		
	-		
	-		
Total Money on Hold	232.50		
Remaining Cash	29,924.98	0	10,573.53

For Vendor: Product Purchase = P,
 Bill Payment = B, For Expense: List
 Account (Advertising, Supplies, Etc.)

Vendor Name			Inventory Entered	
			Delivery	Walk In
Vendor Name	-	P		
Vendor Name	-	B		
Vendor Name				
Vendor Name				
Vendor Name				
Vendor Name				
Vendor Name				
Vendor Name				
Vendor Name				
Vendor Name				
Vendor Name				
Vendor Name				
Vendor Name				
Vendor Name				
Reader	1,530.00			
Target	15.57			
Reader	1,530.00		Old management invoice	
Expense - Vendor Name	-			
Expense - Vendor Name	-			
Expense - Vendor Name	-			
Expense - Vendor Name	-			
Expense - Vendor Name	-			
Bank Deposit	-			
ATM # 1 (Bud Room)	6,000.00			
ATM # 2 (Waiting Room)	-			
Total Disbursement	(9,075.57)			
Carryover Amount	20,849.41			

PLPCC - Daily Sales and Cash Reconciliation

- Process:**
- 1.) Enter Copy Previous Days Roll-Over
 - 2.) Enter Total Cash Collected from Each Location
 - 3.) Enter Vendor/Expenses Paid out from Day's Money
 - 4.) Cross Reference Cash on Hand with Unreconciled Amount
 - 5.) Add notes as needed to help explain any items you deem necessary

EXAMPLE			
Date	2018-08-18	Difference	
Decription	420 Report	(Cash & 420)	Note
Beginning Cash Balance	20,849.41		
Sales - Walk-In	8,317.36	8,317.36	
Sales - Delivery	-	-	
Additional Money In	-		
Total Money In	29,166.77		
Less: Money on Hold for Vendors			
Total Money on Hold			
Remaining Cash	29,166.77	0	8,317.36

For Vendor: Product Purchase = P,
 Bill Payment = B, For Expense: List
 Account (Advertising, Supplies, Etc.)

Vendor Name		Inventory Entered	
		Delivery	Walk In
Vendor Name	P		
Vendor Name	B		
Vendor Name			
Vendor Name			
Vendor Name			
Vendor Name			
Vendor Name			
Vendor Name			
Vendor Name			
Vendor Name			
Vendor Name			
Vendor Name			
Vendor Name			
Vendor Name			
Expense - Vendor Name			
Expense - Vendor Name			
Expense - Vendor Name			
Expense - Vendor Name			
Expense - Vendor Name			
Expense - Vendor Name			
Expense - Vendor Name			
Expense - Vendor Name			
Expense - Vendor Name			
Bank Deposit			
ATM # 1 (Bud Room)			
ATM # 2 (Waiting Room)			
Total Disbursement			
Carryover Amount	29,166.77		

PLPCC - Daily Sales and Cash Reconciliation

- Process:**
- 1.) Enter Copy Previous Days Roll-Over
 - 2.) Enter Total Cash Collected from Each Location
 - 3.) Enter Vendor/Expenses Paid out from Day's Money
 - 4.) Cross Reference Cash on Hand with Unreconciled Amount
 - 5.) Add notes as needed to help explain any items you deem necessary

EXAMPLE			
Date	2018-08-19		
Decription	420 Report	Difference (Cash & 420)	Note
Beginning Cash Balance	29,166.77		
Sales - Walk-In	6,042.80	6,042.80	
Sales - Delivery	-		
Additional Money In	-		
Total Money In	35,209.57		
Less: Money on Hold for Vendors			
			Checks Paid
			Check # Amount Descriptions
710 Kingpen	3,414.96		
Grizzly Peaks	2,413.04		
Total Money on Hold	5,828.00		
Remaining Cash	29,381.57	0	6,042.80

For Vendor: Product Purchase = P,
 Bill Payment = B, For Expense: List
 Account (Advertising, Supplies, Etc.) Inventory Entered

Vendor Name			Delivery	Walk In
Vendor Name	-	P		
Vendor Name	-	B		
Vendor Name				
Vendor Name				
Vendor Name				
Vendor Name				
Vendor Name				
Vendor Name				
Vendor Name				
Vendor Name				
Vendor Name				
Vendor Name				
Vendor Name				
Vendor Name				
Vendor Name				
Judd Henkes IV, Inc	5,173.22			
Expense - Vendor Name	-			
Expense - Vendor Name	-			
Expense - Vendor Name	-			
Expense - Vendor Name	-			
Expense - Vendor Name	-			
Expense - Vendor Name	-			
Expense - Vendor Name	-			
Expense - Vendor Name	-			
Bank Deposit				
ATM # 1 (Bud Room)	2,000.00			
ATM # 2 (Waiting Room)				
Total Disbursement	(7,173.22)			
Carryover Amount	22,208.35			

PLPCC - Daily Sales and Cash Reconciliation

- Process:**
- 1.) Enter Copy Previous Days Roll-Over
 - 2.) Enter Total Cash Collected from Each Location
 - 3.) Enter Vendor/Expenses Paid out from Day's Money
 - 4.) Cross Reference Cash on Hand with Unreconciled Amount
 - 5.) Add notes as needed to help explain any items you deem necessary

EXAMPLE		2018-08-20	
Date	420 Report	Difference (Cash & 420)	Note
Beginning Cash Balance	22,208.35		
Sales - Walk-In	7,346.43	7,346.43	
Sales - Delivery	-	-	
Additional Money In	-		
Total Money In	29,554.78		
Less: Money on Hold for Vendors			
Heavy Hitters	5,394.00		
Flav	2,766.44		
	-		
	-		
Total Money on Hold	8,160.44		
Remaining Cash	21,394.34	7,346.43	

Check #	Amount	Descriptions
---------	--------	--------------

For Vendor: Product Purchase = P,
 Bill Payment = B, For Expense: List
 Account (Advertising, Supplies, Etc.) **Inventory Entered**

Vendor Name			Delivery	Walk In
Vendor Name	-	P		
Vendor Name	-	B		
Vendor Name				
Vendor Name				
Vendor Name				
Vendor Name				
Vendor Name				
Vendor Name				
Vendor Name				
Vendor Name				
Vendor Name				
Vendor Name				
Vendor Name				
Vendor Name				
Ross	75.40	Furniture		
Homedepo	70.44			
Target	54.98			
Expense - Vendor Name	-			
Expense - Vendor Name	-			
Expense - Vendor Name	-			
Expense - Vendor Name	-			
Expense - Vendor Name	-			
Bank Deposit	-			
ATM # 1 (Bud Room)	4,000.00			
ATM # 2 (Waiting Room)	-			
Total Disbursement	(4,200.82)			
Carryover Amount	17,193.52			

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PLPCC - Daily Sales and Cash Reconciliation

- Process:**
- 1.) Enter Copy Previous Days Roll-Over
 - 2.) Enter Total Cash Collected from Each Location
 - 3.) Enter Vendor/Expenses Paid out from Day's Money
 - 4.) Cross Reference Cash on Hand with Unreconciled Amount
 - 5.) Add notes as needed to help explain any items you deem necessary

EXAMPLE		
Date	2018-08-21	
Decription	420 Report	Difference (Cash &420) Note
Beginning Cash Balance	17,193.52	
Sales - Walk-In	7,311.66	7,311.66
Sales - Delivery	-	-
Additional Money In	-	-
Total Money In	24,505.18	
Less: Money on Hold for Vendors		
Total Money on Hold		
Remaining Cash	24,505.18	7,311.66

For Vendor: Product Purchase = P,
 Bill Payment = B, For Expense: List
 Account (Advertising, Supplies, Etc.) Inventory Entered

Vendor Name		Delivery	Walk In
Vendor Name	-	P	
Vendor Name	-	B	-
Vendor Name			
Vendor Name			
Vendor Name			
Vendor Name			
Vendor Name			
Vendor Name			
Vendor Name			
Vendor Name			
Vendor Name			
Vendor Name			
Vendor Name			
Vendor Name			
Vendor Name			
Vendor Name			
Staples	58.01		
Weedmaps Gas Fee for Delivery	20.00		
Expense - Vendor Name			
Expense - Vendor Name			
Expense - Vendor Name			
Expense - Vendor Name			
Expense - Vendor Name			
Expense - Vendor Name			
Bank Deposit	-		
ATM # 1 (Bud Room)	2,000.00		
ATM # 2 (Waiting Room)			
Total Disbursement	(2,078.01)		
Carryover Amount	22,427.17		

PLPCC - Daily Sales and Cash Reconciliation

- Process:**
- 1.) Enter Copy Previous Days Roll-Over
 - 2.) Enter Total Cash Collected from Each Location
 - 3.) Enter Vendor/Expenses Paid out from Day's Money
 - 4.) Cross Reference Cash on Hand with Unreconciled Amount
 - 5.) Add notes as needed to help explain any items you deem necessary

EXAMPLE			
Date	2018-08-23		
Decription	420 Report	Difference (Cash & 420)	Note
Beginning Cash Balance	16,846.04		
Sales - Walk-In	7,388.40	7,388.40	
Sales - Delivery	-	-	
Additional Money In	-		
Total Money In	24,234.44		
Less: Money on Hold for Vendors			
Total Money on Hold			
Remaining Cash	24,234.44	0	7,388.40

For Vendor: Product Purchase = P,
 Bill Payment = B, For Expense: List
 Account (Advertising, Supplies, Etc.)

Vendor Name			Inventory Entered	
			Delivery	Walk In
Vendor Name	-	P		
Vendor Name	-	B		
Vendor Name				
Vendor Name				
Vendor Name				
Vendor Name				
Vendor Name				
Vendor Name				
Vendor Name				
Vendor Name				
Vendor Name				
Vendor Name				
Vendor Name				
Vendor Name				
Vendor Name				
Expense - Vendor Name	-			
Expense - Vendor Name	-			
Expense - Vendor Name	-			
Expense - Vendor Name	-			
Expense - Vendor Name	-			
Expense - Vendor Name	-			
Expense - Vendor Name	-			
Expense - Vendor Name	-			
Expense - Vendor Name	-			
Bank Deposit				
ATM # 1 (Bud Room)	2,000.00			
ATM # 2 (Waiting Room)				
Total Disbursement	(2,000.00)			
Carryover Amount	22,234.44			

PLPCC - Daily Sales and Cash Reconciliation

- Process:**
- 1.) Enter Copy Previous Days Roll-Over
 - 2.) Enter Total Cash Collected from Each Location
 - 3.) Enter Vendor/Expenses Paid out from Day's Money
 - 4.) Cross Reference Cash on Hand with Unreconciled Amount
 - 5.) Add notes as needed to help explain any items you deem necessary

Date	EXAMPLE		Difference	Note
Decription	420 Report	(Cash &420)		
Beginning Cash Balance	22,234.44			
Sales - Walk-In	9,592.66		9,592.66	
Sales - Delivery	-			
Additional Money In	-			
Total Money In	31,827.10			
Less: Money on Hold for Vendors				
Total Money on Hold				
Remaining Cash	31,827.10	0	9,592.66	

For Vendor: Product Purchase = P,
 Bill Payment = B, For Expense: List
 Account (Advertising, Supplies, Etc.)

Vendor Name	Inventory Entered	Delivery	Walk In
Vendor Name	P		
Vendor Name	B		
Vendor Name			
Vendor Name			
Vendor Name			
Vendor Name			
Vendor Name			
Vendor Name			
Vendor Name			
Vendor Name			
Vendor Name			
Vendor Name			
Vendor Name			
Vendor Name			
Vendor Name			
Vendor Name			
Dan Burakowski	Advertising		
Expense - Vendor Name			
Expense - Vendor Name			
Expense - Vendor Name			
Expense - Vendor Name			
Expense - Vendor Name			
Expense - Vendor Name			
Expense - Vendor Name			
Expense - Vendor Name			
Bank Deposit			
ATM # 1 (Bud Room)			
ATM # 2 (Waiting Room)			
Total Disbursement			
Carryover Amount			

4658

PLPCC - Daily Sales and Cash Reconciliation

- Process:
- 1.) Enter Copy Previous Days Roll-Over
 - 2.) Enter Total Cash Collected from Each Location
 - 3.) Enter Vendor/Expenses Paid out from Day's Money
 - 4.) Cross Reference Cash on Hand with Unreconciled Amount
 - 5.) Add notes as needed to help explain any items you deem necessary

EXAMPLE			
Date	2018-08-25	420 Report	Difference (Cash & 420) Note
Beginning Cash Balance	26,327.10		
Sales - Walk-In	6,863.54		6,863.54
Sales - Delivery	-		
Additional Money In	1.36		
Total Money In	33,192.00		
Less: Money on Hold for Vendors			
		Check #	Checks Paid Amount Descriptions
Total Money on Hold			
Remaining Cash	33,192.00	0	6,863.54

For Vendor: Product Purchase = P,
 Bill Payment = B, For Expense: List
 Account (Advertising, Supplies, Etc.) Inventory Entered

Vendor Name			Delivery	Walk In
Vendor Name	-	P		
Vendor Name	-	B		
Vendor Name				
Vendor Name				
Vendor Name				
Vendor Name				
Vendor Name				
Vendor Name				
Vendor Name				
Vendor Name				
Vendor Name				
Vendor Name				
Vendor Name				
Vendor Name				
Vendor Name				
7-eleven	12.36			
Expense - Vendor Name	-			
Expense - Vendor Name	-			
Expense - Vendor Name	-			
Expense - Vendor Name				
Expense - Vendor Name				
Expense - Vendor Name				
Expense - Vendor Name				
Expense - Vendor Name				
Bank Deposit				
ATM # 1 (Bud Room)	2,000.00			
ATM # 2 (Waiting Room)				
Total Disbursement	(2,012.36)			
Carryover Amount	31,179.64			

4659

PLPCC - Daily Sales and Cash Reconciliation

- Process:**
- 1.) Enter Copy Previous Days Roll-Over
 - 2.) Enter Total Cash Collected from Each Location
 - 3.) Enter Vendor/Expenses Paid out from Day's Money
 - 4.) Cross Reference Cash on Hand with Unreconciled Amount
 - 5.) Add notes as needed to help explain any items you deem necessary

EXAMPLE			
Date	2018-08-26	420 Report	Difference (Cash & 420) Note
Decription			
Beginning Cash Balance	31,179.64		
Sales - Walk-In	5,294.61		5,294.61
Sales - Delivery	-		-
Additional Money In	0.02		
Total Money In	36,474.27		
Less: Money on Hold for Vendors			
Don Primo	3,432.32		
	-		
	-		
	-		
Total Money on Hold	3,432.32		
Remaining Cash	33,041.95	0	5,294.61

For Vendor: Product Purchase = P,
 Bill Payment = B, For Expense: List
 Account (Advertising, Supplies, Etc.) **Inventory Entered**

Vendor Name			Delivery	Walk In
Vendor Name	-	P		
Vendor Name	-	B		
Vendor Name				
Vendor Name				
Vendor Name				
Vendor Name				
Vendor Name				
Vendor Name				
Vendor Name				
Vendor Name				
Vendor Name				
Vendor Name				
Vendor Name				
Vendor Name				
Reader	2,260.00			
Target	5.38			
Expense - Vendor Name	-			
Expense - Vendor Name	-			
Expense - Vendor Name				
Expense - Vendor Name				
Expense - Vendor Name				
Expense - Vendor Name				
Expense - Vendor Name				
Bank Deposit	-			
ATM # 1 (Bud Room)	2,000.00			
ATM # 2 (Waiting Room)				
Total Disbursement	(4,265.38)			
Carryover Amount	28,776.57			

4660

PLPCC - Daily Sales and Cash Reconciliation

- Process:**
- 1.) Enter Copy Previous Days Roll-Over
 - 2.) Enter Total Cash Collected from Each Location
 - 3.) Enter Vendor/Expenses Paid out from Day's Money
 - 4.) Cross Reference Cash on Hand with Unreconciled Amount
 - 5.) Add notes as needed to help explain any items you deem necessary

EXAMPLE			
Date	2018-08-27		
Description	420 Report	Difference (Cash & 420)	Note
Beginning Cash Balance	28,776.57		
Sales - Walk-In	5,967.82	5,967.82	
Sales - Delivery	-	-	
Additional Money In	17.03		
Total Money In	34,761.42		
Less: Money on Hold for Vendors			Checks Paid
Sol Distro	3,566.67		Check #
Lowells	930.00		Amount
			Descriptions
Total Money on Hold	4,496.67		
Remaining Cash	30,264.75	0	5,967.82

For Vendor: Product Purchase = P,
 Bill Payment = B, For Expense: List
 Account (Advertising, Supplies, Etc.) **Inventory Entered**

Vendor Name			Delivery	Walk In
Vendor Name	-	P		
Vendor Name	-	B		
Vendor Name				
Vendor Name				
Vendor Name				
Vendor Name				
Vendor Name				
Vendor Name				
Vendor Name				
Vendor Name				
Vendor Name				
Vendor Name				
Vendor Name				
Vendor Name				
Edward Security	8,064.00			
Expense - Vendor Name	-			
Expense - Vendor Name	-			
Expense - Vendor Name	-			
Expense - Vendor Name				
Expense - Vendor Name				
Expense - Vendor Name				
Expense - Vendor Name				
Expense - Vendor Name				
Bank Deposit				
ATM # 1 (Bud Room)	2,000.00			
ATM # 2 (Waiting Room)				
Total Disbursement	(10,064.00)			
Carryover Amount	20,200.75			

PLPCC - Daily Sales and Cash Reconciliation

- Process:**
- 1.) Enter Copy Previous Days Roll-Over
 - 2.) Enter Total Cash Collected from Each Location
 - 3.) Enter Vendor/Expenses Paid out from Day's Money
 - 4.) Cross Reference Cash on Hand with Unreconciled Amount
 - 5.) Add notes as needed to help explain any items you deem necessary

EXAMPLE

Date	2018-08-29			
Description	420 Report	Difference	(Cash & 420)	Note
Beginning Cash Balance	26,249.80			
Sales - Walk-In	6,760.70		6,760.70	
Sales - Delivery	-		-	
Additional Money In	-		-	
Total Money In	33,010.50			
Less: Money on Hold for Vendors				
Total Money on Hold				
Remaining Cash	33,010.50	0	6,760.70	

Check #	Amount	Descriptions
---------	--------	--------------

For Vendor: Product Purchase = P, Bill Payment =
 B, For Expense: List Account (Advertising,
 Supplies, Etc.)

Inventory Entered

Delivery	Walk In
----------	---------

Vendor Name			
Vendor Name		P	
Vendor Name		B	
Vendor Name			
Vendor Name			
Vendor Name			
Vendor Name			
Vendor Name			
Vendor Name			
Vendor Name			
Vendor Name			
Vendor Name			
Vendor Name			
Vendor Name			
Vendor Name			
Vendor Name			
Vendor Name			
Vendor Name			
Vendor Name			
Vendor Name			
Vendor Name			
Payment to Farwest	24,000.00	(23536.93 still due for 8/12/2018-08/26/2018)	
Expense - Vendor Name	-		
Expense - Vendor Name	-		
Expense - Vendor Name	-		
Expense - Vendor Name	-		
Expense - Vendor Name	-		
Expense - Vendor Name	-		
Expense - Vendor Name	-		
Expense - Vendor Name	-		
Expense - Vendor Name	-		
Bank Deposit			
ATM # 1 (Bud Room)	4,000.00		
ATM # 2 (Waiting Room)	-		
Total Disbursement	(28,000.00)		
Carryover Amount	5,010.50		

4663

PLPCC - Daily Sales and Cash Reconciliation

- Process:**
- 1.) Enter Copy Previous Days Roll-Over
 - 2.) Enter Total Cash Collected from Each Location
 - 3.) Enter Vendor/Expenses Paid out from Day's Money
 - 4.) Cross Reference Cash on Hand with Unreconciled Amount
 - 5.) Add notes as needed to help explain any items you deem necessary

EXAMPLE			
Date	2018-08-30		
Description	420 Report	Difference (Cash & 420)	Note
Beginning Cash Balance	5,010.50		
Sales - Walk-In	7,347.10	7,347.10	
Sales - Delivery	-	-	
Additional Money In	1.88		
Total Money In	12,359.48		
Less: Money on Hold for Vendors			
			Checks Paid
			<u>Check #</u> <u>Amount</u> <u>Descriptions</u>
Oakland Distributing	264.96		
Total Money on Hold	264.96		
Remaining Cash	12,094.52	0	7,347.10

For Vendor: Product Purchase = P,
 Bill Payment = B, For Expense: List
 Account (Advertising, Supplies, Etc.) **Inventory Entered**

Vendor Name			Delivery	Walk In
Vendor Name	-	P		
Vendor Name	-	B		
Vendor Name				
Vendor Name				
Vendor Name				
Vendor Name				
Vendor Name				
Vendor Name				
Vendor Name				
Vendor Name				
Vendor Name				
Vendor Name				
Vendor Name				
Vendor Name				

Expense - Vendor Name	-
Expense - Vendor Name	-
Expense - Vendor Name	-
Expense - Vendor Name	-
Expense - Vendor Name	-
Expense - Vendor Name	-
Expense - Vendor Name	-
Bank Deposit	
ATM # 1 (Bud Room)	2,000.00
ATM # 2 (Waiting Room)	-
Total Disbursement	(2,000.00)
Carryover Amount	10,094.52

PLPCC - Daily Sales and Cash Reconciliation

- Process:
- 1.) Enter Copy Previous Days Roll-Over
 - 2.) Enter Total Cash Collected from Each Location
 - 3.) Enter Vendor/Expenses Paid out from Day's Money
 - 4.) Cross Reference Cash on Hand with Unreconciled Amount
 - 5.) Add notes as needed to help explain any items you deem necessary

EXAMPLE			
2018-08-31			
Date	420 Report	Difference (Cash & 420)	Note
Decription			
Beginning Cash Balance	10,094.52		
Sales - Walk-In	11,222.93	11,222.93	
Sales - Delivery	-	-	
Additional Money In	-		
Total Money In	21,317.45		
Less: Money on Hold for Vendors			
Kurvana	11,830.14		
	-		
	-		
Total Money on Hold	11,830.14		
Remaining Cash	9,487.31	11,222.93	

For Vendor: Product Purchase = P,
 Bill Payment = B, For Expense: List
 Account (Advertising, Supplies, Etc.)

Vendor Name	Inventory Entered	Delivery	Walk In
Vendor Name	P		
Vendor Name	B		
Vendor Name			
Vendor Name			
Vendor Name			
Vendor Name			
Vendor Name			
Vendor Name			
Vendor Name			
Vendor Name			
Vendor Name			
Vendor Name			
Vendor Name			
Vendor Name			

Staples	169.99
Smart and Final	149.58
Expense - Vendor Name	-
Expense - Vendor Name	-
Expense - Vendor Name	-
Expense - Vendor Name	-
Expense - Vendor Name	-
Expense - Vendor Name	-
Bank Deposit	-
ATM # 1 (Bud Room)	4,000.00
ATM # 2 (Waiting Room)	-
Total Disbursement	(4,319.57)
Carryover Amount	5,167.74

4665

Balboa - Daily Sales and Cash Reconciliation

- Process:**
- 1.) Enter Copy Previous Days Roll-Over
 - 2.) Enter Total Cash Collected from Each Location
 - 3.) Enter Vendor/Expenses Paid out from Day's Money
 - 4.) Cross Reference Cash on Hand with Unreconciled Amount
 - 5.) Add notes as needed to help explain any items you deem necessary

EXAMPLE

Date	2018-09-01	
Decription	420 Report	Difference (Cash & 420) Note
Beginning Cash Balance	5,167.74	
Sales - Walk-In	9,784.92	9,784.92
Sales - Delivery	-	-
Additional Money In	1.21	
Total Money In	14,953.87	
Less: Money on Hold for Vendors		
Total Money on Hold		
Remaining Cash	14,953.87	9,784.92

Check #	Checks Paid Amount	Descriptions
---------	--------------------	--------------

P, Bill Payment = B, For Expense: List Account (Advertising, Supplies, Etc.) Inventory Entered

Vendor Name		P	B	Delivery	Walk In
Vendor Name	-				
Vendor Name	-				
Vendor Name	-				
Vendor Name	-				
Vendor Name	-				
Vendor Name	-				
Vendor Name	-				
Vendor Name	-				
Vendor Name	-				
Vendor Name	-				
Vendor Name	-				
Vendor Name	-				
Vendor Name	-				
Vendor Name	-				
Vendor Name	-				
Expense - Vendor Name	-				
Expense - Vendor Name	-				
Expense - Vendor Name	-				
Expense - Vendor Name	-				
Expense - Vendor Name	-				
Expense - Vendor Name	-				
Expense - Vendor Name	-				
Expense - Vendor Name	-				
Bank Deposit					
ATM # 1 (Bud Room)	2,000.00				
ATM # 2 (Waiting Room)	-				
Total Disbursement	(2,000.00)				
Carryover Amount	12,953.87				

PLPCC - Daily Sales and Cash Reconciliation

- Process:
- 1.) Enter Copy Previous Days Roll-Over
 - 2.) Enter Total Cash Collected from Each Location
 - 3.) Enter Vendor/Expenses Paid out from Day's Money
 - 4.) Cross Reference Cash on Hand with Unreconciled Amount
 - 5.) Add notes as needed to help explain any items you deem necessary

EXAMPLE

Date	2018-09-02		Difference	Note
Decription	420 Report	(Cash & 420)		
Beginning Cash Balance	12,953.87			
Sales - Walk-In	7,712.96		7,712.96	
Sales - Delivery	-		-	
Additional Money In	1.82			
Total Money In	20,668.65			
Less: Money on Hold for Vendors Loudpack	2,827.20			
Total Money on Hold	2,827.20			
Remaining Cash	17,841.45	0	7,712.96	

Bill Payment = B, For Expense:
List Account (Advertising, Supplies, Etc.)

Vendor Name		Inventory Entered	
		Delivery	Walk In
Vendor Name	P		
Vendor Name	B		
Vendor Name			
Vendor Name			
Vendor Name			
Vendor Name			
Vendor Name			
Vendor Name			
Vendor Name			
Vendor Name			
Vendor Name			
Vendor Name			
Vendor Name			
Vendor Name			
Expense - Vendor Name			
Expense - Vendor Name			
Expense - Vendor Name			
Expense - Vendor Name			
Expense - Vendor Name			
Expense - Vendor Name			
Expense - Vendor Name			
Expense - Vendor Name			
Expense - Vendor Name			
Bank Deposit			
ATM # 1 (Bud Room)		4,000.00	
ATM # 2 (Waiting Room)			
Total Disbursement		(4,000.00)	
Carryover Amount		13,841.45	

PLPCC - Daily Sales and Cash Reconciliation

- Process:
- 1.) Enter Copy Previous Days Roll-Over
 - 2.) Enter Total Cash Collected from Each Location
 - 3.) Enter Vendor/Expenses Paid out from Day's Money
 - 4.) Cross Reference Cash on Hand with Unreconciled Amount
 - 5.) Add notes as needed to help explain any items you deem necessary

EXAMPLE

Date

2018-09-03

Description	420 Report	Difference (Cash & 420)	Note		
			Check #	Amount	Descriptions
Beginning Cash Balance	13,841.45				
Sales - Walk-In	6,133.16	6,133.16			
Sales - Delivery	-	-			
Additional Money In	-				
Total Money In	19,974.61				
Less: Money on Hold for Vendors					
Loudpack	2,698.24				
Loudpack	3,303.36				
	-				
	-				
Total Money on Hold	6,001.60				
Remaining Cash	13,973.01	0			6,133.16

P, Bill Payment = B, For
Expense: List Account
(Advertising, Supplies, Etc.)

Inventory Entered

Vendor Name		P	Inventory Entered	
			Delivery	Walk In
Vendor Name	-	P		
Vendor Name	-	B		
Vendor Name	-			
Vendor Name	-			
Vendor Name	-			
Vendor Name	-			
Vendor Name	-			
Vendor Name	-			
Vendor Name	-			
Vendor Name	-			
Vendor Name	-			
Vendor Name	-			
Vendor Name	-			
Vendor Name	-			
Vendor Name	-			
Vendor Name	-			
Vendor Name	-			
Vendor Name	-			
Expense - Vendor Name	-			
Expense - Vendor Name	-			
Expense - Vendor Name	-			
Expense - Vendor Name	-			
Expense - Vendor Name	-			
Expense - Vendor Name	-			
Expense - Vendor Name	-			
Expense - Vendor Name	-			
Expense - Vendor Name	-			
Bank Deposit	-			
ATM # 1 (Bud Room)	-			
ATM # 2 (Waiting Room)	-			
Total Disbursement	-			
Carryover Amount	13,973.01			

PLPCC - Daily Sales and Cash Reconciliation

- Process:**
- 1.) Enter Copy Previous Days Roll-Over
 - 2.) Enter Total Cash Collected from Each Location
 - 3.) Enter Vendor/Expenses Paid out from Day's Money
 - 4.) Cross Reference Cash on Hand with Unreconciled Amount
 - 5.) Add notes as needed to help explain any items you deem necessary

EXAMPLE			
Date	2018-09-05		
Description	420 Report	Difference (Cash & 420)	Note
Beginning Cash Balance	14,627.12		
Sales - Walk-In	7,203.35	7,203.35	
Sales - Delivery	-		
Additional Money In	-		
Total Money In	21,830.47		
			Checks Paid
Less: Money on Hold for Vendors	-		<u>Check #</u> <u>Amount</u> <u>Descriptions</u>
	-		
	-		
	-		
Total Money on Hold	-		
Remaining Cash	21,830.47	0	7,203.35

For Vendor: Product Purchase = P,
 Bill Payment = B, For Expense: List
 Account (Advertising, Supplies, Etc.) **Inventory Entered**

Vendor Name		Delivery	Walk In
Vendor Name	-	P	
Vendor Name	-	B	
Vendor Name	-		
Vendor Name	-		
Vendor Name	-		
Vendor Name	-		
Vendor Name	-		
Vendor Name	-		
Vendor Name	-		
Vendor Name	-		
Vendor Name	-		
Vendor Name	-		
Vendor Name	-		
Vendor Name	-		
Vendor Name	-		
Vendor Name	-		
Vendor Name	-		
Vendor Name	-		
Vendor Name	-		
Vendor Name	-		
Vendor Name	-		

420soft payment	360.00	(on Farwest Credit Card)
Rent Unit C	1,500.00	
3 Key Media	4,540.93	Invoices 1173, 1175, 1174
Reader Ad	2,357.00	
Weedmaps	6,170.00	
Expense - Vendor Name		
Expense - Vendor Name		
Expense - Vendor Name		
Expense - Vendor Name		
Bank Deposit		
ATM # 1 (Bud Room)		
ATM # 2 (Waiting Room)		
Total Disbursement	(14,927.93)	

Carryover Amount 6,902.54

PLPCC - Daily Sales and Cash Reconciliation

- Process:**
- 1.) Enter Copy Previous Days Roll-Over
 - 2.) Enter Total Cash Collected from Each Location
 - 3.) Enter Vendor/Expenses Paid out from Day's Money
 - 4.) Cross Reference Cash on Hand with Unreconciled Amount
 - 5.) Add notes as needed to help explain any Items you deem necessary

EXAMPLE		
Date	2018-09-06	
Decription	420 Report	Difference (Cash & 420) Note
Beginning Cash Balance	6,902.54	
Sales - Walk-In	7,368.56	7,368.56
Sales - Delivery		-
Additional Money In	-	
Total Money In	14,271.10	
Less: Money on Hold for Vendors		
Total Money on Hold	-	
Remaining Cash	14,271.10	7,368.56

Checks Paid		
Check #	Amount	Descriptions
-	-	-
-	-	-
-	-	-

For Vendor: Product Purchase = P,
 Bill Payment = B, For Expense: List
 Account (Advertising, Supplies, Etc.)

Inventory Entered
 Delivery Walk In

Vendor Name		P		
Vendor Name		B		
Vendor Name				
Vendor Name				
Vendor Name				
Vendor Name				
Vendor Name				
Vendor Name				
Vendor Name				
Vendor Name				
Vendor Name				
Vendor Name				
Vendor Name				
Vendor Name				
Aztec Security	259.20			
Staples Reimbursement	6.25			
				Total was 76.06
Expense - Vendor Name	-			
Expense - Vendor Name	-			
Expense - Vendor Name	-			
Expense - Vendor Name	-			
Expense - Vendor Name	-			
Expense - Vendor Name	-			
Bank Deposit				
ATM # 1 (Bud Room)	4,000.00			
ATM # 2 (Waiting Room)				
Total Disbursement	(4,265.45)			
Carryover Amount	10,005.65			

4671

PLPCC - Daily Sales and Cash Reconciliation

- Process:
- 1.) Enter Copy Previous Days Roll-Over
 - 2.) Enter Total Cash Collected from Each Location
 - 3.) Enter Vendor/Expenses Paid out from Day's Money
 - 4.) Cross Reference Cash on Hand with Unreconciled Amount
 - 5.) Add notes as needed to help explain any Items you deem necessary

EXAMPLE
2018-09-07

Date	420 Report	Difference (Cash & 420)	Note
Decription			
Beginning Cash Balance	10,005.65		
Sales - Walk-In	10,324.91	10,324.91	
Sales - Delivery	-		
Additional Money In	81.09		
Total Money In	20,411.65		
Less: Money on Hold for Vendors	-		
	-		
	-		
	-		
Total Money on Hold	-		
	-		
Remaining Cash	20,411.65	0	10,324.91

Checks Paid

Check #	Amount	Descriptions
---------	--------	--------------

For Vendor: Product Purchase = P,
Bill Payment = B, For Expense: List
Account (Advertising, Supplies, Etc.)

Vendor Name		Inventory Entered	
		Delivery	Walk In
Vendor Name	P		
Vendor Name	B		
Vendor Name			
Vendor Name			
Vendor Name			
Vendor Name			
Vendor Name			
Vendor Name			
Vendor Name			
Vendor Name			
Vendor Name			
Expense - Vendor Name	-		
Expense - Vendor Name	-		
Expense - Vendor Name	-		
Expense - Vendor Name	-		
Expense - Vendor Name	-		
Expense - Vendor Name	-		
Expense - Vendor Name	-		
Expense - Vendor Name	-		
Expense - Vendor Name	-		
Bank Deposit			
ATM # 1 (Bud Room)	2,000.00		
ATM # 2 (Waiting Room)	-		
Total Disbursement	(2,000.00)		
Carryover Amount	18,411.65		

PLPCC - Daily Sales and Cash Reconciliation

- Process:**
- 1.) Enter Copy Previous Days Roll-Over
 - 2.) Enter Total Cash Collected from Each Location
 - 3.) Enter Vendor/Expenses Paid out from Day's Money
 - 4.) Cross Reference Cash on Hand with Unreconciled Amount
 - 5.) Add notes as needed to help explain any Items you deem necessary

EXAMPLE			
Date	2018-09-08		
Description	420 Report	Difference (Cash & 420)	Note
Beginning Cash Balance	18,411.65		
Sales - Walk-In	9,277.05	9,277.05	
Sales - Delivery	-		
Additional Money In	-		
Total Money In	27,688.70		
Less: Money on Hold for Vendors			
Total Money on Hold			
Remaining Cash	27,688.70	0	9,277.05

For Vendor: Product Purchase = P,
 Bill Payment = B, For Expense: List
 Account (Advertising, Supplies, Etc.) **Inventory Entered**

Vendor Name		Delivery	Walk In
Vendor Name	P		
Vendor Name	B		
Vendor Name			
Vendor Name			
Vendor Name			
Vendor Name			
Vendor Name			
Vendor Name			
Vendor Name			
Vendor Name			
Vendor Name			
Vendor Name			
Vendor Name			
Expense - Vendor Name			
Expense - Vendor Name			
Expense - Vendor Name			
Expense - Vendor Name			
Expense - Vendor Name			
Expense - Vendor Name			
Expense - Vendor Name			
Expense - Vendor Name			
Bank Deposit			
ATM # 1 (Bud Room)	2,000.00		
ATM # 2 (Waiting Room)			
Total Disbursement	(2,000.00)		
Carryover Amount	25,688.70		

PLPCC - Daily Sales and Cash Reconciliation

- Process:
- 1.) Enter Copy Previous Days Roll-Over
 - 2.) Enter Total Cash Collected from Each Location
 - 3.) Enter Vendor/Expenses Paid out from Day's Money
 - 4.) Cross Reference Cash on Hand with Unreconciled Amount
 - 5.) Add notes as needed to help explain any items you deem necessary

EXAMPLE			
Date	420 Report	Difference (Cash & 420)	Note
2018-09-09			
Description			
Beginning Cash Balance	25,688.70		
Sales - Walk-In	5,920.88	5,920.88	
Sales - Delivery	-	-	
Additional Money In	-	-	
Total Money In	31,609.58		
Less: Money on Hold for Vendors			
Cal Vape	4,961.30		
	-		
	-		
	-		
Total Money on Hold	4,961.30		
Remaining Cash	26,648.28	5,920.88	

For Vendor: Product Purchase = P,
 Bill Payment = B, For Expense: List
 Account (Advertising, Supplies, Etc.)

Vendor Name		Inventory Entered	
		Delivery	Walk In
Vendor Name	-	P	
Vendor Name	-	B	
Vendor Name	-		
Vendor Name	-		
Vendor Name	-		
Vendor Name	-		
Vendor Name	-		
Vendor Name	-		
Vendor Name	-		
Vendor Name	-		
Vendor Name	-		
Vendor Name	-		
Vendor Name	-		
Vendor Name	-		
Expense - Vendor Name	-		
Expense - Vendor Name	-		
Expense - Vendor Name	-		
Expense - Vendor Name	-		
Expense - Vendor Name	-		
Expense - Vendor Name	-		
Expense - Vendor Name	-		
Expense - Vendor Name	-		
Bank Deposit	-		
ATM # 1 (Bud Room)	2,000.00		
ATM # 2 (Waiting Room)	-		
Total Disbursement	(2,000.00)		
Carryover Amount	24,648.28		

PLPCC - Daily Sales and Cash Reconciliation

- Process:
- 1.) Enter Copy Previous Days Roll-Over
 - 2.) Enter Total Cash Collected from Each Location
 - 3.) Enter Vendor/Expenses Paid out from Day's Money
 - 4.) Cross Reference Cash on Hand with Unreconciled Amount
 - 5.) Add notes as needed to help explain any items you deem necessary

EXAMPLE			
Date	2018-09-10		
Decription	420 Report	Difference (Cash & 420)	Note
Beginning Cash Balance	24,648.28		
Sales - Walk-In	7,740.83	7,740.83	
Sales - Delivery	-		
Additional Money In	4.02		
Total Money In	32,393.13		
Less: Money on Hold for Vendors			
ThinC	1,874.88		
Dan/Black Bag	1,368.96		
Outco	4,459.20		
Don Primo	3,878.72		
Total Money on Hold	11,581.76		
Remaining Cash	20,811.37	0	7,740.83

For Vendor: Product Purchase = P,
 Bill Payment = B, For Expense: List
 Account (Advertising, Supplies, Etc.)

Inventory Entered

Vendor Name		Delivery	Walk In
Vendor Name	-	P	
Vendor Name	-	B	
Vendor Name			
Vendor Name			
Vendor Name			
Vendor Name			
Vendor Name			
Vendor Name			
Vendor Name			
Vendor Name			
Vendor Name			
Vendor Name			
Vendor Name			
Vendor Name			
Vendor Name			
Vendor Name			
Vendor Name			
Leafly	7,000.00		

Expense - Vendor Name	-
Expense - Vendor Name	-
Expense - Vendor Name	-
Expense - Vendor Name	-
Expense - Vendor Name	-
Expense - Vendor Name	-
Bank Deposit	
ATM # 1 (Bud Room)	2,000.00
ATM # 2 (Waiting Room)	
Total Disbursement	(9,000.00)
Carryover Amount	11,811.37

PLPCC - Daily Sales and Cash Reconciliation

- Process:**
- 1.) Enter Copy Previous Days Roll-Over
 - 2.) Enter Total Cash Collected from Each Location
 - 3.) Enter Vendor/Expenses Paid out from Day's Money
 - 4.) Cross Reference Cash on Hand with Unreconciled Amount
 - 5.) Add notes as needed to help explain any items you deem necessary

EXAMPLE			
Date	2018-09-11		
Description	420 Report	Difference (Cash & 420)	Note
Beginning Cash Balance	11,811.37		
Sales - Walk-In	6,717.05	6,717.05	
Sales - Delivery	-		
Additional Money In	-		
Total Money In	18,528.42		
Less: Money on Hold for Vendors Calyx	1,711.20		
	-		
	-		
Total Money on Hold	1,711.20		
Remaining Cash	16,817.22	0	6,717.05

Checks Paid		
Check #	Amount	Descriptions

For Vendor: Product Purchase = P,
Bill Payment = B, For Expense: List
Account (Advertising, Supplies, Etc.)

Vendor Name		Inventory Entered	
		Delivery	Walk In
Vendor Name	P		
Vendor Name	B	-	-
Vendor Name			
Vendor Name			
Vendor Name			
Vendor Name			
Vendor Name			
Vendor Name			
Vendor Name			
Vendor Name			
Vendor Name			
Vendor Name			
Vendor Name			
Vendor Name			
Vendor Name			
Payment to Far West		21,536.93	(All paid through week 8/26)

Expense - Vendor Name	-
Expense - Vendor Name	-
Expense - Vendor Name	-
Expense - Vendor Name	-
Expense - Vendor Name	-
Expense - Vendor Name	-
Expense - Vendor Name	-
Bank Deposit	
ATM # 1 (Bud Room)	2,000.00
ATM # 2 (Waiting Room)	-
Total Disbursement	(23,536.93)
Carryover Amount	(6,719.71)

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PLPCC - Daily Sales and Cash Reconciliation

- Process:**
- 1.) Enter Copy Previous Days Roll-Over
 - 2.) Enter Total Cash Collected from Each Location
 - 3.) Enter Vendor/Expenses Paid out from Day's Money
 - 4.) Cross Reference Cash on Hand with Unreconciled Amount
 - 5.) Add notes as needed to help explain any items you deem necessary

EXAMPLE			
Date	2018-09-12	420 Report	Difference (Cash & 420) Note
Beginning Cash Balance	(6,719.71)		
Sales - Walk-In	7,391.38		7,391.38
Sales - Delivery	-		-
Additional Money In	-		-
Total Money In	671.67		
Less: Money on Hold for Vendors			
Papa & Barkley	2,445.30		
	-		
	-		
Total Money on Hold	2,445.30		
Remaining Cash	(1,773.63)	0	7,391.38

For Vendor: Product Purchase = P,
 Bill Payment = B, For Expense: List
 Account (Advertising, Supplies, Etc.) Inventory Entered

Vendor Name		Delivery	Walk In
Vendor Name	P		
Vendor Name	B		
Vendor Name			
Vendor Name			
Vendor Name			
Vendor Name			
Vendor Name			
Vendor Name			
Vendor Name			
Vendor Name			
Vendor Name			
Vendor Name			
Vendor Name			
Vendor Name			
Expense - Vendor Name	-		
Expense - Vendor Name	-		
Expense - Vendor Name	-		
Expense - Vendor Name	-		
Expense - Vendor Name	-		
Expense - Vendor Name	-		
Expense - Vendor Name	-		
Expense - Vendor Name	-		
Expense - Vendor Name	-		
Bank Deposit			
ATM # 1 (Bud Room)	1,000.00		
ATM # 2 (Waiting Room)			
Total Disbursement	(1,000.00)		
Carryover Amount	(2,773.63)		

PLPCC - Daily Sales and Cash Reconciliation

- Process:**
- 1.) Enter Copy Previous Days Roll-Over
 - 2.) Enter Total Cash Collected from Each Location
 - 3.) Enter Vendor/Expenses Paid out from Day's Money
 - 4.) Cross Reference Cash on Hand with Unreconciled Amount
 - 5.) Add notes as needed to help explain any Items you deem necessary

EXAMPLE			
Date	2018-09-13		
Decription	420 Report	Difference (Cash &420)	Note
Beginning Cash Balance	(2,773.63)		
Sales - Walk-In	9,525.56	9,525.56	
Sales - Delivery	-		
Additional Money In	0.21		
Total Money In	6,752.14		
Less: Money on Hold for Vendors			Checks Paid
Heavy Hitters	3,540.00		<u>Check #</u> <u>Amount</u> <u>Descriptions</u>
THC Design	8,171.60		
Total Money on Hold	11,711.60		
Remaining Cash	(4,959.46)	0	9,525.56

For Vendor: Product Purchase = P,
 Bill Payment = B, For Expense: List
 Account (Advertising, Supplies, Etc.) **Inventory Entered**

Vendor Name		Delivery	Walk In
Vendor Name	-	P	
Vendor Name	-	B	
Vendor Name	-		
Vendor Name	-		
Vendor Name	-		
Vendor Name	-		
Vendor Name	-		
Vendor Name	-		
Vendor Name	-		
Vendor Name	-		
Vendor Name	-		
Vendor Name	-		
Vendor Name	-		
Vendor Name	-		
Vendor Name	-		
Vendor Name	-		
Vendor Name	-		
Vendor Name	-		
Vendor Name	-		
Vendor Name	-		
Target	92.67		
Expense - Vendor Name	-		
Expense - Vendor Name	-		
Expense - Vendor Name	-		
Expense - Vendor Name	-		
Expense - Vendor Name	-		
Expense - Vendor Name	-		
Expense - Vendor Name	-		
Expense - Vendor Name	-		
Expense - Vendor Name	-		
Bank Deposit	-		
ATM # 1 (Bud Room)	3,500.00		
ATM # 2 (Waiting Room)	-		
Total Disbursement	(3,592.67)		
Carryover Amount	(8,552.13)		

PLPCC - Daily Sales and Cash Reconciliation

- Process:**
- 1.) Enter Copy Previous Days Roll-Over
 - 2.) Enter Total Cash Collected from Each Location
 - 3.) Enter Vendor/Expenses Paid out from Day's Money
 - 4.) Cross Reference Cash on Hand with Unreconciled Amount
 - 5.) Add notes as needed to help explain any items you deem necessary

EXAMPLE
2018-09-14

Date	420 Report	Difference (Cash & 420)	Note
Decription			
Beginning Cash Balance	(8,552.13)		
Sales - Walk-In	10,853.09	10,853.09	
Sales - Delivery	-		
Additional Money In	-		
Total Money In	2,300.96		
Less: Money on Hold for Vendors			
Total Money on Hold			
Remaining Cash	2,300.96	0	10,853.09

Checks Paid

Check #	Amount	Descriptions

**For Vendor: Product Purchase = P,
Bill Payment = B, For Expense: List
Account (Advertising, Supplies, Etc.)**

Inventory Entered

Vendor Name			Delivery	Walk In
Vendor Name	-	P		
Vendor Name	-	B		
Vendor Name	-			
Vendor Name	-			
Vendor Name	-			
Vendor Name	-			
Vendor Name	-			
Vendor Name	-			
Vendor Name	-			
Vendor Name	-			
Vendor Name	-			
Vendor Name	-			
Vendor Name	-			
Vendor Name	-			
Vendor Name	-			
Expense - Vendor Name	-			
Expense - Vendor Name	-			
Expense - Vendor Name	-			
Expense - Vendor Name	-			
Expense - Vendor Name	-			
Expense - Vendor Name	-			
Expense - Vendor Name	-			
Expense - Vendor Name	-			
Bank Deposit	-			
ATM # 1 (Bud Room)	4,000.00			
ATM # 2 (Waiting Room)	-			
Total Disbursement	(4,000.00)			
Carryover Amount	(1,699.04)			

4679

PLPCC - Daily Sales and Cash Reconciliation

- Process:
- 1.) Enter Copy Previous Days Roll-Over
 - 2.) Enter Total Cash Collected from Each Location
 - 3.) Enter Vendor/Expenses Paid out from Day's Money
 - 4.) Cross Reference Cash on Hand with Unreconciled Amount
 - 5.) Add notes as needed to help explain any items you deem necessary

Date	EXAMPLE		2018-09-16	
Decription	420 Report	Difference (Cash &420)	Note	
Beginning Cash Balance	(11,012.59)			
Sales - Walk-In	6,134.90	6,134.90		
Sales - Delivery	-			
Additional Money In	2.72			
Total Money In	(4,874.97)			
Less: Money on Hold for Vendors			Check #	Checks Paid Amount Descriptions
Total Money on Hold				
Remaining Cash	(4,874.97)	0		6,134.90

For Vendor: Product Purchase = P,
Bill Payment = B, For Expense: List
Account (Advertising, Supplies, Etc.)

Inventory Entered

Delivery Walk In

Vendor Name				
Vendor Name	-	P		
Vendor Name	-	B		
Vendor Name				
Vendor Name				
Vendor Name				
Vendor Name				
Vendor Name				
Vendor Name				
Vendor Name				
Vendor Name				
Vendor Name				
Vendor Name				
Vendor Name				
Vendor Name				
Vendor Name				
Vendor Name				
Vendor Name				
Vendor Name				
Vendor Name				
Vendor Name				
Dan Car Sponsorship	1,500.00			
Expense - Vendor Name	-			
Expense - Vendor Name	-			
Expense - Vendor Name	-			
Expense - Vendor Name	-			
Expense - Vendor Name	-			
Expense - Vendor Name	-			
Expense - Vendor Name	-			
Expense - Vendor Name	-			
Expense - Vendor Name	-			
Bank Deposit				
ATM # 1 (Bud Room)	2,800.00			
ATM # 2 (Waiting Room)	-			
Total Disbursement	(4,300.00)			
Carryover Amount	(9,174.97)			

PLPCC - Daily Sales and Cash Reconciliation

- Process:
- 1.) Enter Copy Previous Days Roll-Over
 - 2.) Enter Total Cash Collected from Each Location
 - 3.) Enter Vendor/Expenses Paid out from Day's Money
 - 4.) Cross Reference Cash on Hand with Unreconciled Amount
 - 5.) Add notes as needed to help explain any items you deem necessary

EXAMPLE			
Date	2018-09-18		
Description	420 Report	Difference (Cash & 420)	Note
Beginning Cash Balance	(2,663.78)		
Sales - Walk-In	6,113.79	6,113.79	
Sales - Delivery	-		
Additional Money In	40.00		
Total Money In	3,490.01		
Less: Money on Hold for Vendors			
			Check # Checks Paid Descriptions
Total Money on Hold			
Remaining Cash	3,490.01	0	6,113.79

For Vendor: Product Purchase = P,
 Bill Payment = B, For Expense: List
 Account (Advertising, Supplies, Etc.) Inventory Entered

Vendor Name			Delivery	Walk In
Vendor Name	-	P		
Vendor Name	-	B		
Vendor Name				
Vendor Name				
Vendor Name				
Vendor Name				
Vendor Name				
Vendor Name				
Vendor Name				
Vendor Name				
Vendor Name				
Vendor Name				
Vendor Name				
Vendor Name				
Vendor Name				
Expense - Vendor Name	-			
Expense - Vendor Name	-			
Expense - Vendor Name	-			
Expense - Vendor Name	-			
Expense - Vendor Name	-			
Expense - Vendor Name	-			
Expense - Vendor Name	-			
Expense - Vendor Name	-			
Expense - Vendor Name	-			
Bank Deposit				
ATM # 1 (Bud Room)	2,800.00			
ATM # 2 (Waiting Room)	-			
Total Disbursement	(2,800.00)			
Carryover Amount	690.01			

PLPCC - Daily Sales and Cash Reconciliation

- Process:
- 1.) Enter Copy Previous Days Roll-Over
 - 2.) Enter Total Cash Collected from Each Location
 - 3.) Enter Vendor/Expenses Paid out from Day's Money
 - 4.) Cross Reference Cash on Hand with Unreconciled Amount
 - 5.) Add notes as needed to help explain any items you deem necessary

Date	EXAMPLE	420 Report	Difference (Cash & 420)	Note
	2018-09-20			
Decription				
Beginning Cash Balance	7,104.42			
Sales - Walk-In	8,327.54		8,327.54	
Sales - Delivery	-		-	
Additional Money In	(101.00)			
Total Money In	15,330.96			
Less: Money on Hold for Vendors				
				<u>Check #</u>
				<u>Amount</u>
				<u>Descriptions</u>
Total Money on Hold				
Remaining Cash	15,330.96	0	8,327.54	

For Vendor: Product Purchase = P,
 Bill Payment = B, For Expense: List
 Account (Advertising, Supplies, Etc.)

Vendor Name	Inventory Entered	Delivery	Walk In
Vendor Name	-	P	
Vendor Name	-	B	
Vendor Name			
Vendor Name			
Vendor Name			
Vendor Name			
Vendor Name			
Vendor Name			
Vendor Name			
Vendor Name			
Vendor Name			
Vendor Name			
Vendor Name			
Vendor Name			
Vendor Name			
Vendor Name			
Far West Payment	15,075.30	Paid to #1005 and partial #1012	
Expense - Vendor Name	-		
Expense - Vendor Name	-		
Expense - Vendor Name	-		
Expense - Vendor Name			
Expense - Vendor Name			
Expense - Vendor Name			
Expense - Vendor Name			
Expense - Vendor Name			
Expense - Vendor Name			
Bank Deposit			
ATM # 1 (Bud Room)	3,000.00		
ATM # 2 (Waiting Room)			
Total Disbursement	(18,075.30)		
Carryover Amount	(2,744.34)		

PLPCC - Daily Sales and Cash Reconciliation

- Process:**
- 1.) Enter Copy Previous Days Roll-Over
 - 2.) Enter Total Cash Collected from Each Location
 - 3.) Enter Vendor/Expenses Paid out from Day's Money
 - 4.) Cross Reference Cash on Hand with Unreconciled Amount
 - 5.) Add notes as needed to help explain any items you deem necessary

EXAMPLE			
Date	2018-09-21		
Decription	420 Report	Difference (Cash &420)	Note
Beginning Cash Balance	(2,744.34)		
Sales - Walk-In	9,007.18	9,007.18	
Sales - Delivery	-	-	
Additional Money In	6.29		
Total Money In	6,269.13		
Less: Money on Hold for Vendors			
			Checks Paid
			<u>Check #</u> <u>Amount</u> <u>Descriptions</u>
Total Money on Hold			
Remaining Cash	6,269.13	0	9,007.18

For Vendor: Product Purchase = P,
 Bill Payment = B, For Expense: List
 Account (Advertising, Supplies, Etc.)

Vendor Name		Inventory Entered	
		Delivery	Walk In
Vendor Name	-	P	
Vendor Name	-	B	
Vendor Name			
Vendor Name			
Vendor Name			
Vendor Name			
Vendor Name			
Vendor Name			
Vendor Name			
Vendor Name			
Vendor Name			
Vendor Name			
Vendor Name			
Vendor Name			
Edward Security	8,064.00		
Add to Backstock Change	700.00		
Expense - Vendor Name	-		
Expense - Vendor Name	-		
Expense - Vendor Name	-		
Expense - Vendor Name	-		
Expense - Vendor Name	-		
Expense - Vendor Name	-		
Expense - Vendor Name	-		
Bank Deposit			
ATM # 1 (Bud Room)	3,000.00		
ATM # 2 (Waiting Room)	-		
Total Disbursement	(11,764.00)		
Carryover Amount	(5,494.87)		

PLPCC - Daily Sales and Cash Reconciliation

- Process:
- 1.) Enter Copy Previous Days Roll-Over
 - 2.) Enter Total Cash Collected from Each Location
 - 3.) Enter Vendor/Expenses Paid out from Day's Money
 - 4.) Cross Reference Cash on Hand with Unreconciled Amount
 - 5.) Add notes as needed to help explain any items you deem necessary

EXAMPLE			
2018-09-22			
Date	420 Report	Difference (Cash & 420)	Note
Decription			
Beginning Cash Balance	(5,494.87)		
Sales - Walk-In	8,343.19	8,343.19	
Sales - Delivery	-	-	
Additional Money In	0.01		
Total Money In	2,848.33		
Less: Money on Hold for Vendors			
			Checks Paid
			<u>Check #</u> <u>Amount</u> <u>Descriptions</u>
Total Money on Hold			
Remaining Cash	2,848.33	0	8,343.19

For Vendor: Product Purchase = P,
 Bill Payment = B, For Expense: List
 Account (Advertising, Supplies, Etc.) **Inventory Entered**

Vendor Name			Delivery	Walk In
Vendor Name	-	P		
Vendor Name	-	B		
Vendor Name				
Vendor Name				
Vendor Name				
Vendor Name				
Vendor Name				
Vendor Name				
Vendor Name				
Vendor Name				
Vendor Name				
Vendor Name				
Vendor Name				
Expense - Vendor Name	-			
Expense - Vendor Name	-			
Expense - Vendor Name	-			
Expense - Vendor Name	-			
Expense - Vendor Name				
Expense - Vendor Name				
Expense - Vendor Name				
Expense - Vendor Name				
Expense - Vendor Name				
Bank Deposit				
ATM # 1 (Bud Room)	3,000.00			
ATM # 2 (Waiting Room)				
Total Disbursement	(3,000.00)			
Carryover Amount	(151.67)			

PLPCC - Daily Sales and Cash Reconciliation

- Process:
- 1.) Enter Copy Previous Days Roll-Over
 - 2.) Enter Total Cash Collected from Each Location
 - 3.) Enter Vendor/Expenses Paid out from Day's Money
 - 4.) Cross Reference Cash on Hand with Unreconciled Amount
 - 5.) Add notes as needed to help explain any items you deem necessary

EXAMPLE			
2018-09-23			
Date	420 Report	Difference (Cash & 420)	Note
Decription			
Beginning Cash Balance	(151.67)		
Sales - Walk-In	7,112.50	7,112.50	
Sales - Delivery	-		
Additional Money In	(1.82)		
Total Money In	6,959.01		
Less: Money on Hold for Vendors			
			Checks Paid
			Check # Amount Descriptions
Total Money on Hold			
Remaining Cash	6,959.01	0	7,112.50

For Vendor: Product Purchase = P,
 Bill Payment = B, For Expense: List
 Account (Advertising, Supplies, Etc.)

Vendor Name	Inventory Entered	Delivery	Walk In
Vendor Name	P		
Vendor Name	B		
Vendor Name			
Vendor Name			
Vendor Name			
Vendor Name			
Vendor Name			
Vendor Name			
Vendor Name			
Vendor Name			
Vendor Name			
Vendor Name			
Vendor Name			
Vendor Name			
Vendor Name			
Vendor Name			
Reader Ad	3,060.00	# 9/27, 9/20	
Staples	195.29		
Smart & Final	52.08		
Vista Print	71.99	Charge on Far West Ccard	
Expense - Vendor Name			
Expense - Vendor Name			
Expense - Vendor Name			
Expense - Vendor Name			
Expense - Vendor Name			
Bank Deposit			
ATM # 1 (Bud Room)	2,000.00		
ATM # 2 (Waiting Room)	-		
Total Disbursement	(5,379.36)		
Carryover Amount	1,579.65		

PLPCC - Daily Sales and Cash Reconciliation

- Process:
- 1.) Enter Copy Previous Days Roll-Over
 - 2.) Enter Total Cash Collected from Each Location
 - 3.) Enter Vendor/Expenses Paid out from Day's Money
 - 4.) Cross Reference Cash on Hand with Unreconciled Amount
 - 5.) Add notes as needed to help explain any items you deem necessary

Date	EXAMPLE		2018-09-24	
Description	420 Report	Difference (Cash & 420)	Note	
Beginning Cash Balance	1,579.65			
Sales - Walk-In	5,864.60	5,864.60		
Sales - Delivery	-			
Additional Money In	-			
Total Money In	7,444.25			
Less: Money on Hold for Vendors			<u>Check #</u>	<u>Checks Paid</u> Amount Descriptions
	-			
	-			
	-			
Total Money on Hold	-			
Remaining Cash	7,444.25	0		5,864.60

For Vendor: Product Purchase = P,
 Bill Payment = B, For Expense: List
 Account (Advertising, Supplies, Etc.) **Inventory Entered**

Vendor Name			Delivery	Walk In
Vendor Name	-	P		
Vendor Name	-	B		
Vendor Name				
Vendor Name				
Vendor Name				
Vendor Name				
Vendor Name				
Vendor Name				
Vendor Name				
Vendor Name				
Vendor Name				
Vendor Name				
Vendor Name				
Vendor Name				
Expense - Vendor Name	-			
Expense - Vendor Name	-			
Expense - Vendor Name	-			
Expense - Vendor Name	-			
Expense - Vendor Name				
Expense - Vendor Name				
Expense - Vendor Name				
Expense - Vendor Name				
Expense - Vendor Name				
Bank Deposit				
ATM # 1 (Bud Room)	1,000.00			
ATM # 2 (Waiting Room)	-			
Total Disbursement	(1,000.00)			
Carryover Amount	6,444.25			

PLPCC - Daily Sales and Cash Reconciliation

- Process:**
- 1.) Enter Copy Previous Days Roll-Over
 - 2.) Enter Total Cash Collected from Each Location
 - 3.) Enter Vendor/Expenses Paid out from Day's Money
 - 4.) Cross Reference Cash on Hand with Unreconciled Amount
 - 5.) Add notes as needed to help explain any items you deem necessary

EXAMPLE			
2018-09-25			
Date	420 Report	Difference (Cash &420)	Note
Decription			
Beginning Cash Balance	6,444.25		
Sales - Walk-In	6,864.77	6,864.77	
Sales - Delivery	-		
Additional Money In	0.36		
Total Money In	13,309.38		
Less: Money on Hold for Vendors			Checks Paid
outco	2,654.64		<u>Check #</u> <u>Amount</u> <u>Descriptions</u>
Altai	6,547.20		
Total Money on Hold	9,201.84		
Remaining Cash	4,107.54	0	6,864.77

For Vendor: Product Purchase = P,
 Bill Payment = B, For Expense: List
 Account (Advertising, Supplies, Etc.) **Inventory Entered**

Vendor Name			Delivery	Walk In
Vendor Name	-	P		
Vendor Name	-	B		
Vendor Name				
Vendor Name				
Vendor Name				
Vendor Name				
Vendor Name				
Vendor Name				
Vendor Name				
Vendor Name				
Vendor Name				
Vendor Name				
Vendor Name				
Vendor Name				
Vendor Name				
Vendor Name				
Vendor Name				
Vendor Name				
Vendor Name				
Vendor Name				
Target	23.51			
Expense - Vendor Name	-			
Expense - Vendor Name	-			
Expense - Vendor Name	-			
Expense - Vendor Name	-			
Expense - Vendor Name	-			
Expense - Vendor Name	-			
Expense - Vendor Name	-			
Expense - Vendor Name	-			
Bank Deposit				
ATM # 1 (Bud Room)	1,000.00			
ATM # 2 (Waiting Room)	-			
Total Disbursement	(1,023.51)			
Carryover Amount	3,084.03			

PLPCC - Daily Sales and Cash Reconciliation

- Process:**
- 1.) Enter Copy Previous Days Roll-Over
 - 2.) Enter Total Cash Collected from Each Location
 - 3.) Enter Vendor/Expenses Paid out from Day's Money
 - 4.) Cross Reference Cash on Hand with Unreconciled Amount
 - 5.) Add notes as needed to help explain any items you deem necessary

EXAMPLE			
Date	2018-09-26		
Decription	420 Report	Difference (Cash &420)	Note
Beginning Cash Balance	3,084.03		
Sales - Walk-In	7,478.28	7,478.28	
Sales - Delivery	-		
Additional Money In	-		
Total Money In	10,562.31		
Less: Money on Hold for Vendors			
			Checks Paid
			Check # Amount Descriptions
Total Money on Hold			
Remaining Cash	10,562.31	0	7,478.28

For Vendor: Product Purchase = P,
 Bill Payment = B, For Expense: List
 Account (Advertising, Supplies, Etc.)

Inventory Entered

Delivery	Walk In
----------	---------

Vendor Name			Delivery	Walk In
Vendor Name	-	P		
Vendor Name	-	B	-	-
Vendor Name				
Vendor Name				
Vendor Name				
Vendor Name				
Vendor Name				
Vendor Name				
Vendor Name				
Vendor Name				
Vendor Name				
Vendor Name				
Vendor Name				
Vendor Name				
Vendor Name				
Expense - Vendor Name	-			
Expense - Vendor Name	-			
Expense - Vendor Name	-			
Expense - Vendor Name	-			
Expense - Vendor Name	-			
Expense - Vendor Name	-			
Expense - Vendor Name	-			
Expense - Vendor Name	-			
Expense - Vendor Name	-			
Bank Deposit				
ATM # 1 (Bud Room)	1,760.00			
ATM # 2 (Waiting Room)	-			
Total Disbursement	(1,760.00)			
Carryover Amount	8,802.31			

PLPCC - Daily Sales and Cash Reconciliation

- Process:**
- 1.) Enter Copy Previous Days Roll-Over
 - 2.) Enter Total Cash Collected from Each Location
 - 3.) Enter Vendor/Expenses Paid out from Day's Money
 - 4.) Cross Reference Cash on Hand with Unreconciled Amount
 - 5.) Add notes as needed to help explain any items you deem necessary

EXAMPLE			
Date	2018-09-27		
Decription	420 Report	Difference (Cash &420)	Note
Beginning Cash Balance	8,802.31		
Sales - Walk-In	6,543.56	6,543.56	
Sales - Delivery	-		
Additional Money In	-		
Total Money In	15,345.87		
Less: Money on Hold for Vendors			Checks Paid
FWB Partial Payment	2,000.00		<u>Check #</u> <u>Amount</u> <u>Descriptions</u>
	-		
	-		
Total Money on Hold	2,000.00		
Remaining Cash	13,345.87	6,543.56	

For Vendor: Product Purchase = P,
 Bill Payment = B, For Expense: List
 Account (Advertising, Supplies, Etc.)

Inventory Entered

Vendor Name			Delivery	Walk In
Vendor Name	-	P		
Vendor Name	-	B	-	-
Vendor Name				
Vendor Name				
Vendor Name				
Vendor Name				
Vendor Name				
Vendor Name				
Vendor Name				
Vendor Name				
Vendor Name				
Vendor Name				
Vendor Name				
Vendor Name				
Gary 3 key media	1,750.72			
Far West Payment	9,613.37	Paid through invoice 1012		
Expense - Vendor Name	-			
Expense - Vendor Name	-			
Expense - Vendor Name	-			
Expense - Vendor Name	-			
Expense - Vendor Name	-			
Expense - Vendor Name	-			
Expense - Vendor Name	-			
Bank Deposit	-			
ATM # 1 (Bud Room)	1,000.00			
ATM # 2 (Waiting Room)	-			
Total Disbursement	(12,364.09)			
Carryover Amount	981.78			

PLPCC - Daily Sales and Cash Reconciliation

- Process:
- 1.) Enter Copy Previous Days Roll-Over
 - 2.) Enter Total Cash Collected from Each Location
 - 3.) Enter Vendor/Expenses Paid out from Day's Money
 - 4.) Cross Reference Cash on Hand with Unreconciled Amount
 - 5.) Add notes as needed to help explain any items you deem necessary

Date	EXAMPLE		Difference
	2018-09-28		(Cash & 420) Note
Decription	420 Report		
Beginning Cash Balance	981.78		
Sales - Walk-In	8,026.11		8,026.11
Sales - Delivery	-		-
Additional Money In	2.38		
Total Money In	9,010.27		
Less: Money on Hold for Vendors			
Total Money on Hold			
Remaining Cash	9,010.27	0	8,026.11

Vendor Name	P, Bill Payment = B, For Expense: List Account (Advertising, Supplies, Etc.)	Inventory Entered	
		Delivery	Walk In
Vendor Name	P		
Vendor Name	B		
Vendor Name			
Vendor Name			
Vendor Name			
Vendor Name			
Vendor Name			
Vendor Name			
Vendor Name			
Vendor Name			
Vendor Name			
Vendor Name			
Vendor Name			
Vendor Name			
Vendor Name			
Vendor Name			
Office Depo		5.38	
Expense - Vendor Name		-	
Expense - Vendor Name		-	
Expense - Vendor Name		-	
Expense - Vendor Name		-	
Expense - Vendor Name		-	
Expense - Vendor Name		-	
Expense - Vendor Name		-	
Expense - Vendor Name		-	
Bank Deposit		-	
ATM # 1 (Bud Room)		1,000.00	
ATM # 2 (Waiting Room)		-	
Total Disbursement		(1,005.38)	
Carryover Amount		8,004.89	

4693

PLPCC - Daily Sales and Cash Reconciliation

- Process:
- 1.) Enter Copy Previous Days Roll-Over
 - 2.) Enter Total Cash Collected from Each Location
 - 3.) Enter Vendor/Expenses Paid out from Day's Money
 - 4.) Cross Reference Cash on Hand with Unreconciled Amount
 - 5.) Add notes as needed to help explain any items you deem necessary

EXAMPLE			
Date	2018-09-29		
Decription	420 Report	Difference (Cash &420)	Note
Beginning Cash Balance	8,004.89		
Sales - Walk-In	7,153.07	7,153.07	
Sales - Delivery	-	-	
Additional Money In	-		
Total Money In	15,157.96		
Less: Money on Hold for Vendors			
			<u>Check #</u>
			<u>Amount</u>
			<u>Descriptions</u>
Total Money on Hold			
Remaining Cash	15,157.96	0	7,153.07

For Vendor: Product Purchase = P,
 Bill Payment = B, For Expense: List
 Account (Advertising, Supplies, Etc.)

Inventory Entered

Delivery **Walk In**

Vendor Name			Delivery	Walk In
Vendor Name	-	P		
Vendor Name	-	B	-	-
Vendor Name	-			
Vendor Name	-			
Vendor Name	-			
Vendor Name	-			
Vendor Name	-			
Vendor Name	-			
Vendor Name	-			
Vendor Name	-			
Vendor Name	-			
Vendor Name	-			
Vendor Name	-			
Vendor Name	-			
Vendor Name	-			
Expense - Vendor Name	-			
Expense - Vendor Name	-			
Expense - Vendor Name	-			
Expense - Vendor Name	-			
Expense - Vendor Name	-			
Expense - Vendor Name	-			
Expense - Vendor Name	-			
Expense - Vendor Name	-			
Expense - Vendor Name	-			
Bank Deposit	-			
ATM # 1 (Bud Room)	1,000.00			
ATM # 2 (Waiting Room)	-			
Total Disbursement	(1,000.00)			
Carryover Amount	14,157.96			

PLPCC - Daily Sales and Cash Reconciliation

- Process:
- 1.) Enter Copy Previous Days Roll-Over
 - 2.) Enter Total Cash Collected from Each Location
 - 3.) Enter Vendor/Expenses Paid out from Day's Money
 - 4.) Cross Reference Cash on Hand with Unreconciled Amount
 - 5.) Add notes as needed to help explain any items you deem necessary

Date	EXAMPLE 2018-09-30	420 Report	Difference (Cash & 420)	Note
Decription				
Beginning Cash Balance	14,157.96			
Sales - Walk-In	5,418.25		5,418.25	
Sales - Delivery	-			
Additional Money In	4.26			
Total Money In	19,580.47			
Less: Money on Hold for Vendors				
Total Money on Hold				
Remaining Cash	19,580.47	0	5,418.25	

For Vendor: Product Purchase = P,
Bill Payment = B, For Expense: List
Account (Advertising, Supplies, Etc.)

Vendor Name	Inventory Entered	Delivery	Walk In
Vendor Name	-	P	
Vendor Name	-	B	
Vendor Name			
Vendor Name			
Vendor Name			
Vendor Name			
Vendor Name			
Vendor Name			
Vendor Name			
Vendor Name			
Vendor Name			
Vendor Name			
Vendor Name			
Vendor Name			
Vendor Name			
Expense - Vendor Name	-		
Expense - Vendor Name	-		
Expense - Vendor Name	-		
Expense - Vendor Name	-		
Expense - Vendor Name	-		
Expense - Vendor Name	-		
Expense - Vendor Name	-		
Expense - Vendor Name	-		
Expense - Vendor Name	-		
Bank Deposit			
ATM # 1 (Bud Room)	540.00		
ATM # 2 (Waiting Room)	-		
Total Disbursement	(540.00)		
Carryover Amount	19,040.47		

Balboa - Daily Sales and Cash Reconciliation

- Process:**
- 1.) Enter Copy Previous Days Roll-Over
 - 2.) Enter Total Cash Collected from Each Location
 - 3.) Enter Vendor/Expenses Paid out from Day's Money
 - 4.) Cross Reference Cash on Hand with Unreconciled Amount
 - 5.) Add notes as needed to help explain any items you deem necessary

EXAMPLE

Date

2018-10-01

Decription	420 Report	Difference (Cash & 420)	Note
Beginning Cash Balance	19,040.47		
Sales - Walk-In	5,823.82	5,823.82	
Sales - Delivery	-	-	
Additional Money In	-		
Total Money In	24,864.29		
Less: Money on Hold for Vendors Shelf Life	2,043.00		
	-		
	-		
	-		
Total Money on Hold	2,043.00		
Remaining Cash	22,821.29	5,823.82	

Checks Paid

Check #	Amount	Descriptions
---------	--------	--------------

P, Bill Payment = B, For
 Expense: List Account
 (Advertising, Supplies, Etc.)

Vendor Name			Inventory Entered
			Delivery Walk In
Vendor Name	-	P	
Vendor Name	-	B	
Vendor Name			
Vendor Name			
Vendor Name			
Vendor Name			
Vendor Name			
Vendor Name			
Vendor Name			
Vendor Name			
Vendor Name			
Vendor Name			
Race Car Sponsorship	1,500.00	Invoice #10-6-18	
420soft Monthly Payment	330.00	(paid by ccard, reimbursed to Held)	
Expense - Vendor Name	-		
Expense - Vendor Name	-		
Expense - Vendor Name	-		
Expense - Vendor Name	-		
Expense - Vendor Name	-		
Expense - Vendor Name	-		
Expense - Vendor Name	-		
Bank Deposit			
ATM # 1 (Bud Room)	1,000.00		
ATM # 2 (Waiting Room)	-		
Total Disbursement	(2,830.00)		
Carryover Amount	19,991.29		

Balboa - Daily Sales and Cash Reconciliation

- Process:
- 1.) Enter Copy Previous Days Roll-Over
 - 2.) Enter Total Cash Collected from Each Location
 - 3.) Enter Vendor/Expenses Paid out from Day's Money
 - 4.) Cross Reference Cash on Hand with Unreconciled Amount
 - 5.) Add notes as needed to help explain any items you deem necessary

Date	EXAMPLE 2018-10-02	420 Report	Difference (Cash & 420)	Note
Decription				
Beginning Cash Balance	19,991.29			
Sales - Walk-In	8,515.27		8,515.27	
Sales - Delivery	-		-	
Additional Money In	5.00			
Total Money In	28,511.56			
Less: Money on Hold for Vendors				
				Checks Paid
				<u>Check #</u> <u>Amount</u> <u>Descriptions</u>
THC Design	6,294.82			
Kaneh Co	1,924.48			
Legion	992.00			
	-			
Total Money on Hold	9,211.30			
Remaining Cash	19,300.26	0	8,515.27	

Bill Payment = B, For Expense:

List Account (Advertising,
Supplies, Etc.)

Inventory Entered

Vendor Name			Delivery	Walk In
Vendor Name	-	P		
Vendor Name	-	B		
Vendor Name				
Vendor Name				
Vendor Name				
Vendor Name				
Vendor Name				
Vendor Name				
Vendor Name				
Vendor Name				
Vendor Name				
Vendor Name				
Vendor Name				
Vendor Name				
Vendor Name				
Vendor Name				
Vendor Name				
UMMC Membership Fee	750.00			
Race Car Sponsorship	250.00	Invoice #10-6-18 paid in full		
Expense - Vendor Name	-			
Expense - Vendor Name	-			
Expense - Vendor Name				
Expense - Vendor Name				
Expense - Vendor Name				
Expense - Vendor Name				
Expense - Vendor Name				
Bank Deposit				
ATM # 1 (Bud Room)	1,000.00			
ATM # 2 (Waiting Room)				
Total Disbursement	(2,000.00)			
Carryover Amount	17,300.26			

Balboa - Daily Sales and Cash Reconciliation

- Process:
- 1.) Enter Copy Previous Days Roll-Over
 - 2.) Enter Total Cash Collected from Each Location
 - 3.) Enter Vendor/Expenses Paid out from Day's Money
 - 4.) Cross Reference Cash on Hand with Unreconciled Amount
 - 5.) Add notes as needed to help explain any items you deem necessary

Date		EXAMPLE	
2018-10-03		2018-10-03	
Decription	420 Report	Difference (Cash & 420)	Note
Beginning Cash Balance	17,300.26		
Sales - Walk-In	8,163.62	8,163.62	
Sales - Delivery	-	-	
Additional Money In	-	-	
Total Money In	25,463.88		
Less: Money on Hold for Vendors			
Sol Distro	7,284.61		
	-		
	-		
	-		
Total Money on Hold	7,284.61		
Remaining Cash	18,179.27	0	8,163.62

Checks Paid		
Check #	Amount	Descriptions

P, Bill Payment = B, For
Expense: List Account
(Advertising, Supplies, Etc.)

Inventory Entered
Delivery Walk In

Vendor Name				
Vendor Name		P		
Vendor Name		B		
Vendor Name				
Vendor Name				
Vendor Name				
Vendor Name				
Vendor Name				
Vendor Name				
Vendor Name				
Vendor Name				
Vendor Name				
Vendor Name				
Vendor Name				
Vendor Name				
Far West Management	8,348.39		Invoice #1014	
Staples	76.48			
Expense - Vendor Name	-			
Expense - Vendor Name	-			
Expense - Vendor Name	-			
Expense - Vendor Name	-			
Expense - Vendor Name	-			
Expense - Vendor Name	-			
Expense - Vendor Name	-			
Bank Deposit				
ATM # 1 (Bud Room)	1,000.00			
ATM # 2 (Waiting Room)	-			
Total Disbursement	(9,424.87)			
Carryover Amount	8,754.40			

Balboa - Daily Sales and Cash Reconciliation

- Process:
- 1.) Enter Copy Previous Days Roll-Over
 - 2.) Enter Total Cash Collected from Each Location
 - 3.) Enter Vendor/Expenses Paid out from Day's Money
 - 4.) Cross Reference Cash on Hand with Unreconciled Amount
 - 5.) Add notes as needed to help explain any items you deem necessary

EXAMPLE			
Date	2018-10-04		
Decription	420 Report	Difference (Cash & 420)	Note
Beginning Cash Balance	8,754.40		
Sales - Walk-In	7,832.32	7,832.32	
Sales - Delivery	-	-	
Additional Money In	-		
Total Money In	16,586.72		
Less: Money on Hold for Vendors			
			Checks Paid
			<u>Check # Amount Descriptions</u>
Total Money on Hold			
Remaining Cash	16,586.72	0	7,832.32

For Vendor: Product Purchase = P,
 Bill Payment = B, For Expense: List
 Account (Advertising, Supplies, Etc.)

Inventory Entered

Delivery Walk In

Vendor Name			Delivery	Walk In
Vendor Name	-	P		
Vendor Name	-	B		
Vendor Name				
Vendor Name				
Vendor Name				
Vendor Name				
Vendor Name				
Vendor Name				
Vendor Name				
Vendor Name				
Vendor Name				
Vendor Name				
Vendor Name				
Vendor Name				

Expense - Vendor Name	-
Expense - Vendor Name	-
Expense - Vendor Name	-
Expense - Vendor Name	-
Expense - Vendor Name	-
Expense - Vendor Name	-
Expense - Vendor Name	-
Bank Deposit	
ATM # 1 (Bud Room)	1,000.00
ATM # 2 (Waiting Room)	
Total Disbursement	(1,000.00)
Carryover Amount	15,586.72

Balboa - Daily Sales and Cash Reconciliation

- Process:**
- 1.) Enter Copy Previous Days Roll-Over
 - 2.) Enter Total Cash Collected from Each Location
 - 3.) Enter Vendor/Expenses Paid out from Day's Money
 - 4.) Cross Reference Cash on Hand with Unreconciled Amount
 - 5.) Add notes as needed to help explain any items you deem necessary

EXAMPLE			
Date	2018-10-05		
Decription	420 Report	Difference (Cash & 420)	Note
Beginning Cash Balance	15,586.72		
Sales - Walk-In	10,146.26	10,146.26	
Sales - Delivery	-	-	
Additional Money In	-	-	
Total Money In	25,732.98		
Less: Money on Hold for Vendors			
Total Money on Hold			
Remaining Cash	25,732.98	0	10,146.26

Checks Paid		
Check #	Amount	Descriptions

For Vendor: Product Purchase = P,
 Bill Payment = B, For Expense: List
 Account (Advertising, Supplies, Etc.) Inventory Entered

Vendor Name			Delivery	Walk In
Vendor Name	-	P		
Vendor Name	-	B		
Vendor Name				
Vendor Name				
Vendor Name				
Vendor Name				
Vendor Name				
Vendor Name				
Vendor Name				
Vendor Name				
Vendor Name				
Vendor Name				
Vendor Name				
Vendor Name				
Expense - Vendor Name	-			
Expense - Vendor Name	-			
Expense - Vendor Name	-			
Expense - Vendor Name	-			
Expense - Vendor Name	-			
Expense - Vendor Name	-			
Expense - Vendor Name	-			
Expense - Vendor Name	-			
Expense - Vendor Name	-			
Bank Deposit				
ATM # 1 (Bud Room)	600.00			
ATM # 2 (Waiting Room)				
Total Disbursement	(600.00)			
Carryover Amount	25,132.98			

4700

Balboa - Daily Sales and Cash Reconciliation

- Process:**
- 1.) Enter Copy Previous Days Roll-Over
 - 2.) Enter Total Cash Collected from Each Location
 - 3.) Enter Vendor/Expenses Paid out from Day's Money
 - 4.) Cross Reference Cash on Hand with Unreconciled Amount
 - 5.) Add notes as needed to help explain any items you deem necessary

EXAMPLE			
Date	2018-10-08		
Decription	420 Report	Difference (Cash & 420)	Note
Beginning Cash Balance	15,217.61		
Sales - Walk-In	6,059.55	6,059.55	
Sales - Delivery	-	-	
Additional Money In	0.45		
Total Money In	21,277.61		
Less: Money on Hold for Vendors			
Total Money on Hold			
Remaining Cash	21,277.61	0	6,059.55

For Vendor: Product Purchase = P,
 Bill Payment = B, For Expense: List
 Account (Advertising, Supplies, Etc.)

Vendor Name		Inventory Entered	Delivery	Walk In
Vendor Name	-	P		
Vendor Name	-	B		
Vendor Name				
Vendor Name				
Vendor Name				
Vendor Name				
Vendor Name				
Vendor Name				
Vendor Name				
Vendor Name				
Vendor Name				
Vendor Name				
Vendor Name				
Rent Unit C	1,500.00			
Reader	3,060.00			
Expense - Vendor Name	-			
Expense - Vendor Name	-			
Expense - Vendor Name				
Expense - Vendor Name				
Expense - Vendor Name				
Expense - Vendor Name				
Expense - Vendor Name				
Bank Deposit				
ATM # 1 (Bud Room)	1,000.00			
ATM # 2 (Waiting Room)				
Total Disbursement	(5,560.00)			
Carryover Amount	15,717.61			

4703

Balboa - Daily Sales and Cash Reconciliation

- Process:**
- 1.) Enter Copy Previous Days Roll-Over
 - 2.) Enter Total Cash Collected from Each Location
 - 3.) Enter Vendor/Expenses Paid out from Day's Money
 - 4.) Cross Reference Cash on Hand with Unreconciled Amount
 - 5.) Add notes as needed to help explain any items you deem necessary

EXAMPLE			
Date	2018-10-09		
Decription	420 Report	Difference (Cash &420)	Note
Beginning Cash Balance	15,717.61		
Sales - Walk-In	5,885.52	5,885.52	
Sales - Delivery			
Additional Money In	10.03		
Total Money In	21,613.16		
Less: Money on Hold for Vendors			
			Checks Paid
			<u>Check #</u> <u>Amount</u> <u>Descriptions</u>
Cru/High Garden	2,480.00		
Outco	4,188.64		
Stick.e Vape	3,583.60		
Korova	1,872.40		
Heavy Hitters	5,736.00		
Total Money on Hold	17,860.64		
Remaining Cash	3,752.52	0	5,885.52

For Vendor: Product Purchase = P,
 Bill Payment = B, For Expense: List
 Account (Advertising, Supplies, Etc.)

Inventory Entered

Delivery Walk In

Vendor Name	-	P		
Vendor Name	-	B		
Vendor Name				
Vendor Name				
Vendor Name				
Vendor Name				
Vendor Name				
Vendor Name				
Vendor Name				
Vendor Name				
Vendor Name				
Vendor Name				
Vendor Name				
Vendor Name				
Expense - Vendor Name	-			
Expense - Vendor Name	-			
Expense - Vendor Name	-			
Expense - Vendor Name	-			
Expense - Vendor Name	-			
Expense - Vendor Name	-			
Expense - Vendor Name	-			
Expense - Vendor Name	-			
Expense - Vendor Name	-			
Bank Deposit				
ATM # 1 (Bud Room)	1,000.00			
ATM # 2 (Waiting Room)				
Total Disbursement	(1,000.00)			
Carryover Amount	2,752.52			

Balboa - Daily Sales and Cash Reconciliation

- Process:
- 1.) Enter Copy Previous Days Roll-Over
 - 2.) Enter Total Cash Collected from Each Location
 - 3.) Enter Vendor/Expenses Paid out from Day's Money
 - 4.) Cross Reference Cash on Hand with Unreconciled Amount
 - 5.) Add notes as needed to help explain any items you deem necessary

Date	EXAMPLE		Difference	Note
Decription	420 Report	(Cash & 420)		
Beginning Cash Balance	7,169.52			
Sales - Walk-In	5,627.31		5,627.31	
Sales - Delivery	-			
Additional Money In	1.00			
Total Money In	12,797.83			
Less: Money on Hold for Vendors				
Cal Vape	5,604.92	2 invoices		
	-			
	-			
	-			
Total Money on Hold	5,604.92			
Remaining Cash	7,192.91	0	5,627.31	

For Vendor: Product Purchase = P,
 Bill Payment = B, For Expense: List
 Account (Advertising, Supplies, Etc.) Inventory Entered

Vendor Name		Delivery	Walk In
Vendor Name	-	P	
Vendor Name	-	B	
Vendor Name			
Vendor Name			
Vendor Name			
Vendor Name			
Vendor Name			
Vendor Name			
Vendor Name			
Vendor Name			
Vendor Name			
Vendor Name			
Vendor Name			
Expense - Vendor Name	-		
Expense - Vendor Name	-		
Expense - Vendor Name	-		
Expense - Vendor Name	-		
Expense - Vendor Name	-		
Expense - Vendor Name	-		
Expense - Vendor Name	-		
Expense - Vendor Name	-		
Expense - Vendor Name	-		
Bank Deposit			
ATM # 1 (Bud Room)	2,000.00		
ATM # 2 (Waiting Room)			
Total Disbursement	(2,000.00)		
Carryover Amount	5,192.91		

4706

Balboa - Daily Sales and Cash Reconciliation

- Process:
- 1.) Enter Copy Previous Days Roll-Over
 - 2.) Enter Total Cash Collected from Each Location
 - 3.) Enter Vendor/Expenses Paid out from Day's Money
 - 4.) Cross Reference Cash on Hand with Unreconciled Amount
 - 5.) Add notes as needed to help explain any items you deem necessary

Date	EXAMPLE		Difference	Note
	2018-10-12	420 Report	(Cash & 420)	
Beginning Cash Balance	5,192.91			
Sales - Walk-In	9,697.17		9,697.17	
Sales - Delivery	-		-	
Additional Money In	-			
Total Money In	14,890.08			
Less: Money on Hold for Vendors				
Total Money on Hold				
Remaining Cash	14,890.08	0	9,697.17	

For Vendor: Product Purchase = P,
 Bill Payment = B, For Expense: List
 Account (Advertising, Supplies, Etc.)

Vendor Name			Inventory Entered	
			Delivery	Walk In
Vendor Name	-	P		
Vendor Name	-	B		
Vendor Name	-			
Vendor Name	-			
Vendor Name	-			
Vendor Name	-			
Vendor Name	-			
Vendor Name	-			
Vendor Name	-			
Vendor Name	-			
Vendor Name	-			
Vendor Name	-			
Vendor Name	-			
Vendor Name	-			
Expense - Vendor Name	-			
Expense - Vendor Name	-			
Expense - Vendor Name	-			
Expense - Vendor Name	-			
Expense - Vendor Name	-			
Expense - Vendor Name	-			
Expense - Vendor Name	-			
Expense - Vendor Name	-			
Expense - Vendor Name	-			
Bank Deposit				
ATM # 1 (Bud Room)	2,000.00			
ATM # 2 (Waiting Room)				
Total Disbursement	(2,000.00)			
Carryover Amount	12,890.08			

Balboa - Daily Sales and Cash Reconciliation

- Process:
- 1.) Enter Copy Previous Days Roll-Over
 - 2.) Enter Total Cash Collected from Each Location
 - 3.) Enter Vendor/Expenses Paid out from Day's Money
 - 4.) Cross Reference Cash on Hand with Unreconciled Amount
 - 5.) Add notes as needed to help explain any items you deem necessary

EXAMPLE			
Date	2018-10-13		
Decription	420 Report	Difference (Cash &420)	Note
Beginning Cash Balance	12,890.08		
Sales - Walk-In	8,970.58	8,970.58	
Sales - Delivery	-	-	
Additional Money In	-		
Total Money In	21,860.66		
Less: Money on Hold for Vendors			
			Checks Paid
			<u>Check #</u> <u>Amount</u> <u>Descriptions</u>
Total Money on Hold			
Remaining Cash	21,860.66	0	8,970.58

For Vendor: Product Purchase = P,
 Bill Payment = B, For Expense: List
 Account (Advertising, Supplies, Etc.) **Inventory Entered**

Vendor Name			Delivery	Walk In
Vendor Name	-	P		
Vendor Name	-	B		
Vendor Name	-			
Vendor Name	-			
Vendor Name	-			
Vendor Name	-			
Vendor Name	-			
Vendor Name	-			
Vendor Name	-			
Vendor Name	-			
Vendor Name	-			
Vendor Name	-			
Vendor Name	-			
Vendor Name	-			
Expense - Vendor Name	-			
Expense - Vendor Name	-			
Expense - Vendor Name	-			
Expense - Vendor Name	-			
Expense - Vendor Name	-			
Expense - Vendor Name	-			
Expense - Vendor Name	-			
Expense - Vendor Name	-			
Expense - Vendor Name	-			
Bank Deposit				
ATM # 1 (Bud Room)	2,000.00			
ATM # 2 (Waiting Room)				
Total Disbursement	(2,000.00)			
Carryover Amount	19,860.66			

Balboa - Daily Sales and Cash Reconciliation

- Process:**
- 1.) Enter Copy Previous Days Roll-Over
 - 2.) Enter Total Cash Collected from Each Location
 - 3.) Enter Vendor/Expenses Paid out from Day's Money
 - 4.) Cross Reference Cash on Hand with Unreconciled Amount
 - 5.) Add notes as needed to help explain any items you deem necessary

Date	EXAMPLE 2018-10-14	420 Report	Difference (Cash & 420)	Note
Decription				
Beginning Cash Balance	19,860.66			
Sales - Walk-In	6,193.95		6,193.95	
Sales - Delivery	-		-	
Additional Money In	-		-	
Total Money In	26,054.61			
Less: Money on Hold for Vendors				Checks Paid
Heavy Hitters Credit back	(450.00)	#201721945		<u>Check #</u> <u>Amount</u> <u>Descriptions</u>
	-			
	-			
	-			
Total Money on Hold	(450.00)			
Remaining Cash	26,504.61	0	6,193.95	

For Vendor: Product Purchase = P,
 Bill Payment = B, For Expense: List
 Account (Advertising, Supplies, Etc.) **Inventory Entered**

Vendor Name			Delivery	Walk In
Vendor Name	-	P		
Vendor Name	-	B		
Vendor Name				
Vendor Name				
Vendor Name				
Vendor Name				
Vendor Name				
Vendor Name				
Vendor Name				
Vendor Name				
Vendor Name				
Vendor Name				
Vendor Name				
Vendor Name				
Vendor Name				
Walmart	7.65	water cups		
Expense - Vendor Name	-			
Expense - Vendor Name	-			
Expense - Vendor Name	-			
Expense - Vendor Name				
Expense - Vendor Name				
Expense - Vendor Name				
Expense - Vendor Name				
Expense - Vendor Name				
Bank Deposit				
ATM # 1 (Bud Room)	1,040.00			
ATM # 2 (Waiting Room)	-			
Total Disbursement	(1,047.65)			
Carryover Amount	25,456.96			

Balboa - Daily Sales and Cash Reconciliation

- Process:**
- 1.) Enter Copy Previous Days Roll-Over
 - 2.) Enter Total Cash Collected from Each Location
 - 3.) Enter Vendor/Expenses Paid out from Day's Money
 - 4.) Cross Reference Cash on Hand with Unreconciled Amount
 - 5.) Add notes as needed to help explain any items you deem necessary

EXAMPLE			
Date	2018-10-15		
Decription	420 Report	Difference (Cash & 420)	Note
Beginning Cash Balance	25,456.96		
Sales - Walk-In	7,255.49	7,255.49	
Sales - Delivery	-	-	
Additional Money In	0.51		
Total Money In	32,712.96		
Less: Money on Hold for Vendors			
Total Money on Hold			
Remaining Cash	32,712.96	0	7,255.49

For Vendor: Product Purchase = P,
 Bill Payment = B, For Expense: List
 Account (Advertising, Supplies, Etc.) **Inventory Entered**

Vendor Name			Delivery	Walk In
Vendor Name	-	P		
Vendor Name	-	B		
Vendor Name				
Vendor Name				
Vendor Name				
Vendor Name				
Vendor Name				
Vendor Name				
Vendor Name				
Vendor Name				
Vendor Name				
Vendor Name				
Vendor Name				
Vendor Name				
Farwest Payroll Reimbursement	7,904.02	Management Fee still due 6250		
Expense - Vendor Name	-			
Expense - Vendor Name	-			
Expense - Vendor Name	-			
Expense - Vendor Name				
Expense - Vendor Name				
Expense - Vendor Name				
Expense - Vendor Name				
Expense - Vendor Name				
Bank Deposit				
ATM # 1 (Bud Room)	1,600.00			
ATM # 2 (Waiting Room)				
Total Disbursement	(9,504.02)			
Carryover Amount	23,208.94			

Balboa - Daily Sales and Cash Reconciliation

- Process:
- 1.) Enter Copy Previous Days Roll-Over
 - 2.) Enter Total Cash Collected from Each Location
 - 3.) Enter Vendor/Expenses Paid out from Day's Money
 - 4.) Cross Reference Cash on Hand with Unreconciled Amount
 - 5.) Add notes as needed to help explain any items you deem necessary

EXAMPLE			
Date	2018-10-17		
Decription	420 Report	Difference (Cash & 420)	Note
Beginning Cash Balance	27,225.45		
Sales - Walk-In	7,344.33	7,344.33	
Sales - Delivery			
Additional Money In			
Total Money In	34,569.78		
Less: Money on Hold for Vendors			
Total Money on Hold			
Remaining Cash	34,569.78	0	7,344.33

For Vendor: Product Purchase = P,
 Bill Payment = B, For Expense: List
 Account (Advertising, Supplies, Etc.)

Vendor Name		Inventory Entered	
		Delivery	Walk In
Vendor Name	-	P	
Vendor Name	-	B	
Vendor Name			
Vendor Name			
Vendor Name			
Vendor Name			
Vendor Name			
Vendor Name			
Vendor Name			
Vendor Name			
Vendor Name			
Vendor Name			
Vendor Name			
Vendor Name			
Farwest payroll reimbersment	8,047.20		
Dan race Car Sponsorship	1,650.00		
Reader	3,119.00		
Expense - Vendor Name	-		
Expense - Vendor Name			
Expense - Vendor Name			
Expense - Vendor Name			
Expense - Vendor Name			
Expense - Vendor Name			
Bank Deposit			
ATM # 1 (Bud Room)	1,000.00		
ATM # 2 (Waiting Room)			
Total Disbursement	(13,816.20)		
Carryover Amount	20,753.58		

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Balboa Daily Sales and Cash Reconciliation Reconciliation

- Process:**
- 1.) Enter Copy Previous Days Roll-Over
 - 2.) Enter Total Cash Collected from Each Location
 - 3.) Enter Vendor/Expenses Paid out from Day's Money
 - 4.) Cross Reference Cash on Hand with Unreconciled Amount
 - 5.) Add notes as needed to help explain any Items you deem necessary

EXAMPLE			
Date	2018-10-18		
Decription	420 Report	Difference (Cash & 420)	Note
Beginning Cash Balance	20,753.58		
Sales - Walk-In	7,135.71	7,135.71	
Sales - Delivery	-	-	
Additional Money In	-		
Total Money In	27,889.29		
Less: Money on Hold for Vendors			Checks Paid
			<u>Check #</u> <u>Amount</u> <u>Descriptions</u>
Sublime	2,294.00		
North Emerald	1,587.20		
Locul	5,208.00		
FWB	9,434.04		2 invoices- 2k previous payment
Total Money on Hold	18,523.24		
Remaining Cash	9,366.05	0	7,135.71

For Vendor: Product Purchase = P,
 Bill Payment = B, For Expense: List
 Account (Advertising, Supplies, Etc.)

Inventory Entered

	Delivery	Walk In
--	-----------------	----------------

Vendor Name			
Vendor Name	-	P	
Vendor Name	-	B	
Vendor Name			
Vendor Name			
Vendor Name			
Vendor Name			
Vendor Name			
Vendor Name			
Vendor Name			
Vendor Name			
Vendor Name			
Vendor Name			
Vendor Name			
Vendor Name			
Vendor Name			
Vendor Name			
Vendor Name			
Walmart	25.13		
Expense - Vendor Name	-		
Expense - Vendor Name	-		
Expense - Vendor Name	-		
Expense - Vendor Name			
Expense - Vendor Name			
Expense - Vendor Name			
Expense - Vendor Name			
Expense - Vendor Name			
Expense - Vendor Name			
Bank Deposit			
ATM # 1 (Bud Room)	1,200.00		
ATM # 2 (Waiting Room)			
Total Disbursement	(1,225.13)		
Carryover Amount	8,140.92		

Balboa - Daily Sales and Cash Reconciliation

- Process:
- 1.) Enter Copy Previous Days Roll-Over
 - 2.) Enter Total Cash Collected from Each Location
 - 3.) Enter Vendor/Expenses Paid out from Day's Money
 - 4.) Cross Reference Cash on Hand with Unreconciled Amount
 - 5.) Add notes as needed to help explain any Items you deem necessary

EXAMPLE

Date: 2018-10-19

Decription	420 Report	Difference (Cash & 420)	Note
Beginning Cash Balance	8,140.92		
Sales - Walk-In	9,225.69	9,225.69	
Sales - Delivery			
Additional Money In	-		
Total Money In	17,366.61		
Less: Money on Hold for Vendors			
Total Money on Hold			
Remaining Cash	17,366.61	9,225.69	

For Vendor: Product Purchase = P,
 Bill Payment = B, For Expense: List
 Account (Advertising, Supplies, Etc.)

Vendor Name	Inventory Entered	Delivery	Walk In
Vendor Name	P		
Vendor Name	B		
Vendor Name			
Vendor Name			
Vendor Name			
Vendor Name			
Vendor Name			
Vendor Name			
Vendor Name			
Vendor Name			
Vendor Name			
Vendor Name			
Vendor Name			
Expense - Vendor Name			
Expense - Vendor Name			
Expense - Vendor Name			
Expense - Vendor Name			
Expense - Vendor Name			
Expense - Vendor Name			
Expense - Vendor Name			
Expense - Vendor Name			
Expense - Vendor Name			
Bank Deposit			
ATM # 1 (Bud Room)	2,000.00		
ATM # 2 (Waiting Room)			
Total Disbursement	(2,000.00)		
Carryover Amount	15,366.61		

Balboa - Daily Sales and Cash Reconciliation

- Process:
- 1.) Enter Copy Previous Days Roll-Over
 - 2.) Enter Total Cash Collected from Each Location
 - 3.) Enter Vendor/Expenses Paid out from Day's Money
 - 4.) Cross Reference Cash on Hand with Unreconciled Amount
 - 5.) Add notes as needed to help explain any items you deem necessary

EXAMPLE			
Date	2018-10-20		
Description	420 Report	Difference (Cash & 420)	Note
Beginning Cash Balance	15,366.61		
Sales - Walk-In	5,744.06	5,744.06	
Sales - Delivery	-		
Additional Money In			
Total Money In	21,110.67		
Less: Money on Hold for Vendors			<u>Check # Amount Descriptions</u>
Total Money on Hold			
Remaining Cash	21,110.67	0	5,744.06

For Vendor: Product Purchase = P,
 Bill Payment = B, For Expense: List
 Account (Advertising, Supplies, Etc.) **Inventory Entered**

Vendor Name			Delivery	Walk In
Vendor Name	-	P		
Vendor Name	-	B		
Vendor Name				
Vendor Name				
Vendor Name				
Vendor Name				
Vendor Name				
Vendor Name				
Vendor Name				
Vendor Name				
Vendor Name				
Vendor Name				
Vendor Name				
Vendor Name				
Vendor Name				
Target	7.95			
Expense - Vendor Name	-			
Expense - Vendor Name	-			
Expense - Vendor Name	-			
Expense - Vendor Name	-			
Expense - Vendor Name	-			
Expense - Vendor Name	-			
Expense - Vendor Name	-			
Expense - Vendor Name	-			
Bank Deposit				
ATM # 1 (Bud Room)	1,400.00			
ATM # 2 (Waiting Room)				
Total Disbursement	(1,407.95)			
Carryover Amount	19,702.72			

4715

Balboa - Daily Sales and Cash Reconciliation

Cash

- Process:
- 1.) Enter Copy Previous Days Roll-Over
 - 2.) Enter Total Cash Collected from Each Location
 - 3.) Enter Vendor/Expenses Paid out from Day's Money
 - 4.) Cross Reference Cash on Hand with Unreconciled Amount
 - 5.) Add notes as needed to help explain any items you deem necessary

EXAMPLE
2018-10-21

Date	420 Report	Difference (Cash & 420)	Note
Decription			
Beginning Cash Balance	19,702.72		
Sales - Walk-In	6,691.42	6,691.42	
Sales - Delivery	-	-	
Total Money In	26,394.14		
Less: Money on Hold for Vendors			
Total Money on Hold			
Remaining Cash	26,394.14	0	6,691.42

Checks Paid
Check # Amount Descriptions

For Vendor: Product Purchase = P,
Bill Payment = B, For Expense: List
Account (Advertising, Supplies, Etc.)

Inventory Entered

Delivery Walk In

Vendor Name	P	B	Delivery	Walk In
Vendor Name	-	-		
Vendor Name	-	-		
Vendor Name	-	-		
Vendor Name	-	-		
Vendor Name	-	-		
Vendor Name	-	-		
Vendor Name	-	-		
Vendor Name	-	-		
Vendor Name	-	-		
Vendor Name	-	-		
Vendor Name	-	-		
Vendor Name	-	-		
Vendor Name	-	-		
Expense - Vendor Name	-	-		
Expense - Vendor Name	-	-		
Expense - Vendor Name	-	-		
Expense - Vendor Name	-	-		
Expense - Vendor Name	-	-		
Expense - Vendor Name	-	-		
Expense - Vendor Name	-	-		
Expense - Vendor Name	-	-		
Expense - Vendor Name	-	-		
Bank Deposit	-	-		
ATM # 1 (Bud Room)	-	-		
ATM # 2 (Waiting Room)	-	-		
Total Disbursement	(1,120.00)			
Carryover Amount	25,274.14			

4716

EXHIBIT B

4717

Austin, Gina

From: AK <adamearth73@gmail.com>
Sent: Thursday, October 18, 2018 10:54 AM
To: Austin, Gina
Cc: Mike E; Judd Henkes IV; Ninus Malan; Heidi Rising;
rgriswold@griswoldlawsandiego.com
Subject: Re: Invoice & Support Week Ending 10/14

Gina,
that's fine we will commit until Thursday. As far as my understanding Far West is not in receivership. The receiver needs to honor the agreement in place. Far West operates, collects and pays all operating costs including far west management fee, then the remainder amount is disbursed to Balboa Ave Cooperative.

The receiver controls all funds from that point. This needs to be addressed asap. We will hold steady till Thursday. Thank you

On Oct 18, 2018, at 10:13 AM, Austin, Gina <gaustin@austinlegalgroup.com> wrote:

Adam

Can I have your commitment to stay to Friday of next week?

Gina

Sent from my T-Mobile 4G LTE Device

----- Original message -----

From: Adam Knopf <adamearth73@gmail.com>
Date: 10/18/18 10:01 AM (GMT-08:00)
To: Mike E <calsur@aol.com>
Cc: Judd Henkes IV <juddthetaxman@gmail.com>, Ninus Malan <NinusMalan@yahoo.com>, Heidi Rising <heidi@goldenstategreens.com>, rgriswold@griswoldlawsandiego.com, "Austin, Gina" <gaustin@austinlegalgroup.com>
Subject: Re: Invoice & Support Week Ending 10/14

With out the Management team eing paid there will be no money to pay all of these bills you talk about

Again we get first money out and then you pay who ever is left

We dont do loans and cant carry the costs

I will prepare the team to close the doors.....

On Thu, Oct 18, 2018 at 9:38 AM <calsur@aol.com> wrote:

As I've mentioned previously and per the court order I cannot approve the management fee at this time. Besides outstanding receivership expenses there are unpaid mortgages and plumbing bills for sewer replacement per Ninus.

Thank you for your email request Gina to Far West.

Mike

In a message dated 10/18/2018 7:44:43 AM Pacific Standard Time, juddthetaxman@gmail.com writes:

Mike & Ninus,

Please see attached Invoice and support for week ending 10/14.

Please approve for payment.

Regards,

Justus H Henkes IV, Inc.
Justus "Judd" Henkes IV, CPA
7734 Herschel Ave., Ste L
La Jolla, CA 92037
Direct: 619-384-8875
FAX: 888-327-3522
juddthetaxman@gmail.com

--

Regards,
Adam Knopf

EXHIBIT C

4720

of the operation

7/01

MANAGEMENT SERVICES AGREEMENT

THIS MANAGEMENT SERVICES AGREEMENT (the "Agreement") is entered into as of July 10, 2018 (the "Effective Date") in San Diego, California by and between Balboa Ave. Cooperative, a California nonprofit consumer cooperative (herein the "Cooperative") on the one hand and Far West Management, LLC, a California limited liability company (herein "Manager") on the other hand. Each may be referred to herein individually as "Party" or collectively as "Parties."

RECITALS

WHEREAS, the Cooperative has been issued a conditional use permit ("CUP") by the city of San Diego to operate a retail cannabis dispensary (the "Dispensary") at 8861 Balboa Ave., Suite B and 8863 Balboa Ave., Suite E, San Diego (the "Location") and a license from the state of California ("State") to sell medical and adult use cannabis products at the Location ("State License");

WHEREAS, Manager has expertise managing and operating retail cannabis dispensaries; and

WHEREAS, the Cooperative desires to engage Manager to provide the Services as more fully defined herein, and Manager desires to provide such Services to the Cooperative based upon the terms as set forth in this Agreement.

AGREEMENT

NOW, THEREFORE, for good and valuable consideration, the receipt and adequacy of which is hereby acknowledged, and conditions set forth below, the Parties hereto enter this Agreement as follows:

ARTICLE 1.

DUTIES AND RESPONSIBILITIES

Section 1.1: Services. The Cooperative hereby engages Manager to provide the following services (collectively, the "Services"), and Manager hereby accepts such appointment:

- a. Manage the day-to-day operations of the Dispensary.
- b. Provide all staff necessary to operate the Dispensary.
- c. Maintain all accounts and ledgers of the Dispensary, including accounts payable and receivable.

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- d. Keep all records required by and in accordance with applicable law.
- e. Generate customary reports for the Cooperative, including sales reports, inventory lists, profits and loss statements, which will be provided no less frequently than each month.
- f. Procure all inventory needed for the Dispensary.
- g. Collect, report and remit all taxes required on behalf of the Dispensary.
- h. Pay all expenses of the Dispensary on the Cooperative's behalf.
- i. Maintain proper insurance for the Dispensary on the Cooperative's behalf.
- j. Ensure compliance with all conditions and requirements for the CUP and State License.
- k. Establish and operate a delivery system and division for the Dispensary.
- l. Create an operational budget for the Dispensary.
- m. Assist design and maintain a website for the Dispensary.
- n. Provide such additional Services as reasonably requested by the Cooperative.

Section 1.2: Inherent Services. The Parties acknowledge and agree that there are functions, responsibilities, activities and tasks not specifically described in this Agreement which are required for the proper performance and provision of the Services and are a necessary, customary or inherent part of, or a necessary sub-part included within, the Services. Manager is empowered to perform such inherent functions, responsibilities, activities and tasks to the same extent and in the same manner as if specifically described in this Agreement.

Section 1.3: Scope of Services. Manager will provide the Services in substantially the same manner it provides services to its other dispensary clients and in accordance with Industry standards. Manager will not be required to devote full time to the Services; however, it shall devote such time to the Services as is necessary to faithfully perform the Services in accordance with this Agreement. The Parties recognize that Manager may now or later render services to, with and on behalf of third parties.

Section 1.4: Compliance with Laws. Manager shall, in performing the Services, faithfully observe and comply with all State, and local laws, ordinances and regulations, applicable to the Services to be rendered under this Agreement and shall obtain any permits or licenses required. . The Cooperative agrees to faithfully observe and comply with all federal State, and local laws, ordinances and regulations, applicable to its operation of the Dispensary and business and shall obtain any permits or licenses required.

N/M.



The Parties shall comply with all federal laws applicable to them as a result of this Agreement or operation of the Dispensary; provided, the Parties expressly acknowledge and agree that (i) the use, possession, cultivation, manufacture, transportation, purchase and sale of cannabis is federally illegal, (ii) the federal laws and certain states' laws regarding the use, possession, cultivation, transportation, manufacture and furnishing of cannabis (the "Industry") are in conflict; (iii) engaging in the lawful conduct of business operations in the Industry under state law may risk criminal or civil forfeiture, violation of federal law, and heightened risk of criminal or civil prosecution, crime and violence; and (iv) such inherent risks are assumed by each Party, and each Party has elected to execute and fulfill this Agreement despite such risks and waives any defense to enforcement of this Agreement based on cannabis being federally illegal. In the event either Party receives a cease and desist letter from the U.S. Government concerning the operation of cannabis businesses at the Licensed Facility or otherwise, it shall inform the other party and either party may terminate this Agreement by written notice to the other Party. The Cooperative agrees to faithfully observe and comply with all federal State, and local laws, ordinances and regulations, applicable to the Services to be rendered under this Agreement and shall obtain any permits or licenses required.

Section 1.5: Exclusive Provider of Services. The Cooperative shall exclusively utilize Manager for performance and delivery of its Services during the Term of this Agreement.

Section 1.6: Employee Leasing. Manager will be responsible for providing all personnel required to provide the Services. All such personnel shall be leased to the Cooperative by Manager in accordance with the provisions of this Section 1.6 and listed in Exhibit A hereto, which may be amended by the Parties from time to time.

a. Manager will use commercially reasonable efforts to supply to the Cooperative the services of the persons identified on Exhibit A hereto, incorporated herein by reference ("Assigned Personnel"). Manager shall fill out Exhibit A, either in type or print, including the name, address, email, telephone number, workers' compensation classification, job position, and compensation for each Assigned Personnel, which the Cooperative will confirm and approve. Manager shall be fully responsible for notifying all Assigned Personnel of their leased employee status. Each Assigned Personnel shall be identified according to workers' compensation classification by proper code and according to pay status under the Fair Labor Standards Act or any other rule or regulation that may apply. The Cooperative's signature shall be affixed to Exhibit A to indicate proper classification of workers' compensation code and pay status. No other employees shall become leased to the Cooperative unless specifically agreed by Manager and the Cooperative. Manager shall not be considered an employer for any employee who does not complete a Manager employment application and who is not accepted by Manager as a leased employee. Manager agrees to notify the Cooperative immediately upon the release, termination or cessation of employment of any Assigned Personnel. The Cooperative agrees to cooperate with Manager in all employment matters. Manager shall be responsible for tracking the hours of and processing payroll for all Assigned Personnel. Manager shall maintain a personnel file and personnel records for Assigned Personnel. All Assigned Personnel shall be considered employees of Manager. Manager shall assume sole and exclusive responsibility for the payment of wages to Assigned Personnel. Manager shall, with respect to said personnel, be responsible for withholding federal, state and local income taxes, withholding and paying over the employee share, and paying the employer share, of Social Security and Medicare taxes, unemployment insurance

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contributions, and any other payroll-related taxes required by law. Manager shall be responsible for maintaining workers' compensation insurance coverage for Assigned Personnel in an amount and under such terms as required by state law. Manager shall be responsible for ensuring that all applications and insurance enrollment forms are fully completed and returned to Manager by the Assigned Personnel.

b. The Cooperative shall comply with all applicable federal, state and local laws in dealings with Assigned Personnel. Manager shall incur no liability for any violation or alleged violation of law or regulation by the Cooperative.

c. In compliance with state law and federal guidelines, Manager shall, after consultation with the Cooperative:

- i. Have a right to recruit, hire, direct and control Assigned Personnel,
- ii. Have a right to discipline, replace, and terminate the employment of Assigned Personnel and designate the date of separation from employment,
- iii. Have a right to reward, promote, reassign, evaluate and determine the wages, hours, terms and conditions of employment,
- iv. Have the right to resolve and decide employee grievances and disputes, and
- v. Supervise and direct Assigned Personnel in a reasonable manner consistent with the practices of similar businesses and enterprises.

d. The Cooperative may retain such sufficient direction and control over the Assigned Personnel as is necessary to conduct the Cooperative's business and without which the Cooperative would be unable to conduct its business, discharge any fiduciary responsibility that it may have, or comply with any applicable licensure, regulatory, or statutory requirement of the Cooperative.

e. It shall be Manager's responsibility to implement a safety and training program that meets the standards of regulations issued by the state of California.

f. The Parties each agree that they will comply with all health and safety laws, right-to-know laws, regulations, ordinances, directives and rules imposed by controlling federal, state, and local government, and that they will immediately report all accidents and injuries to the other party.

g. Environmental factors, equipment, machinery and all other matters which affect employee health and safety shall be maintained in compliance with OSHA standards, which shall be the responsibility of Manager.

Section 1.7: Long-Term Agreement. The Parties acknowledge and agree that it is the



Parties' intent to, during the Term of this Agreement, negotiate a definitive agreement whereby Manager would continue to operate the Dispensary and acquire an interest therein, if the Parties can come to mutually agreed upon terms. The Parties agree to negotiate such agreement in good faith.

ARTICLE 2.

TERM OF AGREEMENT; TERMINATION

Section 2.1: Term. This Agreement is entered into on the Effective Date hereof, shall take effect immediately, and shall remain in effect for a period of sixty (60) days (the "Term"), unless earlier terminated by the Parties.

Section 2.2: Termination. This Agreement may be terminated by either Party with fifteen (15) days' prior written notice to the other Party or immediately upon the material breach of this Agreement by providing the breaching Party written notice of the termination and reason therefor.

Section 2.3: Effect of Termination. Upon termination of this Agreement, Manager shall promptly return all documents and information of the Cooperative or relating to the Dispensary to the Cooperative. The provisions of this Agreement relating to confidential information and indemnity shall survive termination of this Agreement.

ARTICLE 3.

COMPENSATION AND EXPENSES

Section 3.1: Compensation. The Cooperative shall pay for the Services provided by Manager as follows:

a. After all other costs and expenses of the Dispensary each month have been paid, Manager shall be entitled to receive a flat fee of \$25,000.00 per month ("Base Fee"). If the income of the Dispensary for any given month is insufficient to pay the Base Fee, the unpaid portion of the Base Fee will be deferred until the Dispensary has sufficient income to pay the deferred Base Fee. For the purposes of this Agreement, a month shall be treated as beginning on the 10th day of the applicable month and ending on the 9th day of the following month.

b. Once the Base Fee has been paid to Manager, the Cooperative shall be entitled to retain \$25,000.00 in profits from the Dispensary ("Retention Amount"), with remaining profits of the Dispensary after Retention Amount each month being referred to herein as the "Residual."

c. After payment of the Retention Amount to the Cooperative, all remaining monthly profits from operation of the Dispensary will be split between the Cooperative and Manager as follows: (i) 30% to the Cooperative and 70% to the Manager if the Parties do not reach the long-term agreement contemplated by Section 1.7 of this Agreement, or (ii) 50%/50% if the Parties enter into the long-term agreement contemplated by Section 1.7 of this Agreement.

MM

Asli

d. All fees due Manager hereunder will be payable in arrears on the fifteenth (15th) day of the month, beginning the month following the Effective Date.

Section 3.2: Reimbursement. In connection with the Services, the Cooperative shall reimburse Manager for any expenses or costs actually and reasonably incurred and paid by Manager on behalf of the Cooperative.

Section 3.3: Expenses. The Cooperative shall be responsible for all costs and expenses of operating its Dispensary, including but not limited to, payment of taxes, costs associated with the Assigned Personnel, marketing, compliance, insurance, inventory, and rent, whether or not such costs and expenses are to be paid by Manager on the Cooperative's behalf. Otherwise, Manager shall be responsible for its costs associated with provision of its Services. The Parties specifically acknowledge that an entity affiliated with the principal of the Cooperative is entitled to receive \$8,500 per month during the Term of this Agreement, which shall be treated as an expense of the Dispensary prior to payment of any fee to Manager and will not be counted towards the Cooperative's Minimum Payment.

Section 3.4: Dedicated Account. The Cooperative shall establish a dedicated bank account in its name ("Dedicated Account") and each party shall designate one person to act as signatory on such account. All revenues generated from the Dispensary shall be deposited into the Dedicated Account and all expenses relating to the Dispensary shall be paid from the Dedicated Account. The Manager shall not use the Dedicated Account for its own purposes or for any other client of Manager and shall hold and use all funds in the Dedicated Account in trust for the benefit of the Cooperative. The Cooperative shall have the authority to remove the Manager's signatory from the Dedicated Account upon termination of this Agreement.

ARTICLE 4.

INDEPENDENT CONTRACTOR STATUS

Section 4.1: Relationship of Parties. It is understood and agreed that the Manager is an independent contractor in respect to Manager's relationship to Cooperative, and that Manager is not and should not be considered an agent or employee of the Cooperative for any purpose. Manager will have full control and discretion as to the ways and means of performing any and all Services to be provided under this Agreement. It is understood that in the performance of this Agreement, Manager is not in any way acting as an employee of Cooperative, and Manager will be responsible for all taxes, social security payments, and other similar payments or contributions due as a result of any payments made pursuant to the terms of this Agreement. As an independent contractor, Manager agrees that Cooperative has no obligation under the state or federal laws regarding employee liability, and that Cooperative's total commitment and liability under this Agreement is the performance of its obligations and the payment of the fees as herein described.

Section 4.2: Contracts. Manager may not enter into any contract or binding agreement on behalf of the Cooperative, written or oral, in an amount of \$2,500.00 or more or in duration to extend past the Term of this Agreement without the prior written consent of the Cooperative.



ARTICLE 5.

INDEMNIFICATION

Section 5.1: Cooperative Indemnification. The Cooperative agrees to indemnify and hold harmless Manager and its subsidiaries, partners, affiliates, principals, directors or agents ("Manager Indemnified Parties") from and against and in respect of any and all liabilities, obligations, assessments, suits, actions, proceedings, claims, or demands asserted against Cooperative and/or Manager or any Manager Indemnified Party or any judgments, damages, losses, including any loss of business or credit costs, expenses and fees, including reasonable attorneys' fees incurred by the Manager Indemnified Parties as a result of the Cooperative's conduct or Manager's provision of Services in accordance with this Agreement.

Section 5.2: Willful Misconduct. Cooperative will not relieve or indemnify Manager from liability caused by the willful misconduct or negligence of Manager, its offices, agents, or servants.

Section 5.3: Manager Indemnification. The Manager agrees to indemnify and hold harmless the Cooperative and its subsidiaries, partners, affiliates, principals, directors or agents ("Cooperative Indemnified Parties") from and against and in respect of any and all liabilities, obligations, assessments, suits, actions, proceedings, claims, or demands asserted against Cooperative and/or Manager or any Cooperative Indemnified Party or any judgments, damages, losses, including any loss of business or credit costs, expenses and fees, including reasonable attorneys' fees incurred by the Cooperative Indemnified Parties as a result of the Manager's willful misconduct, negligence or material breach of this Agreement.

ARTICLE 6.

GENERAL PROVISIONS

Section 6.1: Mediation. The Parties agree that, prior to litigation, any controversy or claim arising out of or relating to this Agreement, or the breach thereof, shall first be mediated by the Parties. Mediation shall occur at a mutually agreed upon location in the State of California with a mediator mutually agreed by the Parties. If the Parties cannot agree to a date, location or mediator within ten (10) days from the date any Party gives the other Party written notice of the potential claim or controversy, then the controversy may be submitted directly to a court of appropriate jurisdiction.

Section 6.2: Attorneys' Fees. If any legal action is necessary to enforce or interpret the terms of this Agreement, the prevailing Party will be entitled to reasonable attorneys' fees, costs, and necessary disbursements in addition to any other relief to which that party may be entitled. This provision will be construed as applicable to the entire contract.

Section 6.3: Integration. This instrument contains the entire Agreement of the Parties with respect to the subject matter hereof and there are no other promised representations or warranties affecting it. This Agreement supersedes any and all other agreements, either oral or in writing.

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between Manager and Cooperative with respect to the engagement of Manager by Cooperative and contains all of the covenants and agreements between the Parties with respect to that engagement in any manner whatsoever. Each Party to this Agreement acknowledges that no representation, inducements, promises, or agreements, orally or otherwise, have been made by any Party, or anyone acting on behalf of any Party that are not embodied in the Agreement, and that no other agreement, statement, or promise not contained in this Agreement will be valid or binding on either Party.

Section 6.4: Modification. Any modification of this Agreement will be effective only if it is in writing and signed by the Party to be charged.

Section 6.5: Waiver. The failure of either Party to insist on strict compliance with any of the terms, covenants, or conditions of this Agreement by the other Party will not be deemed a waiver of that term, covenant, or condition, nor will any waiver or relinquishment of any right or power at any one time or times be deemed a waiver or relinquishment of that right or power for all or any other times.

Section 6.6: Severability. If any provision in this Agreement is held by a court of competent jurisdiction or arbitrator to be unreasonable, invalid, void, or unenforceable, then this Agreement will be deemed amended to provide for the modification of the unreasonable, invalid, void, or unenforceable provision to the extent that the court or arbitrator finds reasonable, and the remaining provisions of this Agreement will continue in full force without being impaired or invalidated in any way.

Section 6.7: Governing Law/ No Adverse Construction. This Agreement will be governed by and construed in accordance with the laws of the State of California. The Parties agree that this Agreement was prepared by all signatories hereto and their counsel, and in case of ambiguity shall not be construed more strongly against one than against the others.

Section 6.8: Notices. All notices, requests, demands and other communications required or permitted to be given pursuant to this Agreement shall be in writing and deemed duly given, made and received when (a) personally delivered or (b) three (3) business days after said notice, request, demand and other communication is deposited in U.S. Mail, certified mail, return receipt requested or by overnight mail addressed as follows or at such other addresses as either Party may advise the other from time to time in writing in compliance with this section of this Agreement:

If to Manager:

If to Cooperative:

Section 6.9: Counterparts. This Agreement may be executed by the Parties in one or more counterparts, each of which shall be deemed to be an original, and it shall not be necessary for the same counterpart of this Agreement to be signed by all of the Parties in order for it to be binding upon all of the Parties in accordance with the terms hereof. Electronic or facsimile

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delivery of this Agreement will be accepted and enforceable.

Section 6.10: Successors and Assigns. The terms and conditions of this Agreement shall be binding upon and inure to the benefit of the Parties hereto, and to their shareholders, subsidiaries, related and affiliated entities, representatives, successors, assigns, and every person (whether natural or artificial), firm, or entity now or previously affiliated with any of the Parties hereto, or who may become affiliated with any of the Parties hereto in the future. Notwithstanding, neither Party may assign this Agreement without the written consent of the other Party, and any purported assignment without such written consent shall be null and void.

Section 6.11: Representation of Authority. Each Party represents and warrants to the other that the execution and delivery of this Agreement and the performance of such Party's obligations hereunder have been duly authorized and that the Agreement is a valid and legal agreement binding on such Parties and enforceable in accordance with its terms.

Section 6.12: Further Assurances. The Parties shall at their own cost and expense execute and deliver such further documents and instruments and shall take such other actions as may be reasonably required or appropriate to carry out the intent and purposes of this Agreement.

Section 6.13: Confidentiality. The Parties agree that at no time (either during or subsequent to the term of this Agreement) will any Party disclose or use, except as required to fulfil its obligations under this Agreement, any Proprietary and Confidential Information of the other Party, or any subsidiary or affiliate of the other Party, acquired during the term of this Agreement. The term "Proprietary and Confidential Information" shall mean, but is not limited to, all information which is known or intended to be known only to the disclosing Party, its subsidiaries and affiliates, and their employees, including any document, record, financial or other information of the disclosing Party, or others in a confidential relationship with the disclosing Party, and further relates to specific business matters such as the disclosing party's financial information, identity of customers and patients, policies and procedures, fee structures, trade secrets, proprietary know-how, account information, and other information relating to other business of the disclosing Party, its subsidiaries and affiliates, and their employees. Manager agrees not to remove from the Location except with approval of the Cooperative or as necessary to perform services in accordance with the terms of this Agreement, any physical property item, document, record, or other information of the Cooperative or its affiliates.

Each Party agrees to return, immediately upon termination of this agreement hereunder, any and all documentation or physical property and Proprietary and Confidential Information of the other Party that is in the possession of such Party, in whatever format it may be maintained, regardless of who it is, or developed by, and to destroy all said information and documentation if requested by the disclosing Party and provide a certificate of destruction upon request by the disclosing Party.

Notwithstanding the foregoing, the restrictions contained in this section shall not apply to any Proprietary and Confidential Information that is required by law or the order of any court or governmental agency, or in any litigation or similar proceeding to be disclosed; provided that the disclosing party shall, prior to making any such required disclosure, notify the other party with sufficient notice to permit that party to seek an appropriate protective order.

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Section 6.14: Acts of God. No Party shall be liable in any respect for failure to comply with the terms of this Agreement due wholly or in part to acts of God, acts of the other party, acts or civil or military authority, fires, floods, epidemics, quarantine restrictions, war, armed hostilities, riots, strikes, lockouts, breakdown, differences with workers, accidents to machinery, delays in transportation, or any other cause beyond the reasonable control of the Party.

Section 6.15: Liability Limitation. IN NO EVENT WILL ANY PARTY BE LIABLE FOR ANY LOSS OR DAMAGE TO REVENUES, PROFITS, OTHER ECONOMIC LOSS OR GOODWILL OR COSTS OF REPLACEMENT GOODS OR SERVICES OR ANY OTHER SPECIAL, INCIDENTAL, EXEMPLARY, INDIRECT OR CONSEQUENTIAL DAMAGES OF ANY KIND, ARISING OUT OF OR RELATING TO THIS AGREEMENT OR THE LICENSED PRODUCTS, HOWEVER CAUSED AND WHETHER BASED IN BREACH OF CONTRACT, BREACH OF WARRANTY, TORT (INCLUDING NEGLIGENCE) OR ANY OTHER THEORY OF LIABILITY. THE FOREGOING LIMITATIONS SHALL APPLY EVEN IF A PARTY HAS BEEN ADVISED OF THE POSSIBILITY OF SUCH DAMAGES AND NOTWITHSTANDING THE FAILURE OF ESSENTIAL PURPOSE OF ANY LIMITED REMEDY STATED HEREIN.

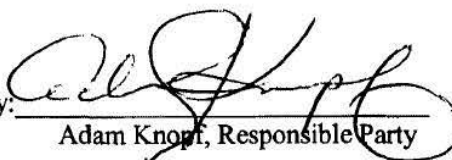
Section 6.16: Non-Circumvention. The Parties hereby acknowledge that the Manager will be introducing the Cooperative to certain Assigned Personnel. In consideration of the foregoing, the Cooperative hereby agrees and warrants that it shall not, directly or indirectly, interfere with, circumvent, attempt to circumvent, or obviate or interfere with the relationship of the Manager and its Assigned Personnel for the purpose of gaining any benefit, whether such benefit is monetary or otherwise.

IN WITNESS WHEREOF, the Parties hereto have caused this Assignment to be duly executed by their duly authorized representatives as of the date of this Assignment. The undersigned, by their execution of this Agreement, represent and warrant that they have authority to execute this Agreement on behalf of its respective Party.

MANAGER:

Far West Management, LLC:

Dated: 7/10/18

By: 
Adam Knopf, Responsible Party

COOPERATIVE:

Balboa Ave. Cooperative

Dated: 7/10/18

By: 
Ninus Malan, Responsible Party

EXHIBIT A
Assigned Personnel

1 Steven W. Blake, Esq., SBN 235502
2 Andrew W. Hall, Esq., SBN 257547
3 Daniel Watts, Esq. SBN 277861
4 **GALUPPO & BLAKE**
5 A Professional Law Corporation
6 2792 Gateway Road, Suite 102
7 Carlsbad, California 92009
8 Phone: (760) 431-4575
9 Fax: (760) 431-4579

10 Attorneys for Defendant Ninus Malan

11 SUPERIOR COURT OF CALIFORNIA, COUNTY OF SAN DIEGO

12 CENTRAL DIVISION

13 SALAM RAZUKI, an individual,

14 Plaintiff,

15 vs.

16 NINUS MALAN, an individual; MONARCH
17 MANAGEMENT CONSULTING, INC., a
18 California corporation; SAN DIEGO
19 UNITED HOLDING GROUP, LLC, a
20 California limited liability company; MIRA
21 ESTE PROPERTIES, LLC, a California
22 limited liability company; ROSELLE
23 PROPERTIES, LLC, a California limited
24 liability company; and DOES 1-100,
25 inclusive,

26 Defendants.

27 AND ALL RELATED CROSS-ACTIONS

Case No.: 37-2018-00034229-CU-BC-CTL

PROOF OF SERVICE

I am employed in San Diego County. I am over the age of 18 and not a party to this action. My business address is 2792 Gateway Road, Suite 102, Carlsbad, California 92009.

PROOF OF SERVICE

1 On **October 24, 2018**, I served the foregoing document(s) in this action described as:

2
3 **DECLARATION OF HEIDI RISING IN SUPPORT OF OCTOBER 25, 2018L, EX**
4 **PARTE APPLICATION**

5 [X] addressed as follows:

6 **Attorneys for Plaintiff**

7 Steven A. Elia
8 Maura Griffin
9 James Joseph
10 Law Offices of Steven A. Elia, APC
11 2221 Camino Del Rio South, Suite 207
12 San Diego, CA 92108
13 steve@elialaw.com

14 **Attorneys for Plaintiffs-in-Intervention**

15 Robert E. Fuller
16 Zachary E. Rothenberg
17 Salvatore J. Zimmitti
18 NELSON HARDIMAN LLP
19 11835 West Olympic Boulevard, Suite 900
20 Los Angeles, CA 90064
21 ZRothenberg@NelsonHardiman.com

22 **Attorneys for Defendants and Cross-Complainants Mira Este Properties, LLC, Monarch**
23 **Management Consulting, Inc. and Chris Hakim**

24 Charles F. Gorla, Esq.
25 GORIA, WEBER & JARVIS
26 1011 Camino del Rio South, Suite 210
27 San Diego, CA 92108

Attorn4eyes for Court-Appointed Receiver

Richardson C. Griswold
GRISWOLD LAW, APC
444 S. Cedros Avenue, Suite 250
Solana Beach, CA 92075
rgriswold@griswoldlawsandiego.com

PROOF OF SERVICE

Co-Counsel for Ninus Malan

Gina Austin

Tamara M. Leetham

Austin Legal Group, APC

3990 Old Town Avenue, Suite A-112


San Diego, CA 92110

gaustin@austinlegalgroup.com

tamara@austinlegalgroup.com

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6 [X] **VIA ELECTRONIC FILING SERVICE:** Complying with Code of Civil Procedure
7 section 1010.6, my electronic business address is lkoller@galuppowlaw.com and I caused
8 such document(s) to be electronically served through the e-service system for the above
9 entitled case to those parties on the Service List maintained on its website for this case.
10 The file transmission was reported as complete and a copy of the Filing/Service Receipt
11 will be maintained with the original document(s) in our office.

12 Executed on **October 24, 2018** at Carlsbad, California

13
14 
15 Linda M. Koller

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26
27
PROOF OF SERVICE

1 Steven W. Blake, Esq., SBN 235502
Andrew W. Hall, Esq., SBN 257547
2 Daniel Watts, Esq. SBN 277861
GALUPPO & BLAKE
3 A Professional Law Corporation
2792 Gateway Road, Suite 102
4 Carlsbad, California 92009
Phone: (760) 431-4575
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6 Gina M. Austin (SBN 246833)
7 E-mail: gaustin@austinlegalgroup.com
Tamara M. Leetham (SBN 234419)
8 E-mail: tamara@austinlegalgroup.com
AUSTIN LEGAL GROUP, APC
9 3990 Old Town Ave, Ste A-112
San Diego, CA 92110
10 Phone: (619) 924-9600
11 Facsimile: (619) 881-0045

12 Attorneys for Defendants Ninus Malan, San Diego
United Holdings Group, LLC, Flip Management, LLC,
13 Balboa Ave Cooperative, California Cannabis Group, and
Devilish Delights, Inc.

14 SUPERIOR COURT OF CALIFORNIA, COUNTY OF SAN DIEGO
15
16 CENTRAL DIVISION

17 SALAM RAZUKI, an individual,
18 Plaintiff,

19 vs.

20 NINUS MALAN, an individual; MONARCH
MANAGEMENT CONSULTING, INC., a
21 California corporation; SAN DIEGO UNITED
HOLDING GROUP, LLC, a California limited
22 liability company; MIRA ESTE
23 PROPERTIES, LLC, a California limited
24 liability company; ROSELLE PROPERTIES,
LLC, a California limited liability company;
25 and DOES 1-100, inclusive,
26 Defendants.

Case No.: 37-2018-00034229-CU-BC-CTL

**DECLARATION OF NINUS MALAN
REGARDING REQUEST FOR APPEAL
BOND UNDER CODE OF CIVIL
PROCEDURE SECTION 917.5**

Date: August 6, 2018
Time: 8:30 a.m.
Judge: Hon. Eddie C. Sturgeon
Dept.: C-67

1 I, Ninus Malan, declare the following:

2 1. I am over the age of 18 years and I am a defendant in this action

3 2. I have personal knowledge of the facts stated in this declaration, and if called
4 upon to testify to these facts, I could and would do so competently. I am an owner/manager of
5 appealing defendants San Diego United Holdings Group, Balboa Ave Cooperative, California
6 Cannabis Group, and Devilish Delights (“Appealing Defendants”) and I have the authority to
7 state facts on their behalf.

8 3. As stated in prior declarations, the following few paragraphs recount the
9 ownership structure of the various companies in this dispute.

10 4. I am the president of California Cannabis Group, a nonprofit mutual benefit
11 corporation. Plaintiff Salam Razuki is not and never has been an officer, employee, shareholder,
12 member, or owner of California Cannabis Group.

13 5. I am the president and Chris Hakim is the vice president of Devilish Delights,
14 Inc., a nonprofit mutual benefit corporation Plaintiff Salam Razuki is not and never has been an
15 officer, employee, shareholder, member, or owner of Devilish Delights, Inc.

16 6. Mira Este Properties, LLC is a limited liability company owned in equal parts by
17 me and Hakim. Plaintiff Salam Razuki is not and never has been an officer, employee,
18 shareholder, member, or owner of Mira Este Properties, LLC. Mira Este Properties, LLC owns
19 the real property at 9212 Mira Este Court, San Diego, CA 92126 (“Mira Este Facility”) in fee
20 simple.

21 7. I am the president of California Cannabis Group, a nonprofit mutual benefit
22 corporation. Plaintiff Salam Razuki is not and never has been an officer, employee, shareholder,
23 member, or owner of California Cannabis Group.

24 8. I am the president and Chris Hakim is the vice president of Devilish Delights,
25 Inc., a nonprofit mutual benefit corporation Plaintiff Salam Razuki is not and never has been an
26 officer, employee, shareholder, member, or owner of Devilish Delights, Inc.

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1 9. Balboa Ave Cooperative is a nonprofit mutual benefit corporation. I am the sole
2 managing member of Balboa Ave Cooperative. Plaintiff Salam Razuki is not and never has been
3 an officer, employee, shareholder, member, or owner of Balboa Ave Cooperative.

4 10. Monarch Management Consulting, Inc. is a corporation owned in equal parts by
5 me and Hakim. Plaintiff Salam Razuki is not and never has been an officer, employee,
6 shareholder, member, or owner of Monarch Management Consulting, Inc.

7 11. Flip Management, LLC is a limited liability company owned entirely by me.
8 Plaintiff Salam Razuki is not and never has been an officer, employee, shareholder, member, or
9 owner of Flip Management, LLC.

10 12. I am the sole member and sole owner of San Diego United Holdings Group, LLC
11 (“San Diego United”), a limited liability company. Neither Razuki Investments, LLC nor
12 Plaintiff Salam Razuki have any ownership interest whatsoever in San Diego United

13 13. Roselle Properties, LLC is a limited liability company owned in equal parts by
14 me and Hakim. Plaintiff Salam Razuki is not and never has been an officer, employee,
15 shareholder, member, or owner of Roselle Properties, LLC. Roselle Properties, LLC, which is
16 owned by me and Hakim, owns real property located at 10685 Roselle Street, San Diego, CA
17 92121 (“Roselle Facility”) in fee simple.

18 14. Razuki Investments, LLC used to own real property located at 8863 Balboa Ave,
19 Suite E and 8861 Balboa Ave, Suite B in San Diego (“Balboa Properties”), but San Diego
20 United bought the Balboa Properties in March 2017. Today, neither Razuki nor Razuki
21 Investments, LLC has any property interests in the Balboa Properties.

22 15. On September 7, 2018, the Court granted plaintiff Salam Razuki’s request for
23 preliminary injunction which allows a receivership over certain “Marijuana Operations.”

24 16. On or around September 27, 2018, the Court signed the preliminary injunction
25 order (“Order”) and thereafter counsel for the receiver served a notice of entry of order.

26 17. On October 30, 2018, Appealing Defendants filed and served a notice of appeal
27 for the Order. As I understand it, because the appeal is related to a receivership order, Code of

1 Civil Procedure section 917.5 requires an undertaking in a sum fixed by the trial court which is
2 meant to pay damages the respondent may sustain by reason of the stay in enforcement of the
3 Order. Respondent will not sustain damages and in fact has not sustained damages. The only
4 parties to this matter that have been damages, to the brink of insolvency, are the Marijuana
5 Operations.

6 18. Not only will Respondent/Plaintiff Razuki not sustain damages, the Appealing
7 Defendants are in no position to post a bond because of the receivership.

8 19. By way of summary, none of the business thrown into the receivership, and by
9 this I mean the Balboa Dispensary located at 8863 Balboa, Suite E, San Diego, California, the
10 manufacturing facility at 8859 Balboa Suites A-E (“Balboa Manufacturing”), and the
11 manufacturing and distribution facility at Mira Este (“Mira Este”), are operating in a manner
12 that can support a receivership.

13 20. As you will see by the exhibits and tables identified below, while the Balboa
14 Dispensary is making money, between its monthly expenses and the outstanding debts and
15 liabilities, it has no resources to pay for a bond. With respect to Balboa Manufacturing, the real
16 property is entitled with a Conditional Use Permit to operate a marijuana dispensary and the
17 state application has been submitted. However, no build out or tenant improvements have been
18 undertaken to actually begin manufacturing cannabis and the only income generated by the
19 Balboa Manufacturing real property is rent from the current tenants.

20 21. Balboa Dispensary: the following is a table of Balboa’s expenses and liabilities:

Creditor	Amount Owed	Status
Salas Financial: Mortgage	\$4,573.70/mo.	Delinquent
Montgomery Field HOA Insurance payment	\$3,520.65/mo.	Delinquent
Montgomery Field monthly HOA payment	\$360.00/mo. (\$180.00 for each unit)	Delinquent

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1	Spectrum	\$630.00/mo. (avg.)	
2	Telecommunications		Delinquent
3	Edwards Security	\$16,128.00/mo.	Current- must be paid to stay open
4			
5	Money placed in ATM	\$56,280/mo. (avg.)	
6	Vendors- paid on	\$68,284.00/mo. (avg.)	
7	consignment		
8	Payroll	\$34,000/mo. (avg.)	Current- must be paid to stay open
9			
10	Management Fee	\$25,000.00/mo.	Delinquent
11	Epsten Grinnell and Howell	\$6,171.47/mo.	Delinquent
12	Inzone Insurance	\$679.18/mo.	Delinquent
13	Maintenance/supplies/POS	\$1,283.00/mo.	
14	Software		Delinquent
15	San Diego Reader	\$6,238.00/mo.	
16	Weedmaps	\$13,000.00/mo.	
17	SUBTOTAL Monthly	\$236,628.00	
18	payments:		
19	Montgomery Field HOA	\$82,000.00	
20	Sewer Bill		Delinquent
21	Other commitments to	\$10,000.00	
22	Montgomery Field HOA		Delinquent
23	CDTFA- state excise tax	\$173,702.86	
24			Delinquent
25	Other taxes (sales tax and	Unknown- investigating	
26	potential penalties)		
27			

Decl. of Ninus Malan Regarding Request For Appeal Bond Under Code Of Civil Procedure Section 917.5

1 2 3 4	Ninus Malan- money owed for making personal loans to pay Balboa Dispensary debts during receivership	\$13,721.10	Delinquent
5 6	Receivership and forensic accounting fees	Unknown	Delinquent
7	Outstanding legal bills	Confidential	Delinquent

8
9 22. Attached to my declaration is a true and correct copy of the Balboa Dispensary's
10 profit and loss statement.

11 23. Balboa Manufacturing:

12	Creditor	Amount Owed	Status
13	Salas Financial: Mortgage	\$9,952.36/mo.	Delinquent
14	Insurance payment	\$781.21/mo	Delinquent
15	Montgomery Field monthly HOA payment	\$861.00/mo.	Delinquent
17	SUBTOTAL Monthly	\$11,594.57	
18	payments:		
19	Techne (building design for CUP)	\$13,000 (approx.)	Delinquent
21	Ninus Malan- money owed for making personal loans to pay Balboa Dispensary debts during receivership	\$29,857.08	Delinquent
25	Receivership and forensic accounting fees	Unknown	Delinquent- owe

1	Outstanding legal bills	Confidential	Delinquent
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24. Balboa Manufacturing collects \$4,400.00 in rents for units B, C, D, and E. Unit A is vacant. Balboa Manufacturing operates in a deficit of (\$7,794.57/mo).

I declare under penalty of perjury under the laws of the State of California that the foregoing is true and correct. Executed in San Diego, CA.

DATE: November 5, 2018

BY: Ninus Malan
Ninus Malan

1 Gina M. Austin (SBN 246833)
E-mail: *gaustin@austinlegalgroup.com*
2 Tamara M. Leetham (SBN 234419)
E-mail: *tamara@austinlegalgroup.com*
3 AUSTIN LEGAL GROUP, APC
3990 Old Town Ave, Ste A-112
4 San Diego, CA 92110
Phone: (619) 924-9600
5 Facsimile: (619) 881-0045

ELECTRONICALLY FILED
Superior Court of California,
County of San Diego
11/05/2018 at 10:26:00 AM
Clerk of the Superior Court
By Richard Day, Deputy Clerk

6 Attorneys for Defendants
Ninus Malan, San Diego United Holdings Group,
7 Balboa Ave Cooperative, Flip Management,
California Cannabis Group
8

9 **SUPERIOR COURT OF THE STATE OF CALIFORNIA**
10 **COUNTY OF SAN DIEGO- CENTRAL DIVISION**
11

12 SALAM RAZUKI, an individual,

13 Plaintiff,

14 vs.

15 NINUS MALAN, an individual; CHRIS
16 HAKIM, an individual; MONARCH
MANAGEMENT CONSULTING, INC., a
17 California corporation; SAN DIEGO
UNITED HOLDINGS GROUP, LLC, a
18 California limited liability company; FLIP
MANAGEMENT, LLC, a California
19 limited liability company; ROSELLE
PROPERTIES, LLC, a California limited
20 liability company; BALBOA AVE
COOPERATIVE, a California nonprofit
21 mutual benefit corporation; CALIFORNIA
CANNABIS GROUP, a California
22 nonprofit mutual benefit corporation;
DEVILISH DELIGHTS, INC. a California
23 nonprofit mutual benefit corporation; and
DOES 1-100, inclusive;

24 Defendants.
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27
28

CASE NO. 37-2018-00034229-CU-BC-CTL

**DECLARATION OF GINA M. AUSTIN IN
SUPPORT OF EX PARTE APPLICATION**

AUSTIN LEGAL GROUP, APC
3990 Old Town Ave, Ste A-112
San Diego, CA 92110

1 I, Gina M. Austin, declare:

2 1. I am attorney admitted to practice before this Court and all California courts and,
3 along with Tamara M. Leetham, represent defendants Ninus Malan (“Malan”), San Diego United
4 Holdings Group (“San Diego United”), Balboa Ave Cooperative (“Balboa”), California Cannabis
5 Group (“CCG”), and Devilish Delights (collectively “Malan Defendants”) in this matter. I make
6 this declaration in support of the Malan Defendants ex parte application to seek an order
7 approving priority payment to Far West Operating, LLC out of Balboa Ave Cooperative’s
8 operating revenues. Unless otherwise stated, all facts testified to are within my personal
9 knowledge and, if called as a witness, I would and could competently testify to them.

10 2. On October 24, 2018 at 7:43 am our office gave ex parte notice via email to
11 counsel for plaintiff Salam Razuki, cross-complainant American Lending and Holdings, LLC,
12 defendants Flip Management, LLC, Chris Hakim, Mira Este Properties, LLC, Monarch
13 Management Consulting, LLC, Roselle Properties, LLC, and cross-defendants San Diego
14 Building Ventures, LLC, and SoCal Building Ventures, LLC. I provided the basis for the ex parte
15 application, the relief requested, and the time, place and date of hearing. As of the signing of this
16 declaration, I have not heard whether they intend to oppose the application. A true and correct
17 copy of the notice provided is attached hereto as Exhibit A.

18 3. Attached as Exhibit B is a true and correct copy of an October 16, 2018 email from
19 Richardson Griswold, counsel for receiver Michael Essary, stating the payment of the Receiver’s
20 fees, the Receiver’s counsel’s fees, and the expenses of the receivership have priority over all
21 other expenses of the marijuana operation.

22 4. Attached as Exhibit C is a true and correct copy of an email chain between Salas
23 Financial and defendant Ninus Malan regarding the status of the mortgage payments for Balboa
24 Ave Cooperative and Mire Este. As of October 10, 2018, the mortgages were past due and near
25 the brink of default.

26 5. Attached as Exhibit D is a true and correct copy of an email chain dated October
27 18, 2018 between Michael Essary, and counsel for the parties of this lawsuit, discussing obtaining
28 a third party funding letter of intent of approximately \$500,000 for maintenance of the

AUSTIN LEGAL GROUP, APC
3990 Old Town Ave, Ste A-112
San Diego, CA 92110

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receivership, due to bills being unpaid and mortgages for Balboa Ave Cooperative and Mira Este being unpaid.

6. Attached as Exhibit E is a true and correct copy of an email chain dated October 23, 2018, between myself, Mr. Essary, and his counsel Mr. Griswold providing them with the monthly budget that Balboa Ave Cooperative requires to operate.

I declare under penalty of perjury under California state law that the foregoing is true and correct. Executed in San Diego, California, on October 24, 2018.


Gina M. Austin

reasons for the operational... including other reasons... Mr. Essary is... of

EXHIBIT A

Andrews, Richard

From: Andrews, Richard
Sent: Wednesday, October 24, 2018 7:43 AM
To: steve@elialaw.com; 'maura@elialaw.com'; rgriswold@griswoldlawsandiego.com; rfuller@nelsonhardiman.com; dwatts@galuppolaw.com; chasgoria@gmail.com; Matthew Dart (matt@dartlawfirm.com); 'mahoney@wmalawfirm.com'
Cc: Austin, Gina
Subject: Ex Parte Notice for October 25, 2018
Attachments: 18-1023 Ex Parte Notice Letter 10-25-18.pdf

Counsel:

Please see the attached notice regarding our Ex Parte hearing set for October 25, 2018, and let us know if you will be opposing and/or appearing.

Best,

Richard L. Andrews Jr., Esq.

Austin Legal Group, APC
3990 Old Town Ave, Suite A-112, San Diego, California 92110
Office Phone: 619.924.9600 // Office Fax: 619.881.0045
richard@austinlegalgroup.com

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Austin Legal Group, APC

LAWYERS
3990 OLD TOWN AVE, STE A-112
SAN DIEGO, CA 92110

LICENSED IN CALIFORNIA & ARIZONA
TELEPHONE
(619) 924-9600

FACSIMILE
(619) 881-0045

Writer's Email:
richard@austinlegalgroup.com

October 24, 2018

Via E-Mail Only

Steven Elia
Maura Griffin
Law Offices of Steven Elia
2221 Camino Del Rio So., Suite 207
San Diego, CA 92108
steve@elialaw.com
maura@elialaw.com

Robert Fuller
Nelson Hardiman, LLP
11835 West Olympic Blvd, Suite 900
Los Angeles, CA 90064
rfuller@nelsonhardiman.com

Charles Gorla
Gorla Weber & Jarvis
1011 Camino Del Rio South, Suite 210
San Diego, CA 92108
chasgorla@gmail.com

Matt Mahoney
Witham Mahoney & Abbott, LLP
401 B Street Suite 2220
San Diego, CA 92101
mahoney@wmalawfirm.com

Richardson Griswold
Griswold Law APC
444 S. Cedros Ave #250
Solana Beach, CA 92075
rgriswold@griswoldlawsandiego.com

Daniel Watts
Galuppo & Blake
2792 Gateway Road, Suite 102
Carlsbad, CA 92009
dwatts@galuppolaw.com

Matt Dart
Dart Law
12526 High Bluff Drive, Suite 300
San Diego, CA 92130
matt@dartlawfirm.com

**Re: Ex Parte Notice- October 23, 2018
Case No. 37-2018-00034229-CU-BC-CTL
Razuki v. Malan**

To All Counsel:

This letter constitutes notice that defendants Ninus Malan, San Diego United Holdings Group, Balboa Ave Cooperative, California Cannabis Group and Devilish Delights will be appearing ex parte to seek an order approving priority payment to Far West Operating, LLC out of Balboa Ave Cooperative's operating revenues pursuant to a budget of \$216,313.00 per month, in order to continue operations.

The monthly budget is comprised of the following necessary categories: (1) Advertising - \$13,338; (2) Security - \$16,128; (3) ATM - \$56,280; (4) Product Vendors - \$68,284; (5) Maintenance - \$1,283; and (6) Management Fees - \$61,000.

The ex parte will be heard October 25, 2018 at 8:30 a.m. in Department C-67 of the San Diego County Superior Court – Central Division located at 330 W. Broadway, San Diego, California 92101 before the Honorable Eddie C. Sturgeon.

Unless you notify us otherwise, we will presume you will appear at the ex parte hearing. Please do not hesitate to contact us should you have any questions.

Sincerely,

AUSTIN LEGAL GROUP, APC

A handwritten signature in black ink, appearing to be "Richard A. Andrews Jr.", written over the typed name. The signature is stylized with a large, looping initial 'A' and a long horizontal stroke extending to the right.

Richard A. Andrews Jr.

...ating other reas
Mr. [Name]

... of the [Organization]
Mr. [Name]

...ating other reas
Mr. [Name]

EXHIBIT B

Austin, Gina

From: Richardson Griswold <rgriswold@griswoldlawsandiego.com>
Sent: Tuesday, October 16, 2018 3:33 PM
To: Steven Elia; Maura Griffin; James Joseph; Salvatore J. Zimmitti; Austin, Gina; Leetham, Tamara; charles gorla
Cc: Mike; Jamie Eberhardt
Subject: Razuki/Malan: outstanding receivership invoices
Attachments: 10.01.18 receivership billings Essary Griswold Brinig.pdf

Counsel,

Per the Court's orders, the payment of the Receiver's fees, his counsel's fees and the expenses of the receivership (i.e. Brinig's fees) have priority over all other expenses of the marijuana operations. Attached are the the invoices for the Receiver, Receiver's counsel and Mr. Brinig as of October 1, 2018. They remain unpaid. These invoices are to be addressed before payment of any other expenses.

This, among other reasons, is adding to the urgency of the operational funding at this time. As you all know, Mr. Essary is actively exploring outside funding options.

Thanks,
Red

Richardson C. Griswold, Esq.
Griswold Law, APC
444 S. Cedros Ave., Suite 250
Solana Beach, CA 92075
Tel: 858.481.1300
Fax: 888.624.9177
rgriswold@griswoldlawsandiego.com
www.griswoldlawsandiego.com

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IRS Circular 230 disclosure: To ensure compliance with requirements imposed by the IRS, unless we expressly state otherwise, we inform you that any U.S. federal tax advice contained in this communication (including any attachments) is not intended or written to be used, and cannot be used, for the purpose of (I) avoiding penalties under the Internal Revenue Code or (II) promoting, marketing or recommending to another party any transaction or matter addressed herein. Griswold Law does not offer tax advice to its clients.

BRINIG TAYLOR ZIMMER
INCORPORATED

FORENSIC ACCOUNTING AND BUSINESS VALUATION

401 B STREET, SUITE 2150

SAN DIEGO, CALIFORNIA 92101

TEL. (619) 687-2600 FAX (619) 544-0304

www.btzforensics.com

Mr. Michael Essary
8304 Clairemont Mesa Blvd., St. 207
San Diego CA 92111

Page: 1
October 01, 2018
ACCOUNT NO: 180910-00M
INVOICE NO. 171934

RAZUKI V. MALAN, ET AL.

		HOURS	
09/10/2018			
BPB	Tel Conf w/M. Essery	0.40	170.00
09/11/2018			
BPB	Attention To File - Scheduling	0.10	42.50
BPB	Attention To File - Scheduling	0.10	42.50
BPB	Economic Analysis w/MPW	0.20	85.00
MPW	Economic Analysis w/BPB	0.20	50.00
09/12/2018			
BPB	Tel Conf w/M. Essary & R. Griswald	2.10	892.50
MPW	Economic Analysis	2.75	687.50
09/13/2018			
BPB	Attention To File	0.10	42.50
BPB	Review of documents - Court order	0.50	212.50
BPB	Review of documents - Court transcript	0.40	170.00
BPB	Review of documents	1.00	425.00
MPW	Economic Analysis	5.50	1,375.00
09/14/2018			
BPB	Premises Visit	2.00	850.00
BPB	Engagement Letter	0.30	127.50
MPW	Premises Visit	2.00	500.00
09/17/2018			
BPB	Economic Analysis w/MPW	0.30	127.50
MPW	Economic Analysis	0.50	125.00
MPW	Economic Analysis w/BPB	0.30	75.00
09/18/2018			
BPB	Client Case Meeting	2.50	1,062.50
BPB	Client Case Meeting	2.30	977.50
BPB	Report Draft	0.20	85.00
MPW	Economic Analysis	2.25	562.50

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Mr. Michael Essary

Page: 2
October 01, 2018

ACCOUNT NO: 180910-00M
INVOICE NO. 171934

RAZUKI V. MALAN, ET AL.

		HOURS	
	MPW Client Case Meeting	2.50	625.00
	MPW Client Case Meeting	2.30	575.00
09/19/2018			
	MPW Economic Analysis	7.50	1,875.00
09/20/2018			
	MPW Economic Analysis	4.50	1,125.00
	DJD Data Entry - Entered Cash Statements (February 2018 - May 2018)	2.60	325.00
09/21/2018			
	DJD Data Entry re: Cash statements (May 2018 - July 2018)	2.70	337.50
09/24/2018			
	MPW Economic Analysis	7.00	1,750.00
09/25/2018			
	BPB Report Draft - Letter to CPA	0.20	85.00
	MPW Economic Analysis	7.00	1,750.00
09/26/2018			
	MPW Economic Analysis	4.50	1,125.00
09/27/2018			
	MPW Economic Analysis	3.75	937.50
09/28/2018			
	DJD Printing/Binding - Cleared checks - Flip Management	4.20	525.00
	DJD File Organization - Organize checks by number - Flip Management	1.50	187.50
	DJD Data Entry re: Check names and memos - Flip Management	1.30	162.50
	FOR CURRENT SERVICES RENDERED	77.55	20,072.50

RECAPITULATION		
<u>HOURS</u>	<u>HOURLY RATE</u>	<u>TOTAL</u>
12.30	\$125.00	\$1,537.50

4752

Mr. Michael Essary

Page: 3
October 01, 2018

ACCOUNT NO: 180910-00M
INVOICE NO. 171934

RAZUKI V. MALAN, ET AL.

<u>HOURS</u>	<u>HOURLY RATE</u>	<u>TOTAL</u>
52.55	250.00	13,137.50
12.70	425.00	5,397.50

TOTAL CURRENT WORK 20,072.50

09/18/2018

Retainer Payment
Check #0141

Paid By: MICHAEL ESSARY

-10,000.00

BALANCE DUE

\$10,072.50

WE ACCEPT ALL MAJOR CREDIT CARDS * TAX I.D.: 33-0001473
BRINIG TAYLOR ZIMMER, INC.

4753

Griswold LAW

444 S. Cedros Ave., Suite 250
Solana Beach, CA 92075
Phone: (858) 481-1300 | Fax: (888) 624-9177

Account Statement

Prepared for Michael Essary - Receiver

Re: Razuki v. Malan: Receivership

Previous Invoice Amount	\$12,400.78
Last Payment Received	
Previous Balance	\$0.00
Current Charges	\$13,213.45
Total Due	\$13,213.45

Griswold LAW

444 S. Cedros Ave., Suite 250

Solana Beach, CA 92075

Phone: (858) 481-1300 | Fax: (888) 624-9177

Michael Essary - Receiver

Invoice Date: October 01, 2018

Invoice Number: 11473

Invoice Amount: \$13,213.45

Matter: Razuki v. Malan: Receivership

Attorney's Fees

9/4/2018	Format, proof read and prepare First Receiver's Report. Gather and organize exhibits.	J.E.	2.40	\$432.00
9/4/2018	Review receiver draft of Receiver's Report, exhibits	R.C.G.	.60	\$180.00
9/4/2018	Revise/Finalize Receiver's Report; Consult with Client re report	R.C.G.	3.10	\$930.00
9/5/2018	Review Hakim/Mira Este loan docs, notes, stmts	R.C.G.	.40	\$120.00
9/5/2018	Review Razuki Supp P&As re 9/7 hearing	R.C.G.	.70	\$210.00
9/5/2018	Finalize Receivers Report	R.C.G.	.80	\$240.00
9/5/2018	Review Malan Dec, Leetham Dec, Austin Dec	R.C.G.	1.10	\$330.00
9/5/2018	File and Serve the First Receiver's Report	K.C.	.60	\$75.00
9/6/2018	Consult with Client re party filings	R.C.G.	.50	\$150.00
9/6/2018	Draft Supp Dec of Essary	R.C.G.	1.10	\$330.00
9/6/2018	Review Malan P&As, Dec of Grippi, Dec of Leetham	R.C.G.	.80	\$240.00
9/6/2018	File and Serve Supplemental Declaration of Receiver Michael Essary	K.C.	.50	\$62.50
9/6/2018	Review Hakim Supp P&As & Decs, SoCal Supp P&As & Decs	R.C.G.	1.70	\$510.00
9/7/2018	Review Malan Cross-Complaint	R.C.G.	.90	\$270.00
9/7/2018	Prepare for Hearing on Rcvshp Appt Confirmation	R.C.G.	1.30	\$390.00
9/7/2018	Travel to/from and Attend Prelim Injunc Hearing	R.C.G.	5.20	\$1,560.00
9/10/2018	Review/reply to multiple emails from counsel and client re licensing and billing	R.C.G.	.40	\$120.00
9/11/2018	Review/reply to emails from counsel for defendants re confidentiality, protective order, licensing	R.C.G.	.40	\$120.00
9/11/2018	Draft Proposed Order re confirmation of receiver, preliminary injunction	R.C.G.	1.20	\$360.00
9/11/2018	Consult with Client re language of proposed order	R.C.G.	.40	\$120.00
9/12/2018	Review/reply to multiple emails from counsel re language of proposed order	R.C.G.	.60	\$180.00
9/12/2018	Prepare for meeting with Brinig re forensic audit	R.C.G.	.70	\$210.00

9/12/2018	Travel to/from and Attend Meeting with Brinig re forensic accounting	R.C.G.	3.40	\$1,020.00
9/13/2018	Coordinate compilation of docs/info for forensic audit	R.C.G.	.40	\$120.00
9/13/2018	Review draft correspondence to BCC re status of rcvshp and license	R.C.G.	.20	\$60.00
9/13/2018	Draft correspondence to counsel demanding documents/info	R.C.G.	.60	\$180.00
9/13/2018	Consult with client re state compliance, poa request	R.C.G.	.50	\$150.00
9/13/2018	File and Serve the Declaration and Proposed Order	K.C.	.60	\$75.00
9/17/2018	Review docs produced by Malan	R.C.G.	.80	\$240.00
9/17/2018	Review/reply to emails from counsel re doc production and agency POA	R.C.G.	.30	\$90.00
9/17/2018	Review draft settlement agreement	R.C.G.	.30	\$90.00
9/17/2018	Review Brinig engagement letter	R.C.G.	.20	\$60.00
9/18/2018	Prepare for Brinig meetings with parties/counsel	R.C.G.	.80	\$240.00
9/18/2018	Travel to/from and Attend Meeting with Brinig, Malan, Henkus, Leetham & Essary	R.C.G.	3.80	\$1,140.00
9/26/2018	Consult with Client re ex parte papers and hearing, Brinig doc review	R.C.G.	.60	\$180.00
9/26/2018	Review Malan ex parte application	R.C.G.	1.20	\$360.00
9/27/2018	Travel to/from and Attend Ex Parte Hearing	R.C.G.	2.80	\$840.00
9/27/2018	Prepare for ex parte hearing	R.C.G.	1.10	\$330.00
9/27/2018	Consult with Client re results of ex parte hearing	R.C.G.	.40	\$120.00
9/28/2018	Review/reply to emails from client re operations, accting approvals	R.C.G.	.30	\$90.00
9/28/2018	Draft proposed order re ex parte hearing	R.C.G.	.50	\$150.00
9/28/2018	File and Serve the Proposed Order	K.C.	.50	\$62.50
SUBTOTAL:			44.70	\$12,737.00

Costs

9/6/2018	OneLegal - courtesy copy delivery fee for the First Receiver's Report			\$90.00
9/7/2018	COST: SD Superior Court Parking			\$30.00
9/7/2018	OneLegal - courtesy copy delivery fee for the Supplemental Declaration of Receiver			\$90.00
9/10/2018	OneLegal - e-filing and eservice fee for the Supplemental Declaration of Receiver			\$19.95
9/18/2018	COST: Parking @ Brinig office			\$26.00
9/19/2018	OneLegal - e-filing and eservice fee for the First Receiver's Report			\$19.95
9/20/2018	OneLegal - courtesy copy delivery fee for the Declaration and Proposed Order re 9/7/18 hearing			\$30.00
9/27/2018	COST: SD Superior Court Parking			\$30.00
9/28/2018	Monthly Copy Costs (937 @ \$0.15)			\$140.55
SUBTOTAL:				\$476.45

TOTAL: \$13,213.45
PREVIOUS BALANCE DUE: \$0.00
CURRENT BALANCE DUE AND OWING: \$13,213.45

Razuki vs Malan
Receiver Billing Summary
Hourly Rate: \$250

Date	Hours	Charge	Description
9/1/2018	1.75	\$ 437.50	Create detailed list of items needed from parties for Griswold to request. Review of contracts with Synergy and FarWest. Emails with Compass bank about status of account and statements. Review more docs from Sal related to Mira Este.
9/2/2018	2	\$ 500.00	Review financial docs for Balboa sent by John. Discussion with John with questions about reports and bank statements. Update cash ledger for Wells Fargo account - reconcle. Pay Griswold invoice.
9/3/2018	3	\$ 750.00	Preparation of report/exhibits. Emails with Griswold about document production demand and report format. Send preliminary report/exhibits to Griswold. Emails about Compass account.
9/4/2018	4.5	\$ 1,125.00	Review Griswold emails/comments. Emails with Compass about statement. Continue preparation of report and exhibits. Review and label exhibits. Produce PDF's for Griswold review/comment and send out with list of exhibits. Communication with Peter about September rents and meeting on Friday. Review and comment on Griswold version of report. Review of revisions and execute document for filing. Call and emails with Aaron about notice to City of SD of receivership. Execute letter/notice and email to City.
9/5/2018	1	\$ 250.00	Review of Griswold email and Malan dec. Prepare response to false statements for Griswold to format and file. Execute dec from Griswold. Discussion with John about City tax numbers and defendants statement of a discrepancy. Discussion with Sal about new decs and confirming items they provided to me.
9/6/2018	1.5	\$ 375.00	Review some of the new filings from parties pre-hearing. Emails with Griswold about City tax detail. Emails and discussion with Yaeger on tax documentation.
9/7/2018	6.25	\$ 1,562.50	Review other filings from parties. Discussion with Aaron about Mira Este license not disclosed and need for additional notice. Review and execute notice to State. Emails with Griswold about hearing. Confirmation hearing Dept 67. Discussion with John about upcoming forensic audit and items needed.
9/7/2018		\$ 33.00	Parking for court
9/8/2018	0.5	\$ 125.00	Email from Gina about local audit. Messages and call with Gina about bills, approvals, and reports. Emails from Gina about Balboa operations.
9/10/2018	2.75	\$ 687.50	Emails from Gina about audit, procedures and accountings. Email to Grigor about City audit - copy Aaron and John and Griswold. Email from Compass with bank statement. Emails with Ninus about HOA payment and banking issues. Review emails and respond to CA State department regarding receivership - include Aaron. Discussion with John about City audit. Call to tenant Peter about new order and Sept rents. Emails with Griswold, Gina about information format and issues with Gina. Call and message to Brinig for discussion on retaining his service. Conversation with Brian Brinig about his services. Emails with Brian and Griswold about setting an appointment. Send receiver order to Brian's team.

Razuki vs Malan
 Receiver Billing Summary
 Hourly Rate: \$250

<u>Date</u>	<u>Hours</u>	<u>Charge</u>	<u>Description</u>
9/11/2018	3	\$ 750.00	Call to Sal about Mira Este site visit. Discussion with Aaron about notices from State and our response. Email approval of insurance for Balboa to Ninus. Email to all about Mira Este site visit. Review of ÇUP for 8859 Balboa from Gina. Emails with Griswold and Gina about Aaron and confidentiality. Approve bill for Judd's work with Ninus. Review and email Griswold about Tamara's email about the Balboa HOA sewer line obligation. Email to Compass and Ninus confirming the account should be active and Ninus and Judd should have access. Emails with Compass bank and Ninus. Review proposed order from Griswold - provide changes/comments. More Griswold/Gina emails to review and comment to Griswold. Continued review of proposed order with changes. Discussion with Griswold about exact language.
9/12/2018	1.25	\$ 312.50	Emails about proposed order. Emails from Ninus and Judd about funds for Mira Este. Email from State and Gina about complete application needed - send to Aaron. Emails with Griswold about order and accountings missing. Further emails from parties. Email from Austin office about State filing. Respond to Griswold about order and lack of reports. More emails about State from Gina and about order from parties.
9/12/2018	3	\$ 750.00	Meeting with Griswold and Brinig and Partner about engagement as forensic accountants per court order.
9/13/2018	2.5	\$ 625.00	Emails from parties about order and scope of audit. Email from Ninus for invoice payment approval. Send emails about Friday inspections, accountants, and Tuesday accounting meetings. Review responses. Email from Gina about powers of attorney for cannabis entities. Emails with Red about financials and docs needed from parties and formal notice. More emails about inspections and audit meeting. Emails from Aaron about filings with State about receivership. Call with Aaron. Call with Sal. Call with John about Friday and Tuesday and time frames of audit. More emails about documentation, POA's, new order, inspections/audit meeting.
9/14/2018	4.25	\$ 1,062.50	Meeting with Brian and Marilyn from Brinig at Mira Este with Tamara, SoCal, Synergy to transfer SoCal property to them. Meeting with Brinig and Tamara at Balboa for site inspection and questions for staff. Discussion with Peter about status of receivership and potential for his units to be vacated. Review and execute letters to State for Balboa and Mira Este. Phone call with Peter on Balboa. Emails from Tamara and Heidi about other emails issues - researching. Call with Aaron and texts about registering with State as "owner" of licenses. Call with Josh from Aaron's office about application. Emails and execute application on State cannabis site. More emails about State license input with Josh. Emails to determine source of "report" emails from Chris Patel.
9/17/2018	3.75	\$ 937.50	Emails with John and Ninus about audit. Emails with Tamara and SoCal about ADP access emails. Review of cash reports for 9/12-9/15 from Heidi for Balboa. Enter and file LiveScan with CDPH for owner notification. Emails with Josh about process and ID number. More accounting/reports emails from Tamara. Emails from Gina about POA's. Emails with Griswold about stipulation and Tuesday CPA meeting. Emails with John and Ninus about City audit and previous POS vendor. Conversation with BiotrackTHC - Steven - about acquiring missing data. Emails with Aaron and Josh about owner statement filing. More emails about City audit, vendor and report. Discussion with John about data needed. Emails with Aaron and Josh - and reply to Mr Pham with requested data. Reply to new email for Mr Pham's out of office response. Emails to Marilyn with financial reports provided by Tamara. Emails with Brian and review/execution of retainer agreement.

Razuki vs Malan
Receiver Billing Summary
 Hourly Rate: \$250

<u>Date</u>	<u>Hours</u>	<u>Charge</u>	<u>Description</u>
9/18/2018	7.25	\$ 1,812.50	Prepare information for auditor/parties meetings. Review emails from Gina and John. Attend meetings with Brian and Marilyn and John; then Ninus, Tamara, Judd and Griswold. Review financial needs and structures. Identify items/documents needed for audit. Discuss financials from Judd for Balboa and California Cannabis. Discussion with Josh and Aaron about ownership filing. Review doc from Josh for execution. Modify Owner Submittal for BCC. Discussion with John about reports and POS access. Email to Salam and counsel about a meeting with Brinig.
9/19/2018	2	\$ 500.00	Emails with Griswold and James about order. Send bank statements to Marilyn. Email from Ninus with bank access info. Continue prep of owner submittal with Aaron. Emails with Ninus about Torrey Pines Mira Este account - authorization email to Erandy at Torrey Pines Bank. Meeting with Peter from Balboa about new order, rents, status of receivership. Complete final notices/letters to BCC for Balboa and Cal Cannabis. Emails from Marilyn to parties.
9/20/2018	0.25	\$ 62.50	Emails from Gina, Judd and Ninus. Approve bills for payment.
9/26/2018	1.25	\$ 312.50	Emails Heidi and Judd. Gina about City audit, reply to all including Aaron and John. Emails and attachments with Carolyn and John. Emails with Torrey Pines bank about new order. Emails with Griswold about hearing. Review of Balboa reports from Heidi and comments by Marilyn. Review Griswold questions about status and answer for ex parte hearing.
9/28/2018	0.75	\$ 187.50	Emails from Griswold about hearing and court rulings. Email from Tamara about protective order - review and respond to Griswold. Review and approval of Balboa invoices from Judd and Ninus. Emails with Maura about Razuki and CPA meeting.
9/29/2018	1	\$ 250.00	Emails with Griswold on proposed ex parte order and review. Emails with Griswold on Austin invoices and redaction. Email with Treez and Judd about payment. Review of Balboa invoice and email to Ninus. Emails from Michaela about required communication by me to licensing analyst on Balboa. Emails from John and Judd about sales information.
Total		\$ 13,408.00	

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EXHIBIT C

4760

Andrews, Richard

Richard

From: calsur@aol.com
Sent: Wednesday, October 10, 2018 2:38 PM
To: ninusmalan@yahoo.com
Cc: juddthetaxman@gmail.com; Leetham, Tamara; Austin, Gina; Daniel T. Watts; rgriswold@griswoldlawsandiego.com; Maura@elialaw.com; Steve@EliaLaw.com
Subject: Re: 1831 and 1826 Balboa Loans

Ninus,

Nothing has changed except that we are in strong disagreement about accountings and expense approvals for Balboa and Mira Este. We will be asking the court for clarification on funding/loans and the current accounting and consultant issues.

I have copied the plaintiff on this due to your statements about the urgency of this issue and the possible negative affect to the businesses.

Mike

In a message dated 10/10/2018 2:33:49 PM Pacific Standard Time, ninusmalan@yahoo.com writes:

Mike,

See below notice from Salas financial for the Balboa Mortgages. We are past due and on the brink of default. Please advise how we will make these payments.

Ninus Malan

----- Forwarded Message -----

From: Mary Scelfo <mary@salasfinancial.com>
To: "ninusmalan@yahoo.com" <ninusmalan@yahoo.com>
Sent: Wednesday, October 10, 2018 1:53 PM
Subject: 1831 and 1826

Ninus,

Your payment for loan #1831 and #1826 is due and late. Please submit payment ASAP.

Thank you,

Mary Scelfo

Salas Financial
9320 Chesapeake Drive, Suite 116
San Diego, CA 92123
Ph: 858-537-9819
Fax: 858-549-1739
salasfinancial.com

EXHIBIT D

4762

Austin, Gina

From: calsur@aol.com
Sent: Thursday, October 18, 2018 1:18 PM
To: rgriswold@griswoldlawsandiego.com
Cc: NinusMalan@yahoo.com; Austin, Gina; matt@dartlawfirm.com; steve@elialaw.com; MG@mauragriffinlaw.com; szimmitti@nelsonhardiman.com; jeberhardt@griswoldlawsandiego.com
Subject: Request for Funding - 3rd Party LOI
Attachments: RazukivsMalanFundingLOI10-18.pdf

Ladies and Gentlemen,

Attached as promised is a 3rd party Funding LOI with a net of approximately \$500K for maintenance of the receivership and the underlying assets/operations. I intend to provide this and a request for an approval process for a receiver lien to the judge next week so that the bills threatening to shut down the businesses can be paid.

Feel free to circulate to others in your group that I may have missed.

Michael Essary
Receiver

MIRAMAR FINANCIAL GROUP

REAL ESTATE LOANS AND INVESTMENTS

512 Via de la Valle, Ste 200, Solana Beach, CA 92075

P.O. Box 2383, Del Mar, CA 92014

Office(858) 755-0144 Facsimile(858) 755-3481 Cellular(619) 571-4498 steve@miramarfinancial.com**STEVEN L. SALAS**

Cal BRE license #00805440

October 16, 2018

Mike Essary, via email: calsur@aol.com

Re: Refinance of Property located at 8859 (Suites ABCD&E), 8861(Suite B), & 8863 (Suite E) Balboa Ave, San Diego, CA 92123 and 9212 Mira Este Ct, San Diego, CA 92126

Mr Essary:

I am pleased to inform you that your request for a loan in the amount of \$675,000 secured by a First Deed of Trust on the above referenced property has been conditionally approved. Our investors have the liquidity and capacity to fund this loan within approximately 10 business days. This funding is contingent upon conditions specified in this letter as well as unilateral approval of property value and condition of title. The terms of the loan are as follows:

TERMS (GROSS LOAN)

Gross loan Amount		\$675,000.00
Loan term (maturity)		24
Interest Rate		9.50%
Monthly payment		
Balloon payment (principal + final months %)		680,343.75
Minimum Interest		6 Months
Late Charge (after 10 days)		10% of payment

LOAN COSTS

Loan fee	2.75%	18,562.50
Referral fee	2.75%	18,562.50
Escrow fee		TBD
Title charges		TBD
Appraisal fee		0.00
Legal fees		2,000.00
Processing		1,500.00
Loan Documents		450.00
Wiring fees		50.00
Tax service		75.00

TOTAL LOAN COSTS	41,200.00
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PAYOFFS / DEPOSITS

Interest Reserve (24 months)	128,250.00
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TOTAL PAYOFFS / DEPOSITS	128,250.00
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Approx. net loan proceeds	\$505,550.00
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An expense retainer of \$TBD shall be required from the Borrower. This retainer shall be used for appraisal / market research and legal documentation.

Additional information / requirements

1. Preliminary Title Report (Miramar will order)
2. Rent Roll
3. 2017 P & L for subject property
4. 2018 YTD P & L for subject property
5. Hazard Insurance Policy Information

Provided no default exists, this loan may be extended for a period of 12 months at a cost of 1.5 points and a \$500 transaction/extension documentation fee.

Notes: Additional items and documentation may be required in the underwriting and closing process. This and all loans arranged by Miramar Financial Group, Inc. ("MFG") are funded on a Best Efforts basis. No loan commitment fee has been requested by MFG, neither has such a commitment fee been paid by Borrower. NO commitment is made herein other than to perform on a BEST EFFORTS basis. MIRAMAR FINANCIAL GROUP, INC. IS A LICENSED CALIFORNIA REAL ESTATE BROKERAGE AND ARRANGES ONLY COMMERCIAL, REAL ESTATE LOANS. MFG DOES NOT ACCEPT SUBMISSIONS FOR CONSUMER FINANCING OF ANY KIND.

Applicant/Borrower acknowledge that the foregoing is only a summary of the basic loan terms and that the loan documents will include additional terms and conditions, as the Lender deems necessary or appropriate. To the extent that a conflict exists between any provision contained in this agreement and any provisions contained in the executed loan documents, the provisions contained in the loan documents shall control. This subject letter and all associated loan terms will expire on 10/31/2018 at 5:00 PM, if not executed by the Borrower/Applicant and not delivered to Lender.

If any suit or action to enforce any of the terms of this agreement, the prevailing party shall be entitled to recover such sum as the Court and/or Arbitrator(s) may adjudge reasonable as attorney fees. Court venue is hereby established and agreed to as San Diego, California. Please call with any questions or comments that you may have.

Respectfully,



Steven Salas

The person(s) executing this agreement on behalf of the Borrower / Applicant hereby represent(s) and warrant(s) to Lender that he or she has the authority to execute this loan approval, as an act of its sponsors, principals, officers and partners, and, binds the undersigned, its sponsors, principals, officers and partners hereto.

The terms and conditions above are agreed to in full.

Mike Essary, Receiver

Date

Miramar Financial Group, Inc. - California bureau of real estate broker's license # 1396493

4765

10/10/2010 10:10:10 AM

10/10/2010 10:10:10 AM

10/10/2010 10:10:10 AM

EXHIBIT E

4766

Austin, Gina

From: calsur@aol.com
Sent: Tuesday, October 23, 2018 1:52 PM
To: Austin, Gina; rgriswold@griswoldlawsandiego.com
Cc: matt@dartlawfirm.com; dwatts@galuppolaw.com; Andrews, Richard; amara@austinlegalgroup.com; mpw@btzforensics.com
Subject: Re: Razuki/Malan: outstanding receivership invoices

Received Gina - and reviewing as soon as I'm sitting down today. I've also included Marilyn Weber my forensic accountant - obviously she has a much better overall picture of the operations and finances than Red or myself. I would like time today to review your proposal and budget and discuss with her prior to giving a formal response. I understand the need for speed on this.

Thank you

Mike

In a message dated 10/23/2018 12:50:44 PM Pacific Standard Time, gaustin@austinlegalgroup.com writes:

Mike and Red,

As you know we are trying to settle with the other side. In the meantime things keep chugging forward. On Thursday we have set an ex parte to seek affirmative relief in the form of a budget that must be paid monthly in order for FWO to continue operations. We based this upon all of the historical expenses for the past two months at Balboa. What we are proposing is that the following budgeted items be approved from the cash being received from operations and that FWO be allowed to pay these expenses prior to remitting any monies to the receiver. As we have discussed these are items that must be paid simply for the business to be able to operate and generate any revenue what so ever.

It would be easiest if we could stipulate to the budget and then we could just go in on Thursday and seek approval of the court. I have a very simple budget below. All of the backup material is from the daily reports that have been provided by Heidi. If you would like any specifics on where the number came from we can provide that to you. As I mentioned, we are not trying to go above and beyond what they are already doing but simply give them a mechanism to operate.

Please respond to all when responding. Richard in my office will be drafting the ex parte notice so he needs to know if we can come to a stipulation. Amara in my office put the budget and historical data together and can provide you with the basis and backup for any numbers.

Obviously time is of the essence as we have to provide notice tomorrow. If you would like to have a call anytime today I will make myself available.

Gina

Balboa Monthly Budget

Advertising	\$13,338
Security	\$16,128
ATM	\$56,280
Product Vendors	\$68,284
Maintenance	\$1283
Management Fees	\$61,000
<hr/>	
Total	\$216,313

From: Richardson Griswold [mailto:rgriswold@griswoldlawsandiego.com]
Sent: Tuesday, October 16, 2018 3:33 PM
To: Steven Elia <steve@elialaw.com>; Maura Griffin <MG@mauragriffinlaw.com>; James Joseph <james@elialaw.com>; Salvatore J. Zimmitti <szimmitti@nelsonhardiman.com>; Austin, Gina <gaustin@austinlegalgroup.com>; Leetham, Tamara <tamara@austinlegalgroup.com>; charles gorla <chasgoria@gmail.com>
Cc: Mike <Calsur@aol.com>; Jamie Eberhardt <jeberhardt@griswoldlawsandiego.com>
Subject: Razuki/Malan: outstanding receivership invoices

Counsel,

Per the Court's orders, the payment of the Receiver's fees, his counsel's fees and the expenses of the receivership (i.e. Brinig's fees) have priority over all other expenses of the marijuana operations. Attached are the the invoices for the Receiver, Receiver's counsel and Mr. Brinig as of October 1, 2018. They remain unpaid. These invoices are to be addressed before payment of any other expenses.

This, among other reasons, is adding to the urgency of the operational funding at this time. As you all know, Mr. Essary is actively exploring outside funding options.

Thanks,

Red

Richardson C. Griswold, Esq.
Griswold Law, APC
444 S. Cedros Ave., Suite 250
Solana Beach, CA 92075
Tel: 858.481.1300
Fax: 888.624.9177
rgriswold@griswoldlawsandiego.com
www.griswoldlawsandiego.com

This message is intended only for the use of the individual or entity to which it is addressed, and may contain information that is privileged, confidential and exempt from disclosure under applicable law. If the reader of this message is not the intended recipient, or the employee or agent responsible for delivering the message to the intended recipient, you are hereby notified that any dissemination, distribution or copying of this communication is strictly prohibited. If you have received this communication in error, please notify the sender immediately by e-mail and destroy all copies of the original message.

IRS Circular 230 disclosure: To ensure compliance with requirements imposed by the IRS, unless we expressly state otherwise, we inform you that any U.S. federal tax advice contained in this communication (including any attachments) is not intended or written to be used, and cannot be used, for the purpose of (I) avoiding penalties under the Internal Revenue Code or (II) promoting, marketing or recommending to another party any transaction or matter addressed herein. Griswold Law does not offer tax advice to its clients.

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ELECTRONICALLY RECEIVED
Superior Court of California,
County of San Diego
11/05/2018 at 10:28:38 AM
Clerk of the Superior Court
By Richard Day, Deputy Clerk

SUPERIOR COURT OF CALIFORNIA, COUNTY OF SAN DIEGO
CENTRAL DIVISION

SALAM RAZUKI, an individual,
Plaintiff,
vs.
NINUS MALAN, an individual; MONARCH
MANAGEMENT CONSULTING, INC., a
California corporation; SAN DIEGO UNITED
HOLDING GROUP, LLC, a California limited
liability company; MIRA ESTE
PROPERTIES, LLC, a California limited
liability company; ROSELLE PROPERTIES,
LLC, a California limited liability company;
and DOES 1-100, inclusive,
Defendants.

Case No.: 37-2018-00034229-CU-BC-CTL
Assigned: Hon. Judge Sturgeon
Dept.: C-67
**ORDER After Hearing on Ex Parte
Application**
Date: November 6, 2018
Time: 8:30 a.m.
Judge: Sturgeon
Dept.: C-67

Based on review of the ex parte application of Defendants Ninus Malan, Monarch, San
Diego United Holdings Group, Balboa Ave Cooperative, Devilish Delights, and California
Cannabis Group, supporting and opposing documents and declarations filed by other parties, and
after evidence and argument presented at the November 6, 2018 ex parte hearing, the Court
hereby grants the application and issues this **ORDER**:

ORDER

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1. In accordance with Code Civ. Proc., § 917.5, enforcement of the court’s September 26, 2018 order granting a preliminary injunction and appointing a receiver is stayed if Defendants post an undertaking in the amount of \$500.00. Any person can post an undertaking in this amount to stay the entire September 26th order.
2. In accordance with Code Civ. Proc., §918, enforcement of the court’s September 26, 2018 order granting a preliminary injunction and appointing a receiver is stayed until 10 days beyond the last date on which a notice of appeal of the September 26th order could be filed.
3. “The filing of the undertaking operates as a supersedeas, suspends all authority of the receiver under the order, withdraws from him the right to the control and possession of the property involved, and restores the same to the appealing party from whom it had been taken.” *Jacobs v. Superior Court of San Joaquin County* (1901) 133 Cal. 364, 366.
4. This order takes immediate effect. The receiver is relieved of his duties and ordered to return property and assets seized to the entities and people from whom he seized them. He will turn over to Defendants all money, products, passwords, financial information, data of any sort, correspondence of any kind, and any other materials or information obtained in the course of the receivership in this action.
5. Other: _____

DATED: _____
JUDGE OF THE SUPERIOR COURT

1 Steven W. Blake, Esq., SBN 235502
2 Andrew W. Hall, Esq., SBN 257547
3 Daniel Watts, Esq. SBN 277861
4 **GALUPPO & BLAKE**
5 A Professional Law Corporation
6 2792 Gateway Road, Suite 102
7 Carlsbad, California 92009
8 Phone: (760) 431-4575
9 Fax: (760) 431-4579

10 Attorneys for Defendant Ninus Malan

ELECTRONICALLY FILED
Superior Court of California,
County of San Diego

11/05/2018 at 10:26:00 AM

Clerk of the Superior Court
By Richard Day, Deputy Clerk

11 SUPERIOR COURT OF CALIFORNIA, COUNTY OF SAN DIEGO

12 CENTRAL DIVISION

13 SALAM RAZUKI, an individual,

14 Plaintiff,

15 vs.

16 NINUS MALAN, an individual; MONARCH
17 MANAGEMENT CONSULTING, INC., a
18 California corporation; SAN DIEGO
19 UNITED HOLDING GROUP, LLC, a
20 California limited liability company; MIRA
21 ESTE PROPERTIES, LLC, a California
22 limited liability company; ROSELLE
23 PROPERTIES, LLC, a California limited
24 liability company; and DOES 1-100,
25 inclusive,

26 Defendants.

27 AND ALL RELATED CROSS-ACTIONS

Case No.: 37-2018-00034229-CU-BC-CTL

PROOF OF SERVICE

I am employed in San Diego County. I am over the age of 18 and not a party to this action. My business address is 2792 Gateway Road, Suite 102, Carlsbad, California 92009.

PROOF OF SERVICE

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On **November 5, 2018**, I served the foregoing document(s) in this action described as:

- 1. NOTICE OF EX PARTE APPLICATION AND APPLICATION OF NINUS MALAN, MONARCH, SAN DIEGO UNITED HOLDINGS GROUP, BALBOA AVE COOPERATIVE, DEVILISH DELIGHTS, AND CALIFORNIA CANNABIS GROUP FOR ORDER SETTING APPELLATE BOND AMOUNT**
- 2. DECLARATION OF DANIEL WATTS ISO APPLICATION OF NINUS MALAN, MONARCH, SAN DIEGO UNITED HOLDINGS GROUP, BALBOA AVE COOPERATIVE, DEVILISH DELIGHTS, AND CALIFORNIA CANNABIS GROUP FOR ORDER SETTING APPELLATE BOND AMOUNT**
- 3. DECLARATION OF NINUS MALAN REGARDING REQUEST FOR APPEAL BOND UNDER CODE OF CIVIL PROCEDURE SECTION 917.5**
- 4. DECLARATION OF GINA M. AUSTIN IN SUPPORT OF EX PARTE APPLICATION**
- 5. DECLOARATION OF HEIDI RISING**
- 6. [PROPOSED] ORDER AFTER HEARING ON EX PARTE APPLICATION**

[X] addressed as follows:

Attorneys for Plaintiff

Steven A. Elia
Maura Griffin
James Joseph
Law Offices of Steven A. Elia, APC
2221 Camino Del Rio South, Suite 207
San Diego, CA 92108
steve@elialaw.com

Attorneys for Plaintiffs-in-Intervention

Robert E. Fuller
Zachary E. Rothenberg
Salvatore J. Zimmitti
NELSON HARDIMAN LLP
11835 West Olympic Boulevard, Suite 900
Los Angeles, CA 90064
ZRothenberg@NelsonHardiman.com

PROOF OF SERVICE

1 **Attorneys for Defendants and Cross-Complainants Mira Este Properties, LLC, Monarch**
2 **Management Consulting, Inc. and Chris Hakim**

3 Charles F. Gorla, Esq.
4 GORIA, WEBER & JARVIS
5 1011 Camino del Rio South, Suite 210
6 San Diego, CA 92108

7 **Attorneys for Court-Appointed Receiver**

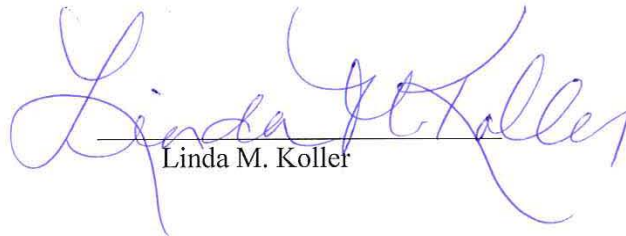
8 Richardson C. Griswold
9 GRISWOLD LAW, APC
10 444 S. Cedros Avenue, Suite 250
11 Solana Beach, CA 92075
12 rgriswold@griswoldlawsandiego.com

13 **Co-Counsel for Ninus Malan**

14 Gina Austin
15 Tamara M. Leetham
16 Austin Legal Group, APC
17 3990 Old Town Avenue, Suite A-112
18 San Diego, CA 92110
19 gaustin@austinlegalgroup.com
20 tamara@austinlegalgroup.com

21 [X] **VIA ELECTRONIC FILING SERVICE:** Complying with Code of Civil Procedure
22 section 1010.6, my electronic business address is lkoller@galuppolaw.com and I caused
23 such document(s) to be electronically served through the e-service system for the above
24 entitled case to those parties on the Service List maintained on its website for this case.
25 The file transmission was reported as complete and a copy of the Filing/Service Receipt
26 will be maintained with the original document(s) in our office.
27

Executed on **November 5, 2018** at Carlsbad, California

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Linda M. Koller

PROOF OF SERVICE