
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 16 of 18 – Pages 5066 to 5551 of 6383

CHARLES F. GORIA, ESQ. (68944)
GORIA, WEBER & JARVIS
1011 Camino del Rio South, Suite 210
San Diego, California 92108
(619) 692-3555 Telephone
(619) 296-5508 Facsimile

*Attorney for Appellants,
Chris Hakim, Mira Este Properties, LLC
and Roselle Properties, LLC*

*DANIEL T. WATTS, ESQ. (277861)
LOUIS A. GALUPPO, ESQ. (143266)
G10 GALUPPO LAW, APLC
2792 Gateway Road, Suite 102
Carlsbad, California 92009
(760) 431-4575 Telephone
(760) 431-4579 Facsimile

*Attorneys for Appellants,
Ninus Malan, San Diego United Holdings Group, LLC,
Flip Management, LLC, Balboa Ave Cooperative,
California Cannabis Group and Devilish Delights, Inc.*



EXHIBIT G

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1 Steven A. Elia (State Bar No. 217200)
Maura Griffin (State Bar No. 264461)
2 James Joseph (State Bar No. 309883)
LAW OFFICES OF STEVEN A. ELIA, APC
3 2221 Camino Del Rio South, Suite 207
San Diego, California 92108
4 Telephone: (619) 444-2244
Facsimile: (619) 440-2233
5 Email: steve@elialaw.com
maura@elialaw.com
6 james@elialaw.com

7 Attorneys for Plaintiff
SALAM RAZUKI

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

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

CASE NO. 37-2018-00034229-CU-BC-CTL
**SUPPLEMENTAL DECLARATION OF
SALAM RAZUKI DATED AUGUST 12,
2018 IN SUPPORT OF PLAINTIFF'S
OPPOSITION TO DEFENDANT'S EX
PARTE APPLICATION TO VACATE
THE APPOINTMENT OF THE
RECEIVER AND TRO**

1 I, Salam Razuki, declare as follows:

2 1. I am the Plaintiff in the above-entitled action. I am over the age of eighteen and
3 otherwise competent to make the statements contained herein based on personal knowledge or
4 information and belief as noted. If called as a witness, I would testify competently thereto.

5 2. This declaration is made in support of Plaintiff's Opposition to Defendant Ninus Malan
6 ("Malan")'s Ex Parte Application to Vacate the Appointment of the Receiver and TRO.

7 3. This declaration is intended to show exactly how I was responsible for financing the
8 business and properties associated with Malan's and my Marijuana Operation. I estimate I have
9 provided *five to six million* dollars in terms of financing and capital to the marijuana operations while
10 Malan has only provided a nominal amount.

11 **Background regarding My Relationship with Malan**

12 4. Malan and I agreed to be partners in several businesses in order to facilitate the
13 ownership and operation of the Marijuana Operations. Initially, based on an oral agreement, we
14 agreed that I would be the financier of the Marijuana Operations and would be entitled to
15 reimbursement for my capital investment and 75% of the profits of the Marijuana Operations. We
16 further agreed that Malan would manage the Marijuana Operations and be entitled to the remaining
17 25% of the profits. This oral agreement was ultimately memorialized in a fully written settlement
18 agreement executed on November 9, 2017 (the "Settlement Agreement") whereby Malan and I agreed
19 to transfer all of our interests in certain partnership assets (the "Partnership Assets") to a newly
20 formed entity, RM Properties Holdings, LLC ("RM Holdings") of which I was, and is, a 75% member
21 and Malan was, and is, a 25% member. Attached as **Exhibit 1** is a true and correct copy of the
22 Settlement Agreement. We never executed any written amendments or modifications to this
23 agreement.

24 5. The fully executed eight (8) page Settlement Agreement contained two pages of
25 Recitals (which were expressly made part of the Settlement Agreement) that describe in detail the
26 business relationship between me and Malan. The Partnership Assets are defined in the Settlement
27 Agreement, as follows:

26 Partnership Assets Held in Malan's Name	Partnership Assets Held in Plaintiff's Name
27 San Diego United Holdings Group, LLC 28 ("SD United")-100%	Sunrise Property Investments, LLC ("Sunrise")-20%

1 Flip Management, LLC ("Flip")-100% 2 Mira Este Properties, LLC ("Mira Este")-50% 3 Roselle Properties, LLC ("Roselle")-50%	Super 5 Consulting Group, LLC ("Super 5")-27%
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6. Defendant Chris Hakim ("Hakim") holds title to the remaining fifty percent (50%) membership interest in and to Mira Este and Roselle.

7. The Settlement Agreement specifically states in Section 1.2 that regardless of how the Partnership Assets are held, Plaintiff has a 75% interest in them, as follows:

"RAZUKI and MALAN have an understanding such that regardless of which Party of entity holds title and ownership to the Partnership Assets, RAZUKI is entitled to a seventy-five percent (75%) interest in the capital, profits, and losses of each Partnership Asset and MALAN is entitled to a twenty-five percent (25%) interest, and no Party is entitled to receive any profits whatsoever until, and unless that Parties have first been repaid their investment in full (hereinafter referred to as the "Partnership Agreement")."

8. The Settlement Agreement states in pertinent part, as follows: "The Parties shall use their best efforts to effectuate the transfer of the Partnership Assets to [RM Holdings] within thirty (30) days, and shall execute any and all further documents as may be necessary to carry out the same."

9. Malan subsequently failed to transfer his interests in the Partnership Assets to RM Holdings in default of the Settlement Agreement under the guise of asserting that a timely transfer of the Partnership Assets would negatively impact negotiations of three separate management agreements (collectively referred to herein as the "Management Agreements") with SoCal Building Ventures, LLC ("SoCal Building"), a reputable operator of marijuana businesses including dispensaries and manufacturing operations. Attached as Exhibits 2, 3, and 4 are true and correct copies of the Management Agreements.

10. Three of the six companies which are Partnership Assets under the Settlement Agreement and held in the name of Malan (either wholly or partially) are limited liability companies that own real property are as follows:

- (i) SD United which owns 8861 Balboa Avenue, Suite B, 8863 Balboa Avenue, Suite E and 8859 Balboa Avenue, Suites A-E, San Diego, CA 92123 (collectively referred to as the "Balboa Properties");
- (ii) Mira Este which owns 9212 Mira Este Court, San Diego, CA 92126 (the "Mira Este

1 Property”); and,

2 (iii) Roselle which owns 10685 Roselle Street, San Diego, CA 92121 (the “Roselle
3 Property”).

4 11. Two parcels of the Balboa Properties are currently properly licensed for a marijuana
5 dispensary which is in operation (the “Balboa Dispensary”) and the other parcels of the Balboa
6 Properties are currently in the licensing process for manufacturing marijuana products. The Mira Este
7 Property is currently in the process of being licensed for a marijuana manufacturing and distribution
8 center and is close to being approved. The Roselle Property is also intended to be licensed for a
9 marijuana business, however, it is not operating right now.

10 12. Not only did Malan fail to abide by the terms of the Settlement Agreement, but he and
11 Hakim entered into three Management Agreements for the Balboa, Mira Este and Roselle marijuana
12 operations after making material misrepresentations to Plaintiff regarding the terms and the parties to
13 the agreements.

14 13. Furthermore, Malan and I specifically agreed that Flip Management, LLC (“Flip”),
15 which is a Partnership Asset under the Settlement Agreement, would receive the monthly management
16 fees from the operators of the Marijuana Operations. Instead, Malan and Hakim caused the
17 Management Agreements to provide that monthly management fees be paid to Monarch Management
18 Consulting, LLC (“Monarch”), a company owned equally by Malan and Hakim.

19 14. The Management Agreements contained an option to purchase fifty (50%) percent of
20 the Marijuana Operations for a total option fee of \$225,000 (*i.e.* \$75,000 per location), of which SoCal
21 Building has paid \$150,000 to date.

22 15. Each of the Balboa Properties, the Mira Este Property and the Roselle Property are, or
23 are in the process of being, properly licensed and permitted for the operation of marijuana businesses.
24 The only marijuana business actually in operation to date is the Balboa Dispensary.

25 16. The Management Agreements provide for SoCal’s payment of various tenant
26 improvements, rent, minimum monthly guarantees and purchase option fees. Although I have an
27 equitable interest in the subject real properties, as well as Flip, and SoCal Building has paid
28 substantial sums under the Management Agreements, to date I have not received any monies from the
Partnership. In fact, Malan has consistently represented to me that no funds in excess of those needed

1 to pay for tenant improvements and/or mortgage payments for the various properties have been
2 received from SoCal because the Marijuana Operations are not doing well financially.

3 17. Upon the Receiver's takeover of the Balboa Dispensary, an unsigned copy of a new
4 Management Services Agreement between Balboa Ave. Cooperative and Far West Management, LLC
5 ("Far West Management Agreement") was found at the business. Attached as **Exhibit 5** is a true and
6 correct copy of this management agreement

7 18. The Far West Management Agreement reflects an effective date of July 10, 2018, the
8 same date that SoCal Building was locked out of the Balboa Dispensary, and provides that Far West
9 Management, LLC ("Far West"), as "Manager," will manage the day-to-day operations of the Balboa
10 Dispensary. The scope of the Far West Management Agreement is the same or substantially similar to
11 the scope of the Managements Agreements with SoCal Building. The agreement, which is for a term
12 of sixty (60) days pursuant to Section 2.1, specifically states, as follows:

13 **Section 1.7: Long-Term Agreement.** The Parties acknowledge and
14 agree that it is the Parties' intent to, during the Term of this Agreement,
15 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."

16 19. Based on information and belief, Far West did take over operations of the Balboa
17 Dispensary on or about July 10, 2018 and began operating the dispensary under the name "Golden
18 State Greens" until July 17, 2018 when the Receiver took over possession and control of the
19 dispensary pursuant to the July 17, 2018 Order.

20 20. I am further informed and believe that Far West also ran the Balboa Dispensary after
21 the Receiver returned possession and control of the receivership assets after the July 31, 2018 hearing.

22 **Stonecrest Matter**

23 21. Around 2014, I was involved a marijuana operation located at 4284 Market St., San
24 Diego, CA 92102. I was the property owner where the dispensary operated. The City of San Diego
25 brought a lawsuit against me and the dispensary, alleging the dispensary was illegal. The case was
26 *City of San Diego v. Stonecrest Plaza, LLC, et al.* (Case No. 37-2014-00009664-CU-MC-CTL).

27 22. In December of 2014, the parties entered into a settlement agreement (the "Stonecrest
28 Settlement"). Attached as **Exhibit 6** is a true and correct copy of the Stonecrest Settlement.

1 Properties and threatened to report any and all code violations to the City of San Diego.

2 31. In order to avoid potentially violating the injunction pursuant to the Stonecrest
3 Settlement, I agreed to transfer the 8861/8863 Properties from RI to SD United.

4 32. On or around March 20, 2017, RI transferred ownership of the 8861/8863 Properties to
5 SD United. SD United took the 8861/8863 Properties subject to the TGP DoT and granted a second
6 deed of trust to RI for \$275,000.

7 33. After the transfer, TGP Opportunity Fund I LLC threatened to declare a default and
8 foreclose on the 8861/8863 Properties because RI did not obtain its permission before transferring
9 ownership. Therefore, in order to avoid this threat of default, I decided to refinance the 8861/8863
10 Properties.

11 34. I approached Joseph Salas, the owner of Salas Financial to arrange the loan. Mr. Salas
12 and I have worked together for over 20 years and successfully completed many deals.

13 35. Salas Financial was willing to refinance the 8861/8863 Properties and lend money to
14 SD United, RI, and American lending and Holdings, LLC ("ALH"). ALH is a limited liability
15 company that is owned and managed by Malan. The terms of the loan were:

- 16 a. SD United would grant a first position deed of trust on the 8861/8863 Properties.
- 17 b. ALH would grant a second deed of trust on a property located at 14515 Arroyo Hondo,
18 San Diego, CA 92127. At the time, RI held a second position deed of trust on the
19 14515 Arroyo Hondo property for \$700,000. Attached as **Exhibit 9** is a true and
20 correct copy of this deed of trust. In order to close this deal, RI was required to
21 reconvey this \$700,000 deed of trust.
- 22 c. RI would grant a second position deed of trust on a property located at 1341 Loch
23 Lomond Dr., Cardiff, CA 92007.
- 24 d. RI would reconvey its \$275,000 deed of trust on the 8861/8863 Properties.

25 36. Attached as **Exhibit 10** is a true and correct copy of the deed of trust regarding the
26 above mentioned properties.

27 37. Attached as **Exhibit 11** is a true and correct copy of the reconveyance of RI's \$275,000
28 deed of trust.

38 38. Salas Financial required this significant amount of collateral because the 8861/8863

1 Properties would be used for a marijuana dispensary, which was a very risky investment at the time.

2 39. Malan was not required to make any down payment in order to secure this refinancing
3 loan.

4 40. After we meet all the conditions and secured the properties for the refinancing loan,
5 Salas Financial was able to provide \$500,000 to buy out the TPG DoT on or around May 15, 2017.

6 **8859 Balboa Properties**

7 41. On or around June 2, 2017, SD United purchased 8859 Balboa Ave., Ste A through E,
8 San Diego, CA 92123 (the "8859 Properties"). The 8859 Properties would be used to expand the
9 marijuana operations.

10 42. The purchase price for the 8859 Properties was \$1.6 million. Approximately
11 \$1,088,000 of the purchase price would be obtained through a loan from Salas Financial. The
12 remaining portion and associated fees/costs (totaling approximately \$645,000) would be deposited in
13 escrow.

14 43. In order to secure the \$1,088,000 loan, SD united granted a first position deed of trust
15 on the 8859 Properties. Additionally, Malan and I were required to sign a personal guarantee for the
16 loan (the "8859 Guarantee").

17 44. Of the approximately \$645,000 required for escrow, \$200,000 was wired from RI's
18 Bank of America account. Attached as **Exhibit 12** is a true and correct copy of the Funds Transfer
19 Request Authorization from Bank of America. Attached as **Exhibit 13** is a true and correct copy of
20 the receipt from Escrow for the \$200,000 wire transfer.

21 45. The remaining \$445,000 came from a loan I arranged with Joe Banos. Mr. Banos
22 owns a business and leases a store location from me. I told Mr. Banos that I wanted to borrow money
23 from him in order to fund my marijuana business. In exchange for a renegotiated lease for his
24 business and personal guarantee from me, Mr. Banos agreed to lend me \$750,000. Attached as
25 **Exhibit 14** is a true and correct copy of the personal guarantee I signed. Since the inception of the
26 loan with Mr. Banos, I have made payments to Mr. Banos's company pursuant to the terms of the
27 loan.

28 46. The majority of the money acquired from Mr. Banos was sent directly to Malan in
order to fund the marijuana operations. I am informed and believe that Malan told Mr. Banos to wire

1 the loan money to NM Investments Corp (“NMI”). NMI is a corporation that is owned by Malan.

2 47. I am informed and believe that NMI then transferred \$445,000 to SD United so that SD
3 United could make the necessary escrow deposit to close on the purchase of 8859 Properties.

4 48. After obtaining the necessary down payment and financing, the transfer of the 8859
5 Properties was completed on June 6, 2017.

6 49. On or around August 7, 2018, Salas Financial contacted me and said they did not have
7 a copy of the signed 8859 Guarantee. They asked me to come into Salas Financial’s office and resign
8 the 8859 Guarantee.

9 50. On August 8, 2018, I went into their office and signed the 8859 Guarantee. Attached
10 as **Exhibit 15** is a true and correct copy of the 8859 Guarantee.

11 51. I am informed and believe that Salas Financial also contacted Malan to resign the 8859
12 Guarantee. However, I do not believe Malan has resigned the 8859 Guarantee yet.

13 **Dispute with HOA**

14 52. On or around May 26, 2017, the HOA filed a lawsuit *Montgomery Field Business*
15 *Condominiums Association vs. Balboa Ave Cooperative* (Case No. 37-2017-00019384-CU-CO-CTL).
16 The HOA brought the lawsuit to enforce its Covenants, Conditions, and Restrictions that prohibit any
17 Marijuana Operations at the Balboa Properties.

18 53. RI and I were two named defendants in this lawsuit. I was heavily involved in the
19 litigation and secured my own independent counsel (separate from Malan) to represent my interests.

20 54. Eventually, the parties involved reached a settlement agreement that permitted the
21 Marijuana Operations at the Balboa Properties. RI and I signed the settlement agreement and are
22 bound to its terms.

23 **Mira Este Property**

24 55. In 2016, I wanted to expand the marijuana operations and intended to purchase the
25 Mira Este Property. This location would not be a retail location but would be a manufacturing
26 location.

27 56. In order to purchase the Mira Este Property, I would have to obtain approximately
28 \$2,600,000.

57. I contacted John Lloyd of The Loan Company (“TLC”) to obtain financing for this

1 purchase. Mr. Lloyd was concerned that this was too large of an investment for just one person. He
2 then introduced me to Hakim to secure sufficient capital for the purchase.

3 58. Before closing escrow on the purchase of the Mira Este Property, I secured a Business
4 Tax Certificate ("BTC") for the property. The BTC cost approximately \$200,000.

5 59. When escrow closed, I deposited \$254,780.94 from myself, RI, and Pau's Place, LLC,
6 another entity that is solely owned and managed by me. Attached as **Exhibit 16** is a true and correct
7 copy of the escrow closing statement for the Mira Este Property and proof of deposits from myself,
8 RI, and Pau's Place, LLC.

9 60. Hakim deposited \$420,000 into escrow. Hakim agreed to cover more of the escrow
10 deposit because I covered the BTC.

11 61. Malan did not deposit anything.

12 62. After depositing approximately \$670,000 as a down payment in escrow, we obtained
13 financing from TLC for the remaining \$1,900,000 for the purchase price.

14 63. TLC secured a first position deed of trust on the Mira Este Property for approximately
15 \$1,900,000.

16 64. Hakim, Malan and I also signed a personal guarantee for this loan.

17 65. After obtaining the necessary down payments and financing the transfer of the Mira
18 Este Property was completed on August 26, 2018.

19 Roselle Property

20 66. After purchasing the Mira Este Property, I planned to also purchase the Roselle
21 Property as a future cultivation location for our marijuana operations.

22 67. In order to open escrow, I made an earnest payment of \$25,000 as a showing of good
23 faith on the deal.

24 68. The purchase price for the Roselle Property was \$1,500,000.

25 69. The seller was willing to execute a carryback loan for \$950,000 of the purchase price.

26 70. I then approached TLC to secure financing for the remaining portion of the purchase
27 price and associated costs/fees (totaling to \$600,000). To obtain this financing, TLC required:

28 a. A second position deed of trust on the Mira Este Property

b. A second position deed of trust on three properties I owned (2544 Violet St., San

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Diego, CA 92105; 2546 Violet St., San Diego, CA 92105; and 2319 Westwood St., San Diego, CA 92139).

c. A second position deed of trust on one property owned by Hakim.

71. Malan did not collateralize the loan with any of his property or contribute any other capital.

72. When negotiating the purchase price of the Roselle Property, I was initially named the buyer on the contract. Attached as **Exhibit 17** is a true and correct copy of the purchase contract with my name listed as the buyer. Before executing the purchase, I assigned my rights as buyer to Roselle Properties, LLC.

73. After securing the financing, the transfer of the Roselle Property was completed on October 19, 2016.

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I declare under penalty of perjury under the laws of the State of California that the foregoing is true and correct. This Declaration was executed on August 12, 2018, at San Diego, California.

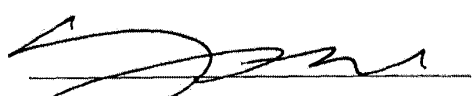



Salam Razuki

EXHIBIT H

5080

	<p>First Fidelity Escrow 12636 High Bluff Drive, #400 San Diego CA 92130 Phone: (858) 724-2146 Fax: (858) 724-2148 Escrow Officer: Monica Busch</p>	 FF01569-MB
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Seller's Settlement Statement - Final

Property: 14515 Arroyo Hondo San Diego, CA 92127	Closed Date: 8/4/2017
Seller: Ninus Malan, Authorized Signer of American Lending and Holdings LLC	Disbursement Date: 8/4/2017 Escrow Number: FF01569-MB

	<u>Debits</u>	<u>Credits</u>
Purchase Price		
Purchase Price		\$1,291,500.00
Payoff 1 (Total Payoff: \$958,011.36)		
Principal to The Loan Company of San Diego	\$950,000.00	
Interest from 7/1/2017 thru 8/7/2017 @208.2200/day	\$7,912.36	
Statement Fee to The Loan Company of San Diego	\$30.00	
Reconveyance Fee to The Loan Company of San Diego	\$45.00	
Recording Fee to The Loan Company of San Diego	\$24.00	
Payoff 2 (Total Payoff: \$50,510.00)		
Principal to SALAS FINANCIAL	\$50,000.00	
Statement Fee to SALAS FINANCIAL	\$30.00	
Fax Fee to SALAS FINANCIAL	\$40.00	
Reconveyance Fee to SALAS FINANCIAL	\$45.00	
Wire Fee to SALAS FINANCIAL	\$20.00	
Recording Fee to SALAS FINANCIAL	\$125.00	
partial release 6/15/17 to 8/07/2017	\$250.00	
Sales Commission		
Listing Commission to Keller Williams Realty	\$19,537.50	
Prorations		
HOA Dues 330.0000/mo for 08/04/17 to 09/01/17		\$297.00
County Taxes (Unpaid) 8995.7800/6 mos for 07/01/17 thru 08/04/17	\$1,649.23	
Title Charges		
Owner's Coverage to TITLE365	\$2,799.00	
Sub-Escrow Fee	\$62.50	
Add'l Title Charge -- > indemnity hold	\$10,000.00	
Recording Fees / Transfer Taxes		
County Transfer Taxes	\$1,420.65	
Additional Settlement Fees		
Pest Inspection to KENNEDY PEST CONTROL	\$895.00	
Home Warranty to OLD REPUBLIC HOME PROTECTION COMPANY	\$500.00	
Property Disclosure Reports to myNHD.com	\$74.95	
seller bills to JACK CONSTRUCTION	\$5,600.00	
seller bills for screen door to MIRA MESA GLASS & SCREEN	\$275.00	
seller bills (TILE) Lender would not allow credit back for this to PASQUALE CIONE	\$517.91	
REMAINDER OF LANDSCAPING BILL to GIL HERNANDEZ	\$1,125.00	
SELLER TO REIMBURSE LIST AGENT to LUXE DISCOVERY	\$15,000.00	
RELEASE TO SELLER to American Lending and Holdings LLC	\$10,000.00	
PAD to American Lending and Holdings LLC	\$1,000.00	
HOA Document Fee to (POC 360.00)		
HOA Dues (Seller) to WALTERS MANAGEMENT CO; BALANCE \$210,LATE FEE \$30 KEY FEE \$120; FOB FEE \$40; JULY	\$1,400.00	

ASSESSMENT \$330 & JULY LATE FEE \$30/ AUG DUES		
HOA Transfer Fee to WALTERS MANAGEMENT CO	\$150.00	
Proceeds or Balance Due		
Cash From/To Seller	\$211,268.90	
Balance Due		\$0.00
	Totals:	
	<u>\$1,291,797.00</u>	<u>\$1,291,797.00</u>

Save this Statement for Income Tax purposes.

EXHIBIT I

5083

MANAGEMENT SERVICES AND OPTION AGREEMENT

This MANAGEMENT SERVICES AND OPTION AGREEMENT (the "Agreement") is made, entered into and effective as of January 2, 2018 (the "Effective Date") by and among **SoCal Building Ventures, LLC** ("Manager" and "Optionee" as context requires), and **Balboa Ave Cooperative**, a California nonprofit mutual benefit corporation, and **San Diego United Holdings Group, LLC**, a California limited liability company (collectively, the "Company" and "Optionor" as context requires), **Monarch Management Consulting, Inc.**, a California corporation (individually referred to herein as "Monarch"), **Chris Hakim**, an individual, and **Ninus Malan**, an individual (together, the "Old Operators") (collectively, the "Parties").

RECITALS

WHEREAS,

A. Company is a California mutual benefit corporation (which may also be referred to herein as the "Nonprofit") which operates a medical marijuana dispensary for the benefit of its members (the "Operations"), and is in need of business consulting, accounting, administrative, technological, managerial, human resources, financial, intellectual property, and related services in order to provide services to its patients. The Company operates its dispensary at 8863 Balboa Avenue, Suite E., San Diego CA 92123 and 8861 Balboa Avenue, Suite B, San Diego, CA 92123 (collectively, the "Facility"), for which a CUP has been submitted with the City of San Diego for such purposes. San Diego United Holdings Group, LLC owns the Facility in fee simple, as well five (5) other parcels within the HOA where the Facility is located. The Facility needs to receive HOA approval before commencing Operations at the site.

B. Manager is engaged in the business of providing administrative and management services to health care entities and has the capacity to manage and administer the operations of Company and to furnish Company with appropriate managerial, administrative, financial, and technological support (the "Administrative Services"). Manager may assign its obligations hereunder to an affiliate, San Diego Building Ventures, LLC, which shall also be "Manager" hereunder as if an initial party hereto.

C. Company desires management assistance in the Operations. To accomplish this goal, Company desires to engage Manager to provide Administrative Services as are necessary and appropriate for the day-to-day administration and management of the Operations, and Manager desires to provide Administrative Services to Company, all upon the terms and subject to the conditions set forth in this Agreement.

D. Manager is also seeking an option to acquire a 50% ownership interest in the Facility, and Company is willing to grant such an option as provided herein.

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NOW, THEREFORE, in consideration of the mutual promises contained herein and for other good and valuable consideration, the receipt and sufficiency of which are acknowledged by the Parties, the Parties agree as follows:

TERMS OF AGREEMENT

1. ENGAGEMENT

1.1. Engagement of Manager. Company hereby engages Manager to provide the Administrative Services for the Operations on the terms and conditions described herein, and Manager accepts such engagement. Manager shall be the sole and exclusive provider of the administrative, management, and other services to be provided to or on behalf of Company for the Operations as more particularly outlined herein. Manager in its sole discretion shall determine which services shall be provided to Company from time-to-time so long as the Administrative Services are provided in compliance with this Agreement. For purposes of this Agreement, "Administrative Services" shall not include any management services relating to ownership of the Facility by San Diego United Holdings Group, LLC unless and until Manager exercises the option to purchase 50% of the Facility as more particularly outlined in this Agreement.

1.1.1. No Warranty or Representations. Company acknowledges that Manager has not made and will not make any express or implied warranties or representations that the Administrative Services provided by Manager will result in any particular amount or level of income to the Company. Specifically, Manager has not represented that its Administrative Services will result in higher revenues, lower expenses, greater profits, or growth in the number of clients receiving services or purchasing goods at the Facility.

1.2. Agency. Company hereby appoints Manager as Company's true and lawful agent throughout the Term of this Agreement, and Manager hereby accepts such appointment.

1.3. Power of Attorney. In connection with billing, collection, banking, and related services incident to or under the Administrative Services to be provided hereunder, Company, in accordance with applicable law, hereby grants to Manager a limited power of attorney and appoints Manager as Company's true and lawful agent and attorney-in-fact consistent with Manager's duties under this Agreement, and Manager hereby accepts such special power of attorney and appointment, for the following purposes:

- i. To submit bills in Company's name and on Company's behalf, including all claims for reimbursement or indemnification from, health plans, all other third party payors, and its patients and customers for all services provided to patients and customers.
- ii. To collect and deposit all amounts received, including all cash received, patient co-payments, cost reimbursements, co-insurance and deductibles, and accounts receivable, into the "Manager's Account," which shall be and at all

398374.2

CH - NM

2

times remain in Company's name through accrual on Company's accounting records.

- iii. To make demand with respect to, settle, and compromise such claims and to coordinate with collections agencies in the name of Company or Manager.
- iv. To take possession of and endorse in the name of Company on any note, check, money order, insurance payment or any other instrument received.
- v. To effectuate the payment of Company expenses, including to the Manager for the Management Fee as it becomes due.
- vi. To sign checks, drafts, bank notes or other instruments on behalf of Company and to make withdrawals from the Manager's Account for other payments specified in this Agreement and as determined appropriate by the Manager.

1.4. Documentation to Bank. Upon request of Manager, Company shall execute and deliver to the financial institution wherein the Manager's Account is maintained, such additional documents or instruments as may be necessary to evidence or effect the limited power of attorney granted to Manager. Company will not take any action that interferes with the transfer of funds to or from Manager's Account, nor will Company or its agents remove, withdraw or authorize the removal or withdrawal of any funds from the Manager's Account for any purpose. Manager agrees to hold all funds in the Manager's Account in accordance with California agency law.

1.5. Expiration of Power of Attorney. The power of attorney shall expire on the date that this Agreement is terminated. Upon termination or expiration of this Agreement, Manager further agrees to execute any and all documentation confirming the termination of this limited power of attorney.

1.6. Manager Payment to Company on Effective Date. From and after the Effective Date, Manager shall lend Company up to the sum of \$150,000 for working capital. Such amount shall be a short term working line of credit to facilitate purchase of new inventory and operational costs. Manager shall thereafter take possession of the Facility, the Operations, and FF&E. Further, upon the Effective date Manager shall pay the Company \$125,000 for the FF&E, which amount shall also serve as a credit against the purchase price if Manager exercises its option under Section 8 below. Manager shall lend Company an additional ~~\$83,000~~ ^(\$14,000) for reimbursement for old inventory, which shall be payable by Company to Old Operators. Lastly, upon the Effective Date hereof, Manager shall pay the Old Operators \$66,000 for reimbursement of legal and mitigation costs. Except for the \$15,000 monthly payments referenced in Section 5.2 and the monthly Balboa-Guaranteed Payments, all loans discussed in this Section 1.6 shall have priority for repayment from available funds more particularly referenced in Article 5 below.

398374.2

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2. DUTIES AND RESPONSIBILITIES OF MANAGER

2.1. General Responsibilities. During the Term of this Agreement Manager shall, in a manner determined at the Manager's sole discretion, provide such services as are necessary and appropriate for the day-to-day administration and management of Company's business in a manner consistent with good business practice, including without limitation: Human Resources, Information Technology, Equipment and Supplies, Banking, Accounting and Finance, Insurance Procurement, Risk Management, Contract Negotiation, Marketing, Management of Patient Records, and Licensing of Intellectual Property, Trade Names and Trademarks, as all are more specifically set forth below.

2.1.1. Personnel. Manager has full right, obligation, and authority to hire and retain personnel and other persons or entities needed to perform the Administrative Services for Manager under this Agreement. All personnel will be employees, agents, or independent contractors of the Company, and all costs (including payroll and withholding taxes and expenses, any employment insurance costs, health insurance expenses and insurance, and other customary expenses) associated with such personnel shall be paid by Manager from Company funds managed by Manager, or by Manager if such funds are insufficient.

2.1.2. Manager Personnel. Manager may employ or contract with and provide all necessary personnel ("Manager Personnel") it reasonably needs to provide the Administrative Services hereunder. Such personnel shall be under the direction, supervision, and control of Manager, and shall be employees of Manager. Manager shall be responsible for setting and paying the compensation and providing the fringe benefits of all Manager Personnel. Company shall be not responsible in any way for Manager Personnel, and Manager indemnifies, defends, and holds Company harmless from any such liability.

2.1.3. Training. Manager shall provide reasonable training to personnel in all aspects of the Operations material to the role of such personnel, including but not limited to administrative, financial, and equipment maintenance matters.

2.1.4. Insurance. Manager shall assist Company in Company's purchase of necessary insurance coverage, with the cost of such insurance paid from Company's funds managed by Manager.

2.1.5. Accounting. Manager shall establish and administer accounting procedures and controls and systems for the development, preparation, and keeping of records and books of accounting related to the business and financial affairs of Company. Such books and records shall at all times be accessible and available to Company and the Old Operators.

2.1.6. Tax Matters. Manager shall oversee the preparation of the annual report and tax information returns required to be filed by Company. All of Company's tax obligations shall be paid by Manager out of Company's funds managed by Manager. Manager shall provide such information, compilations, and other relevant information to Company on a timely basis in order to file all returns with the taxing agencies. Company shall also make such reserves and set asides for taxes as directed by Manager throughout the year.

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2.1.7. Reports and Information. Manager shall furnish Company in a timely fashion quarterly or more frequent operating reports and other business reports as reasonably requested by Company, including without limitation (i) copies of bank statements and checks relating to Company's bank accounts and (ii) all other financial information and financial statements relating to Operations.

2.1.8. Budgets. Manager shall prepare for review and approval by Company, all capital and annual operating budgets as needed, and such approval shall not be unreasonably withheld.

2.1.9. Expenditures. Manager shall manage all cash receipts and disbursements of Company, including the payment on behalf of Company for any of the items set forth in this Article 2, such as taxes, assessments, licensing fees, and other fees of any nature whatsoever in connection with the operation of the Operations as the same become due and payable, unless payment thereof is being contested in good faith by Company.

2.1.10. Contract Negotiations. Manager shall advise Company with respect to and negotiate, either directly or on Company's behalf, as appropriate and permitted by applicable law, such contractual arrangements with third Parties as are reasonably necessary and appropriate for Company's Operations.

2.1.11. Billing and Collection. On behalf of and for the account of Company, Manager shall establish and maintain credit and billing and collection policies and procedures, and shall exercise reasonable efforts to bill and collect in a timely manner all professional and other fees for all billable services provided by Company.

2.1.12. All Other Matters Reasonably Needed for Operations. The Manager shall perform all tasks required for the good governance and operation of the Operations, including making reasonable repairs, at Company's expense, for any facility used in the Operations as may be required under any lease or mortgage that encumbers the property, or to protect public safety.

2.1.13. Company Approval of Various Actions Relating to Operations. The parties agree Manager has authority to make decisions relating to the day-to-day business operations of the Operations and execute on behalf of Operations all instruments and documents needed in the course of the customary and ordinary operation of Operations, including the payment of ordinary expenses incurred during Operations and other related payments. Manager shall also coordinate any public statements or press interactions.

2.2. Responsibilities as Agent. In connection with the appointment of Manager as Agent of Company under Section 2.1 above, Manager shall further undertake the following:

2.2.1. Billing. Manager shall bill, in Company's name and on Company's behalf, any claims for reimbursement, cost offset, or indemnification from members or

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CH · NM

5

customers, insurance companies and plans, all state or federally funded benefit plans, and all other third party payors or fiscal intermediaries.

2.2.2. Collections. Manager shall collect and receive on Company's behalf, all accounts receivable generated by such billings and claims for reimbursement, to take possession of, and deposit into the Manager's Account (accruing such deposits on the general ledger of Company) any cash, notes, checks, money orders, insurance payments, and any other instruments received in payment of accounts receivable, to administer such accounts including, but not limited to, extending the time or payment of any such accounts for cash, credit or otherwise; discharging or releasing the obligors of any such accounts; assigning or selling at a discount such accounts to collection agencies; or taking other measures to require the payment of any such accounts.

2.2.3. Banking. The Parties shall cooperate in opening such bank accounts as shall be required for prudent administration of the Operations, including a Manager's Account, opened by and under the control and domain of Manager for the deposit of collections and the disbursement of expenses and other purposes as set forth herein, and (ii) such other accounts as Manager determines in its sole discretion are reasonable and necessary. Manager shall sign checks, drafts, bank notes or other instruments on behalf of Company, and make withdrawals from Manager's Account for payments specified in this Agreement. Manager, in its sole discretion, may make a pledge or assignment of Company's accounts to support financing instruments.

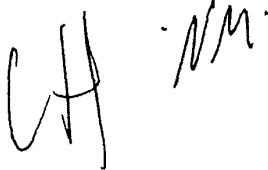
2.2.4. Litigation Management. Manager shall, in consultation with Company, (a) manage and direct the defense of all claims, actions, proceedings or investigations against Company or any of its officers, directors, employees or agents in their capacity as such, and (b) manage and direct the initiation and prosecution of all claims, actions, proceedings or investigations brought by Company against any person other than Manager.

2.2.5. Marketing, Advertising, and Public Relations Programs. Manager shall propose, with Company's consultation, marketing and advertising programs to be implemented by Company to effectively notify the community of the services offered by Company. Manager shall advise and implement such marketing and advertising programs, including, but not limited to, analyzing the effectiveness of such programs, preparing marketing and advertising materials, negotiating marketing and advertising contracts on Company's behalf, and obtaining services necessary to produce and present such marketing and advertising programs. Manager and Company agree that all marketing and advertising programs shall be conducted in compliance with all applicable standards of ethics, laws, and regulations.

2.2.6. Information Technology and Computer Systems. Manager shall set up workstations and other information technology required for the Operations.

2.2.7. Supplies. Manager shall order and purchase all supplies in connection with the Administrative Services and the Operations, including all necessary forms, supplies and postage, provided that all such supplies acquired shall be reasonably necessary in connection with the Operations.

398374.2



2.2.8. Retention Payments. Manager shall make payments to Monarch in the aggregate of \$35,000 per month (the "Balboa-Guaranteed Payment") which shall be due on the 15th of each month starting on January 15, 2018. The Balboa-Guaranteed Payment shall be increased by 12.5% on December 1, 2018, and increased again by 12.5% on December 1, 2019. Monarch shall be responsible for all income and other taxes due relating to the monthly Balboa-Guaranteed Payment paid to Monarch. Further provided, the Balboa-Guaranteed Payment shall continue to be paid to Monarch from and after Manager's exercise of the Option, and by execution of this Agreement the Company consents to all such payments to Monarch.

3. RELATIONSHIP OF THE PARTIES

3.1. Relationship of the Parties. Nothing contained herein shall be construed as creating a partnership, trustee, fiduciary joint venture, or employment relationship between Manager and Company. In performing all services required hereunder, Manager shall be in the relation of an independent contractor to Company, providing Administrative Services to the Operations operated by Company.

4. RESPONSIBILITIES OF COMPANY

4.1. General Responsibilities of Company. Company shall own and operate the Operations during the Term of this Agreement, with Manager managing the day-to-day Operations as provided herein. At all times during this Agreement, the Manager and Company shall coordinate to obtain and maintain in full force and effect all available and necessary licenses, approvals, permits and/or certificates (collectively "Approvals") required under any and all local and state laws allowing the Company to engage in the Operations at the Facility, and the Company's performance of its respective obligations pursuant to this Agreement. Company agrees to promptly deliver to Manager any notice of denial or revocation of any such Approvals within three (3) calendar days of receipt by the Company. From and after the Effective Date, Company and Manager shall coordinate and insure, at Company's expense, that the Operations are in compliance with all Approvals issued by any and all local or state government regarding the Company's legal standing and ability to engage in the Operations at the Facility, including but not limited to all requirements of any insurance or underwriters or any other body which may exercise similar functions. Company agrees to promptly deliver to Manager any notice of violation of any said Approvals within three (3) calendar days of receipt by the Company.

4.2. Exclusivity. During the term of this Agreement, Manager shall serve as Company's sole and exclusive manager and provider of the Administrative Services, and Company shall not engage any other person or entity to furnish Company with any sites for conduct of its Operations, any policies or procedures for conduct of the Operations, or any of the financial or other services provided hereunder by Manager. Manager may assign its rights hereunder to manage the operations (but not under the Option) to San Diego Building Ventures, LLC, or such other entity formed for such purpose by Manager, and Company and Old Operators acknowledge its approval of such assignment.

4.3. Representations and Warranties of Company.

398374.2



7

4.3.1. Company represents and warrants to Manager as follows:

4.3.2. Company is duly organized, validly existing and in good standing under the laws of California. The Company represents and warrants that, to Company's knowledge, it holds or is pursuing all required Approvals, which for purposes of this Agreement means collectively all applicable California San Diego City and San Diego County licenses, approvals, permits, authorizations, registrations and the like required by any governmental organization or unit having jurisdiction over Company or the Facility necessary to permit the Company to own and operate the Facility as a cannabis retail store.

4.3.3. The Company has full power, authority and legal right to execute, perform and timely observe all of the provisions of this Agreement. The Company's execution, delivery and performance of this Agreement have been duly authorized.

4.3.4. This Agreement constitutes a valid and binding obligation of the Company and does not and will not constitute a breach of or default under the [charter documents, membership agreements or bylaws] of Company or the terms, conditions, or provisions of any law, order, rule, regulation, judgment, decree, agreement, or instrument to which Company is a party or by which it or any of its assets is bound or affected.

4.3.5. Company shall, at its own expense, keep in full force and effect its legal existence; and Company shall make commercially reasonable efforts to obtain, as and when required for the performance of its obligations under this Agreement, and to maintain the Approvals required for it timely to observe all of the terms and conditions of this Agreement.

4.3.6. Company is the sole owner of the real property on which the Facility is located and is the sole owner of the improvements comprising the Facility and all real and personal property located therein. The Company has full power, authority and legal right to own such real and personal property.

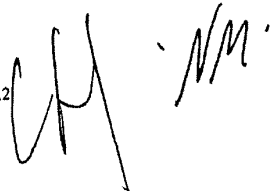
4.3.7. There is no litigation or proceeding pending or threatened against Company that could reasonably be expected to adversely affect the validity of this Agreement or the ability of Company to comply with its obligations under this Agreement.

4.3.8. The Company nor any of its agents or subsidiaries has received any notice of revocation, modification, denial or legal or administrative proceedings relating to the denial, revocation or modification of any local or state approvals, which, singly or in the aggregate, would prohibit the Company's Operations at the Facility.

5. FINANCIAL ARRANGEMENTS

5.1. All net income, revenue, cash flow, and other distributions from Operations will be held by Manager as a Management Fee, subject to Manager's further obligations to make payments and pay rent and expenses as otherwise provided herein.

398374.2



5.2. Starting on December 1, 2017, Manager shall make monthly payments of \$15,000 to Balboa Ave Cooperative.

5.3. Both before and after the closing of Manager's exercise of the Option, such monthly payments by Manager shall include (i) the monthly Balboa-Guaranteed Payments payable to Monarch, (ii) the \$15,000 monthly payments to Balboa Ave Cooperative prior to the Option as referenced in Section 5.2, and after the Option to San Diego United Holdings Group, LLC as monthly rent payments to the then-title holder of the Facility, (iii) reimbursement to any party as a preferential payment the reimbursement of sums spent for tenant improvements, and (iv) Manager's Operations expenses. Prior to the closing of Manager's exercise of the Option, one third (1/3) of any remaining net income is to be paid to Company (it being understood and agreed that the Balboa-Guaranteed Payments are credited toward this payment of 1/3 of remaining net income sharing.) All such payments constitute a material part of Manager's obligations under this Agreement.

5.4 Notwithstanding anything else herein, the Old Operators and Manager will split the costs of CUP and other mitigations 50/50, and once the Option is exercised, the Manager (or its assignee) and the Old Operators will own the property and cash flows from Manager on a 50/50 basis.

6. TERM AND TERMINATION

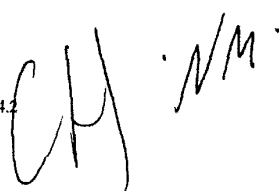
6.1. Term. Subject to the provisions contained in this Agreement, this Agreement shall commence as of the Effective Date and continue in full force and effect for a period of twenty (20) years.

6.2. Termination. Except as provided herein, this Agreement is not terminable by any Party and may only be not-renewed at the option of the Manager at the expiration of the term hereunder through the provision of ninety (90) days' advance written notice. This Agreement may be terminated through mutual consent of Manager and Company. This Agreement may also be terminated at the option of the Manager if the Operations fail to obtain either (i) any HOA or other local approvals, or (ii) the required California State permissions and licenses, in each case to allow the operation of a retail, non-medical cannabis business. This Agreement may be terminated at the option of the Company upon the failure by Manager to make any payments as are required herein, and such failure has gone uncured for twenty-five (25) days following notice to Manager by Company and/or the Old Operators.

7. RECORDS AND RECORD KEEPING

7.1. Access to Information. Company hereby authorize and grants to Manager full and complete access to all information, instruments, and documents relating to Company which may be reasonably requested by Manager to perform its obligations hereunder, and shall disclose and make available to representatives of Manager for review and photocopying all relevant books, agreements, papers, and records of Company. Manager shall further timely provide Company with all books and records generated from Operations. This shall be a continuing

398374.2



9

obligation of the Parties following the termination of this Agreement to the extent needed to implement the terms contained herein.

8. OPTION TO PURCHASE

8.1 Grant of Option. Company hereby grants Manager an option to acquire a 50% interest in the Facility, as well as a 50% interest in all applicable permits and rights thereto, that constitutes the land, buildings and improvements owned by the Company at and for the Facility location ("Option"). The Option is granted for and in consideration of Manager's payment of a non-refundable Option fee towards the Option Exercise Price of Seventy Five Thousand Dollars (\$75,000.00), which \$75,000 shall be paid to Old Operators on March 15, 2018, regardless of whether Option has been exercised.

8.2 Option Exercise Price. The Option for this 50% interest shall be exercised by the Manager sending notice of exercise to the Company. Thereafter, before the Closing Date, Manager shall deposit into Escrow the following amounts (each an independent "Option Exercise Price") depending upon the date of the notice of exercise as follows:

<u>Date of Option Exercise:</u>	<u>Option Exercise Price of 50% Interest in Facility:</u>
December 31, 2017 (or prior)	\$2,700,000 (50% of \$5,400,000 Facility valuation)
March 31, 2018 (or prior)	\$2,850,000 (50% of \$5,700,000 Facility valuation)
June 30, 2018 (or prior)	\$3,000,000 (50% of \$6,000,000 Facility valuation)

8.3 Closing of Escrow. Escrow shall close on the Date of the Option Exercise, at the mutual direction of the Parties, with a qualified escrow company located in San Diego County. The Parties shall cooperate and execute such documents as are required to transfer the 50% interest in the land, building, and improvements to the Manager at the time of Closing. San Diego United Holdings Group, LLC owns other real property in addition to the Facility also located within the HOA where the Facility is located. As such, the Parties agree to cooperate in holding title to the Facility separate from the other real property owned by San Diego United Holdings Group, LLC consistent with the terms of this Agreement.

8.4 Expiration of Option. If Manager does not exercise the Option prior to July 1, 2018, all of Manager's rights to exercise the Option shall expire. The expiration of the Option shall not affect or alter the non-Option related terms of this Agreement.

8.5 Manager's Operating Agreement – Old Operator's Ownership in Manager. It is the intent of the Parties to, upon exercise of the option hereunder at Section 8.1, grant Old Operators, or their designee, a 33% ownership interest in the Series applicable to the Balboa

398374.2

10

Facility in San Diego Building Ventures, LLC, a Delaware Series Limited Liability Company upon . Such ownership interest shall become effective as of the closing of the Option, and the Parties shall incorporate into that Operating Agreement Series such terms as are reflected in that certain LOI dated October 17, 2017 among the Parties with respect to Managers of the Series and related issues set forth therein. The terms of the Operating Agreement for San Diego Building Ventures, LLC shall govern the operations of the Balboa Facility and the Manager upon the closing of the Option. The Parties shall cooperate on the final structural decisions and documentation consistent with the terms contained in the LOI. From and after the closing of Manager's exercise of the Option, this new management company shall further take over all of the Manager's duties and responsibilities as outlined in this Agreement.

8.6 Addition of up to Five Units in Commercial Park. As stated herein, there are five (5) other units in the HOA commercial park owned by San Diego United Holdings Group, LLC not covered by this Agreement and this Option. The "Facility" referenced in Recital A above is the only real property subject to this Agreement. Manager is considering the purchase of an additional four (4) units not owned by San Diego United Holdings Group, LLC in the HOA commercial park. . Further, in the event Manager desires to purchase one or more of these other five (5) units already owned by San Diego United Holdings Group, LLC , the parties agree to negotiate the purchase a 50% interest in one or more of these other units in addition to the Option Exercise Price referenced in Section 8.2 above, and held by Manager 50% with the Company.

8.7 HOA Resolution. Notwithstanding anything else contained in this Agreement, no obligation, passage of time, date, or other matter with respect to the Option shall become effective until the dispute with the Montgomery Field Business Condominiums Association (the 'HOA Matter,' which shall include Case No. 37-2017-00019384-CU-CO-CTL pending in the Superior Court of San Diego, the dispute underlying said action, and all related matters) is resolved to the satisfaction of Manager. In that regard each of the dates set forth in Section 8.2 above are tolled until the 30th, 90th, and 150th day, respectively, following the resolution of the HOA Matter, to Manager's satisfaction. The expiration date of the Option in section 8.4, above, is similarly tolled.

9. GENERAL

9.1. Conversion. At the option of Manager and in consultation with the Old Operators, any Nonprofit may be converted into a for-profit entity and owned as the Parties may otherwise agree, and as is required for compliance with law.

9.2. Indemnification.

9.2.1. Indemnification by Company. Company hereby agree to indemnify, defend, and hold harmless Manager, its officers, directors, owners, members, employees, agents, affiliates, and subcontractors, from and against any and all claims, damages, demands, diminution in value, losses, liabilities, actions, lawsuits and other proceedings, judgments, fines, assessments, penalties, awards, costs, and expenses (including reasonable attorneys' fees) related to third party claims, whether or not covered by insurance, arising from or relating to any willful misconduct relating to the breach of this Agreement by Company. The provisions of this Section

398374.2

11

shall survive termination or expiration of this Agreement. Company shall immediately notify Manager of any lawsuits or actions, or any threat thereof, that are known or become known to Company that might adversely affect any interest of Company or Manager whatsoever.

9.2.2. Indemnification by Manager. Manager hereby agrees to indemnify, defend, and hold harmless Company, their respective officers, directors, shareholders, employees and agents from and against any and all claims, damages, demands, diminution in value, losses, liabilities, actions, lawsuits and other proceedings, judgments, fines, assessments, penalties, and awards, costs, and expenses (including reasonable attorneys' fees), whether or not covered by insurance, arising from or relating to (a) any material breach of this Agreement by Manager, (b) any acts or omissions by Manager and its employees to the extent that such is not paid or covered by the proceeds of insurance, and (c) all other Operations conduct at the Facility as part of Manager providing Administrative Services to the Company. The provisions of this Section shall survive termination or expiration of this Agreement. Notwithstanding the foregoing, Manager shall not indemnify Company for the acts or omissions of any physicians, or others employed or engaged by Company. Manager shall immediately notify Company of any lawsuits or actions, or any threat thereof, that are known or become known to Manager that might adversely affect any interest of Manager or Company whatsoever.

9.3. Dispute Resolution. In the event that any disagreement, dispute or claim arises among the Parties hereto with respect to the enforcement or interpretation of this Agreement or any specific terms and provisions hereof or with respect to whether an alleged breach or default hereof has or has not occurred (collectively, a "Dispute"), such Dispute shall be settled in accordance with the following procedures:

9.3.1. Meet and Confer. In the event of a Dispute among the Parties hereto, a Party may give written notice to all other Parties setting forth the nature of such Dispute (the "Dispute Notice"). The Parties shall meet and confer in San Diego County to discuss the Dispute in good faith within five (5) days following the other Parties' receipt of the Dispute Notice in an attempt to resolve the Dispute. All representatives shall meet at such date(s) and time(s) as are mutually convenient to the representatives of each participant within the "Meet and Confer Period" (as defined herein below).

9.3.2. Mediation. If the Parties are unable to resolve the Dispute within ten (10) days following the date of receipt of the Dispute Notice by the other parties (the "Meet and Confer Period"), then the parties shall attempt in good faith to settle the Dispute through nonbinding mediation under the Rules of Practice and Procedures (the "Rules") of ADR Services, Inc. ("ADR Services") in San Diego County within thirty (30) days of delivery of the initial Dispute Notice. A single disinterested third-party mediator shall be selected by ADR Services in accordance with its then current Rules. The Parties to the Dispute shall share the expenses of the mediator and the other costs of mediation on a pro rata basis.

9.3.3. Arbitration. Any Dispute which cannot be resolved by the Parties as outlined above, such Dispute shall be resolved by final and binding arbitration (the "Arbitration"). The Arbitration shall be initiated and administered by and in accordance with the then current Rules of ADR Services. The Arbitration shall be held in San Diego County, unless

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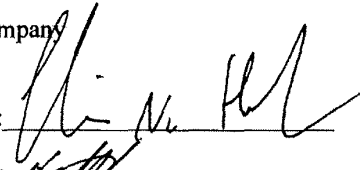


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the parties mutually agree to have such proceeding in some other locale; the exact time and location shall be decided by the arbitrator(s) selected in accordance with the then current Rules of ADR Services. The arbitrator(s) shall apply California substantive law, or federal substantive law where state law is preempted. The arbitrator(s) selected shall have the power to enforce the rights, remedies, duties, liabilities, and obligations of discovery by the imposition of the same terms, conditions, and penalties as can be imposed in like circumstances in a civil action by a court of competent jurisdiction of the State of California. The arbitrator(s) shall have the power to grant all legal and equitable remedies provided by California law and award compensatory damages provided by California law, except that punitive damages shall not be awarded. The arbitrator(s) shall prepare in writing and provide to the Parties an award including factual findings and the legal reasons on which the award is based. The arbitration award may be enforced through an action thereon brought in the Superior Court for the State of California in San Diego County. The prevailing party in any Arbitration hereunder shall be awarded reasonable attorneys' fees, expert and nonexpert witness costs and any other expenses incurred directly or indirectly with said Arbitration, including without limitation the fees and expenses of the arbitrator(s).

THIS ELECTION OF AN ALTERNATIVE DISPUTE PROCESS IS AN AFFIRMATIVE WAIVER OF THE PARTIES' RIGHTS TO A JURY TRIAL UNDER CALIFORNIA LAW, Cal. C. Civ. Pro. Sec 631. BY SIGNING BELOW, EACH PARTY IS EXPLICITLY WAIVING JURY TRIAL AND AUTHORIZING ANY AND ALL PARTIES TO FILE THIS WAIVER WITH ANY COURT AS THE WAIVER REQUIRED UNDER Cal. C. Civ. Proc. Sec. 631(f)(2):

JURY TRIAL WAIVED:

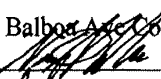
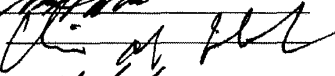
Company _____ Manager _____
By:  By: 


9.4. Entire Agreement; Amendment. This Agreement constitutes the entire agreement among the Parties related to the subject matter hereof and supersedes all prior agreements, understandings, and letters of intent relating to the subject matter hereof. This Agreement may be amended or supplemented only by a writing executed by all Parties. The Recitals of this Agreement are incorporated herein by this reference.

9.5. Notices. All notices, requests, demands or consents hereunder shall be in writing and shall be deemed given and received when delivered, if delivered in person, or four (4) days after being mailed by certified or registered mail, postage prepaid, return receipt requested, or one (1) day after being sent by overnight courier such as Federal Express, to and by the Parties at the following addresses, or at such other addresses as the Parties may designate by written notice in the manner set forth herein:

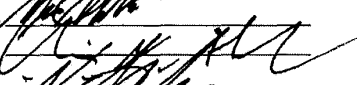
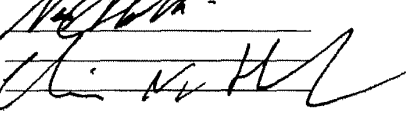
If to Manager: SoCal Building Ventures, LLC

If to Company: Balboa Auto Cooperative

San Diego United Holdings Group, LLC

If to Old Operators:

9.6. Counterparts. This Agreement may be executed in any number of counterparts, each of which shall be an original, but all of which, when taken together, will constitute one and the same instrument.

9.7. Governing Law. This Agreement shall be construed and governed in accordance with the laws of the State of California, without reference to conflict of law principles.

9.8. Assignment. Unless expressly set forth to the contrary hereinabove, this Agreement shall not be assignable by any Party hereto without the express written consent of the other Parties; provided, however, Old Operators may assign their holding interest to Monarch or another legal entity owned by the Old Operators, and SoCal Building Ventures, LLC may assign all or a portion of its rights and obligations to San Diego Building Ventures, LLC.

9.9. Waiver. Waiver of any agreement or obligation set forth in this Agreement by either Party shall not prevent that party from later insisting upon full performance of such agreement or obligation and no course of dealing, partial exercise or any delay or failure on the part of any Party hereto in exercising any right, power, privilege, or remedy under this Agreement or any related agreement or instrument shall impair or restrict any such right, power, privilege or remedy or be construed as a waiver therefor. No waiver shall be valid against any Party unless made in writing and signed by the Party against whom enforcement of such waiver is sought.

9.10. Binding Effect. Subject to the provisions set forth in this Agreement, this Agreement shall be binding upon and inure to the benefit of the Parties hereto and upon their respective successors and assigns.

9.11. Waiver of Rule of Construction. Each Party has had the opportunity to consult with its own legal counsel in connection with the review, drafting, and negotiation of this Agreement. Accordingly, the rule of construction that any ambiguity in this Agreement shall be construed against the drafting party shall not apply.

9.12. Severability. If anyone or more of the provisions of this Agreement is adjudged to any extent invalid, unenforceable, or contrary to law by a court of competent jurisdiction, each and all of the remaining provisions of this Agreement will not be affected thereby and shall be valid and enforceable to the fullest extent permitted by law.

9.13. Force Majeure. Any Party shall be excused for failures and delays in performance of its respective obligations under this Agreement due to any cause beyond the control and without the fault of such party, including without limitation, any act of God, war, terrorism, bio-terrorism, riot or insurrection, law or regulation, strike, flood, earthquake, water shortage, fire, explosion or inability due to any of the aforementioned causes to obtain necessary labor, materials or facilities. This provision shall not release such Party from using its best efforts to avoid or remove such cause and such Party shall continue performance hereunder with the utmost dispatch whenever such causes are removed. Upon claiming any such excuse or delay for non-performance, such Party shall give prompt written notice thereof to the other Party, provided that failure to give such notice shall not in any way limit the operation of this provision.

9.14. Authorization for Agreement. The execution and performance of this Agreement by Company and Manager have been duly authorized by all necessary laws, resolutions, and corporate or partnership action, and this Agreement constitutes the valid and enforceable obligations of Company and Manager in accordance with its terms.

9.15. Duty to Cooperate. The Parties acknowledge that the Parties' mutual cooperation is critical to the ability of Manager and Company to perform successfully and efficiently its duties hereunder. Accordingly, each party agrees to cooperate fully with the other in formulating and implementing goals and objectives which are in Company's best interests.

9.16. Proprietary and Confidential Information. The Parties agree with regard to Confidential Information that Manager may be given or obtain as a result of Manager's performance under this Agreement, or vice versa, such Confidential Information is secret, confidential and proprietary, and shall be utilized only for those purposes of this Agreement or as otherwise directed or agreed to in writing. The term "Confidential Information" means any information or knowledge concerning or in any way related to the practices, pricing, activities, strategies, business plans, financial plans, trade secrets, relationships and methodology of Operations of the business, performance of the Administrative Services, or other matter relating to the business. The Parties shall take appropriate action to ensure that all employees permitted access to Confidential Information are aware of its confidential and proprietary nature and the restrictions placed on its use. The Parties shall not reproduce or copy the Confidential Information of the Company, or any part thereof, in any manner other than is necessary to perform under this Agreement, and no Party shall disclose or otherwise make the Confidential Information available to any other person, corporation, or other entity, except to the other Party, or as otherwise required by law.

398374.2



9.16.1. All Confidential Information constitutes a valuable, confidential, special and unique asset. The Parties recognize that the disclosure of Confidential Information may give rise to irreparable injury or damage that are difficult to calculate, and which cannot be adequately compensated by monetary damages. Accordingly, in the event of any violation or threatened violation of the confidentiality provisions of this Agreement, a non-violating Party shall be entitled to an injunction restraining such violation.

9.17. Additional Assurances. The provisions of this Agreement shall be self-operative and shall not require further agreement by the Parties; provided, however, at the request of either Party, the other Party shall execute such additional instruments and take such additional acts as are reasonable and as the requesting Party may deem necessary to effectuate this Agreement.

9.18. Consents, Approvals, and Exercise of Discretion. Whenever this requires any consent or approval to be given by either Party, or either Party must or may exercise discretion, and except where specifically set forth to the contrary, the Parties agree that such consent or approval shall not be unreasonably withheld or delayed, and that such discretion shall be reasonably exercised.

9.19. Third Party Beneficiaries. Except as otherwise provided herein, this Agreement shall not confer any rights or remedies upon any person other than Manager and Owner and their respective successors and permitted assigns.

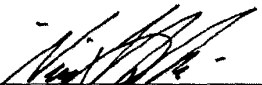
[signature page follows]

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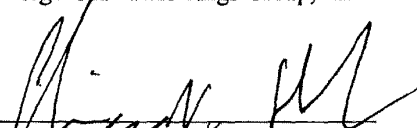
IN WITNESS WHEREOF, the Parties agree to the foregoing terms of agreement through the execution below by their respective, duly authorized representatives as of the Effective Date.

"COMPANY"

Balboa Ave Cooperative

By:  _____
Its:

San Diego United Holdings Group, LLC


By:  _____
Its:

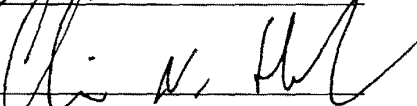
"MANAGER"

SoCal Building Ventures, LLC

By: _____
Its:

"OLD OPERATORS"

By:  _____

By:  _____

Monarch Management Consulting, Inc.

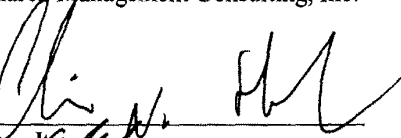

By:  _____
Its: 

EXHIBIT J

5101

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Robert E. Fuller (SBN 171770)
rfuller@nelsonhardiman.com
Zachary E. Rothenberg (SBN 215404)
zrothenberg@nelsonhardiman.com
Salvatore J. Zimmitti (SBN 245678)
szimmitti@nelsonhardiman.com
NELSON HARDIMAN LLP
11835 West Olympic Boulevard, Suite 900
Los Angeles, CA 90064
Telephone: (310) 203-2800
Facsimile: (310) 203-2727

Attorneys for Plaintiffs-in-Intervention
SoCal Building Ventures, LLC and San Diego
Building Ventures, LLC

SUPERIOR COURT OF THE STATE OF CALIFORNIA
FOR THE COUNTY OF SAN DIEGO - CENTRAL DIVISION

SALAM RAZUKI, an individual, ,
Plaintiff,

v.

NINUS MALAN, et al.,
Defendants.

CASE NO.: 37-2018-00034229-CU-BC-CTL
Assigned to: Hon. Eddie E. Sturgeon

**DECLARATION OF JIM TOWNSEND IN
SUPPORT OF PLAINTIFFS-IN-
INTERVENTION'S SUPPLEMENTAL
OPPOSITION TO EX PARTE APPLICATION
TO VACATE RECEIVERSHIP ORDER**

*[Filed concurrently with Plaintiffs-In-
Intervention's Supplemental Opposition To Ex
Parte Application To Vacate Receivership Order;
Declaration of John H. Yaeger; Declaration of
James Holler; Declaration of Dean Bornstein;
Declaration of Chris Berman; Declaration of
Daniel J. Spillane IV; and Declaration of
Salvatore Zimmitti]*

Action Filed: July 10, 2018

AND RELATED COMPLAINT-IN-
INTERVENTION

DATE: August 14, 2018
TIME: 8:30 a.m.
DEPT: C-67

NELSON HARDIMAN LLP
11835 WEST OLYMPIC BOULEVARD, SUITE 909
LOS ANGELES, CALIFORNIA 90064

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DECLARATION OF JIM TOWNSEND

I, Jim Townsend, declare as follows:

1. I am the Managing Member of SoCal Building Ventures, LLC ("SoCal"), Plaintiff-in-Intervention in this action. I make this declaration in support of SoCal's Supplemental Opposition to Ex Parte Application to Vacate Receivership Order. I have personal knowledge of the facts set forth herein, and if called upon to testify thereto, I could and would competently do so under oath.

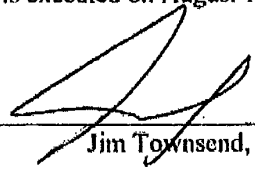
2. As SoCal's Managing Member, I am familiar with and am involved with purchasing and paying for equipment for the facilities which SoCal manages, including the Balboa and Mira Este Facilities. In connection with my duties, I also gather and analyze financial data, make payments, and prepare accountings in connection with SoCal's operations.

3. I created an inventory of SoCal's equipment that is currently located at the Mira Este Facility and under the control of Defendants in this case. I also assembled proof of payment by SoCal for this equipment. A true and correct copy of this equipment list and proof, current as of August 10, 2018, is attached hereto as Exhibit A.

4. The total value of SoCal's equipment at the Mira Este facility as of August 10, 2018, that I am currently aware of, is \$410,206.

5. I also created an accounting to date of the payments made by SoCal for the Balboa and Mira Este Facilities from 2017 through July 2018, which total \$2,731,811.03. A true and correct copy of this accounting to date, with proof, is attached hereto as Exhibit B.

I declare under penalty of perjury under the laws of the State of California that the foregoing is true and correct, and that this declaration is executed on August 11, 2018, at Westlake Village, California.



Jim Townsend, Declarant

DECLARATION OF JIM TOWNSEND

497102.1

San Diego Equipment & Inventory at Mira Este

	Mira Este Lab Setup		Invoice/PO Number
12/11/2017	Delta Separation	\$ (67,000.00)	1119
12/14/2017	KIM Industries - cartridges	\$ (107,275.00)	Agreement 12/14
2/7/2018	Jacksam Processor	\$ (17,600.00)	
2/12/2018	Delta Separation	\$ (66,147.00)	
3/9/2018	Jacksam Processor	\$ (8,500.00)	
4/18/2018	Electrical	\$ (4,010.00)	
4/25/2018	Equipment Order - Lab Society	\$ (40,000.00)	3320/3324/3325
4/30/2018	Equipment Order - Lab Society	\$ (25,000.00)	3488
5/15/2018	American AV - Electric	\$ (4,010.00)	
6/5/2018	West Coast Sight - cameras and access	\$ (13,100.00)	1192
6/14/2018	Christen Camera Security - Check	\$ (1,755.00)	1059
6/28/2018	Westcoast Sigh & Sound - Check	\$ (6,659.00)	1183
6/28/2018	Miles Electric - Check	\$ (10,900.00)	
7/10/2018	Lab trader	\$ (13,150.00)	629.6799
7/10/2018	Sadler Freezers	\$ (25,100.00)	
		\$ (410,206.00)	

Delta Separations LLC
3200 Dutton Ave. Unit # 321
Santa Rosa, CA 95407 US
(707) 222-6066
sales@deltaseparations.com



ADDRESS
San Diego Building Ventures LLC
9212 Mira Este Court
San Diego, CA 92126

SHIP TO
San Diego Building Ventures LLC
9212 Mira Este Court
San Diego, CA 92126

ESTIMATE 1119

DATE 12/08/2017

SALES REP
Nathan Radabaugh

ACTIVITY	QTY	RATE	AMOUNT
C.U.P. 15	2	55,000.00	110,000.00T
Filter Rack	1	6,000.00	6,000.00T
Keg Transfer Kit	6	600.00	3,600.00T
Keg, 15.5 Gallons, 4" Tri Clamp	12	250.00	3,000.00T

Thank you very much for your decision to go with Delta Separations. To begin the process, a 50% deposit is required. After we receive the deposit, we will send you over the sales contract and updated invoice.

SUBTOTAL 122,600.00
TAX (8.625%) 10,574.25

Bank Information:
JP Morgan Chase Bank NA, 1111 Polaris Parkway, Columbus,
OH 43240
SFIFT/BIC Code: CHASUS33
Routing Transit Number: 021000021
Beneficiary Account Number: 775657096

Thank you
Nathan Radabaugh
Director of Sales/Marketing

TOTAL \$133,174.25

Accepted By

Accepted Date

5105

Delta Separations LLC
3200 Dutton Ave. Unit # 321
Santa Rosa, CA 95407 US
(707) 222-6066
craftscience@deltaseparations.com



BILL TO
Adam Lustig
Higher Vision

INVOICE 1057

DATE 02/15/2018 TERMS Net 30

DUE DATE 03/17/2018

P.O. NUMBER

SALES REP

ACTIVITY	QTY	RATE	AMOUNT
Freight Shipping and Crate	1	1,280.00	1,280.00

Thank you for considering Delta Separations for your business.

Bank Information (Wire not ACH):
JP Morgan Chase Bank NA, 1111 Polaris Parkway, Columbus,
OH 43240
SFIFT/BIC Code: CHASUS33
Routing Transit Number: 021000021
Beneficiary Account Number: 775657096

IMPORTANT: Add this Estimate # to the memo line of any payments.

Please let me know if you have any questions.
-Martin

TOTAL DUE \$1,280.00

EXCLUSIVE SUPPLY AGREEMENT

This Exclusive Supply Agreement (this "Agreement") is entered into as of December 14, 2017 (the "Effective Date") by and between CMP Wellness, LLC (d/b/a Medepen), a California limited liability company having its principal place of business at 15711 Condon Ave Suite A5, Lawndale, CA 90260 ("Seller") and, San Diego Building Ventures LLC, a California Limited Liability Company having its principal place of business at 32123 Lindero Canyon Rd, Suite 210, San Diego, CA 91361 ("Buyer") (each a "Party" and, collectively, the "Parties").

AGREEMENT

1. Supply.

(a) On the terms and conditions set forth herein, Buyer agrees to purchase the products set forth on Schedule 1 attached hereto (each product on Schedule 1, a "Product" and collectively, the "Products"). Schedule 1 may be updated from time to time by Seller to include new Products. To the extent Buyer submits purchase orders for any Product, any pre-printed terms or other terms other than the Product SKUs, quantities and delivery dates contained therein are hereby expressly rejected. Buyer agrees that any change in state, local, or federal laws affecting Buyer's principle business will not alter its obligations under or the terms of this Agreement.

2. Delivery.

(a) Unless otherwise agreed in writing by the Parties, Seller shall make all deliveries to Buyer's facility located at 9212 Mira Este Court, San Diego, CA 92126 or such other location that is mutually agreed upon (the "Delivery Point") using Seller's standard methods for packaging and shipping such Products. Buyer shall be responsible for the unloading of all deliveries. Seller shall notify Buyer of any lead times necessary for the delivery of any Products.

(b) Risk of loss and title to any delivered Products shall pass to Buyer upon Seller making them available for unloading by Buyer at the Delivery Point. Buyer shall make all payments for Products (including the costs of freight and other transportation costs) at the Delivery Point prior to unloading Product in United States Dollars.

3. Price.

(a) The pricing and committed purchase volumes for Products are set forth on Schedule 1. All such prices are exclusive of all freight which shall be the responsibility of Buyer.

4. Limited Warranty.

(a) SELLER MAKES NO WARRANTY WHATSOEVER WITH RESPECT TO THE PRODUCTS, INCLUDING ANY (a) WARRANTY OF MERCHANTABILITY; (b) WARRANTY OF FITNESS FOR A PARTICULAR PURPOSE; (c) WARRANTY OF TITLE; OR (d) WARRANTY AGAINST INFRINGEMENT OF INTELLECTUAL PROPERTY RIGHTS OF A THIRD PARTY; WHETHER EXPRESS OR IMPLIED BY LAW, COURSE OF DEALING, COURSE OF PERFORMANCE, USAGE OF TRADE OR OTHERWISE.

J.T.

5. Limitation of Liability.

(a) IN NO EVENT SHALL SELLER BE LIABLE FOR ANY CONSEQUENTIAL, INDIRECT, INCIDENTAL, SPECIAL, EXEMPLARY, OR PUNITIVE DAMAGES, LOST PROFITS OR REVENUES OR DIMINUTION IN VALUE, ARISING OUT OF OR RELATING TO ANY BREACH OF THESE TERMS, WHETHER OR NOT THE POSSIBILITY OF SUCH DAMAGES HAS BEEN DISCLOSED IN ADVANCE BY BUYER OR COULD HAVE BEEN REASONABLY FORESEEN BY BUYER, REGARDLESS OF THE LEGAL OR EQUITABLE THEORY (CONTRACT, TORT OR OTHERWISE) UPON WHICH THE CLAIM IS BASED, AND NOTWITHSTANDING THE FAILURE OF ANY AGREED OR OTHER REMEDY OF ITS ESSENTIAL PURPOSE.

(b) IN NO EVENT SHALL SELLER'S AGGREGATE LIABILITY ARISING OUT OF OR RELATED TO THIS AGREEMENT, WHETHER ARISING OUT OF OR RELATED TO BREACH OF CONTRACT, TORT (INCLUDING NEGLIGENCE) OR OTHERWISE, EXCEED THE TOTAL OF THE AMOUNTS PAID TO SELLER FOR THE PRODUCTS SOLD HEREUNDER IN THE SIX MONTHS PRECEDING THE CLAIM.

6. Termination: The initial term of this Agreement is 24 months from the Effective Date. This agreement will automatically renew for subsequent one year periods unless a Party provides written notice at least 30 days prior to the end of the current term of its election not renew this Agreement. Upon the expiration or termination of this Agreement for any reason, Buyer shall purchase any remaining Products held by Seller in its warehouses or subject to a pending Subsequent Stocking Order within thirty days.

7. Waiver. Any waiver of any provision herein must be in writing. No failure to exercise, or delay in exercising, any rights, remedy, power or privilege arising from this Agreement operates or may be construed as a waiver thereof. No single or partial exercise of any right, remedy, power or privilege hereunder precludes any other or further exercise thereof or the exercise of any other right, remedy, power or privilege.

8. Confidential Information. All non-public, confidential or proprietary information of Seller, including, but not limited to, samples, customer lists, pricing, discounts or rebates, disclosed by Seller to Buyer, whether disclosed orally or disclosed or accessed in written, electronic or other form or media, and whether or not marked, designated or otherwise identified as "confidential," in connection with this Agreement is confidential, solely for the use of performing this Agreement and may not be disclosed or copied unless authorized in advance by Seller in writing. Upon Seller's request, Buyer shall promptly return all documents and other materials received from Seller. Seller shall be entitled to injunctive relief for any violation of this Section.

9. Force Majeure. The Seller shall not be liable or responsible to Buyer, nor be deemed to have defaulted or breached this Agreement, for any failure or delay in fulfilling or performing any term of this Agreement when and to the extent such failure or delay is caused by or results from acts or circumstances beyond the reasonable control of Seller including, without limitation, acts of God, flood, fire, governmental actions, war, invasion or hostilities, terrorist threats or acts, civil unrest, national emergency, epidemic, lock-outs, strikes or other labor disputes, or restraints or delays affecting carriers or inability or delay in obtaining supplies of adequate or suitable materials.

(JP)

The Seller shall not be liable or responsible to Buyer, nor be deemed to have defaulted or breached this Agreement, in the event the Products are seized by US Customs and Border Protection or any other government agency.

10. Assignment. Buyer shall not assign any of its rights or delegate any of its obligations under this Agreement without the prior written consent of Seller. Any purported assignment or delegation in violation of this Section is null and void.

11. Relationship of the Parties. The relationship between the parties is that of independent contractors, neither party shall have authority to contract for or bind the other party in any manner whatsoever. This Agreement is for the sole benefit of the parties hereto and their respective successors and permitted assigns and nothing herein, express or implied, is intended to or shall confer upon any other person or entity any legal or equitable right.

12. Governing Law. All matters arising out of or relating to this Agreement is governed by and construed in accordance with the internal laws of the State of California.

13. Severability. If any term or provision of this Agreement is invalid, illegal or unenforceable, such invalidity, illegality or unenforceability shall not affect any other term or provision of this Agreement.

14. Survival. Provisions of this Agreement which by their nature should apply beyond their terms will remain in force after any termination or expiration of this Agreement.

15. Entire Agreement; Amendment and Modification. This Agreement together with the schedules attached hereto constitute the complete, final and exclusive agreement between the parties regarding the subject matter hereof and cancels and supersedes all prior or contemporaneous agreements, understandings, and communications, whether written or oral, between the parties relating to such subject matter. This Agreement may only be amended or modified in a writing that is signed by an authorized representative of each party.

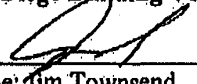
H.T.

IN WITNESS WHEREOF, the Parties have caused this Product Description Form to be executed by their respective duly authorized officers as of the date first set forth above.

CMP WELLNESS, LLC

By: _____
Name: _____
Title: _____

San Diego Building Venture LLC

By:  _____
Name: Jim Townsend
Title: Managing Member

Schedule 1
Products and Pricing

<u>Product</u>	<u>Initial Stocking Order Quantity</u>	<u>Pricing Per Unit</u>	<u>Total Cost</u>
NC7 Glass Ceramic 0.5 ml Cartridge	100,000	\$2.00	\$200,000
Syringe graded glass barrel (no plunger)	100,000	\$0.86	\$86,000
Metal twist plunger	100,000	\$1.071	\$107,100
Small Grip N Glide	200,000	\$0.18	\$36,000
TOTAL			\$429,100
Deposit		25%	\$107,275

- Deposit wire of \$107,275 sent by SoCal Building Ventures LLC on December 14, 2017.

(J. T.)

Expand 12/11/17 WT FED#09257 JPMORGAN CHASE BAN /FTR/BNF=DELTA SEPARATION LLC SRF# 0011721345114697 TRN#171211171846 RFB# \$67,000.00

02/12/18 WT FED#08933 JPMORGAN CHASE BAN /FTR/BNF=Delta Seperations SRF# GW00000010801853 TRN#180212088097 RFB# 642 \$66,174.25

Expand 12/14/17 WT FED#08676 SALAL CREDIT UNION /FTR/BNF=KIM International Corporation SRF# GW00000009118502 TRN#171214166189 RFB# 595 \$107,275.00

Expand 02/07/18 WT SEQ131784 JACKSAM CORPORATION /BNF=Jacksam Corporation dba Blackout SRF# GW00000010486750 TRN#180207131784 RFB# 635 \$17,600.00

Expand 03/09/18 WT SEQ#35200 JACKSAM CORPORATION /BNF=Jacksam Corporation dba Blackout SRF# GW00000014342064 TRN#180309035200 RFB# 672 \$8,500.00

04/24/18 WT SEQ#84969 MATTHEW DRIVER /BNF=American AV SRF# GW00000015460892 TRN#180424084969 RFB# 716 \$4,010.00

05/15/18 WT SEQ151368 MATTHEW DRIVER /BNF=American AV SRF# GW00000016009006 TRN#180515151368 RFB# 755 \$4,010.00

WT SEQ132999 LAB SOCIETY /BNF=Lab Society SRF#
Expand 04/25/18 GW00000015502161 TRN#180425132999 RFB# 724 \$40,000.00

WT SEQ235160 LAB SOCIETY /BNF=Lab Society LLC SRF#
Expand 04/30/18 GW00000015639983 TRN#180430235160 RFB# 739 \$25,000.00

WT FED#07211 BANK OF AMERICA, N /FTR/BNF=West
Expand 06/05/18 Coast Sight and Sound SRF# GW00000016518410 \$13,100.00
TRN#180605152486 RFB# 783

WT FED#06497 ZB NA DBA CALIFORN /FTR/BNF=Labtrader Inc
07/10/18 SRF# GW00000017381072 TRN#180710146095 RFB# 800 \$13,150.00

WT FED#07575 MUFG UNION BANK, N /FTR/BNF=Gary Stadler
07/10/18 SRF# GW00000017383144 TRN#180710154163 RFB# 814 \$25,100.00

WT FED#06987 COMPASS BANK /FTR/BNF=Flip
Expand 12/19/17 Management SRF# GW0000009235224 TRN#171219155547 \$50,000.00
RFB# 599



Lab Society
4699 Nautilus Ct S #503
Boulder, CO 80301
United States

Invoicing and shipping address:
Dan Spillane
9212 Mira Este Court
San Diego, CA 92126
United States

Invoice INV/2018/0887

Invoice Date: 05/31/2018 Due Date: 05/31/2018 Source: SO03488

Description	Quantity	Unit Price	Taxes	Tax Excluded Price
[CDO-28] Cascade Decarboxylation Oven	1,000 Each	9,950.00	No Tax	\$ 9,950.00
Freight - Cascade	1,000 Each	0.00		\$ 0.00
Freight Manual	1,000 Each	600.98	No Tax	\$ 600.98
Subtotal				\$ 10,550.98
No Tax				\$ 0.00
Total				\$ 10,550.98
Paid				\$ 10,263.09
Amount Due				\$ 287.89

Tax	Base	Amount
No Tax	\$ 10,550.98	\$ 0.00

Payment term: Immediate Payment

5115



Lab Society
4699 Nautilus Ct S #503
Boulder, CO 80301
United States

Invoicing and shipping address:
Josh Rowley
United States
☎ 203-988-3995

Josh Rowley
United States

Quotation # SO03324

Your Reference:
20L Rotary Evaporator

Quotation Date:
04/05/2018 16:24:28

Salesperson:
Peter DeLone

Payment Terms:
Immediate Payment

Description	Quantity	Unit Price	Taxes	Price
[AI-SE53-220-ULC] SolventVap Rotary Evaporator (20L Motorized Lift UL Listed)	1.000 Each	10,690.00	No Tax	\$ 10,690.00
[AI-C30-30-20L] Recirculating Chiller (20L/min, -30°C, 30L)	1.000 Each	6,990.00	No Tax	\$ 6,990.00
[2052B-01] Welch ILMVAC High Capacity-High Vacuum Pump (2052B-01)	1.000 Each	3,860.00	No Tax	\$ 3,860.00
[LS-PCM-1] Pressure Control Monitor	1.000 Each	1,492.00	No Tax	\$ 1,492.00
Freight - Across Int'l	1.000 Each	450.00		\$ 450.00
Total Without Taxes				\$ 23,482.00
Taxes				\$ 0.00
Total				\$ 23,482.00

Payment term: Immediate Payment



Lab Society
4699 Nautilus Ct S #503
Boulder, CO 80301
United States

Invoicing and shipping address:
Josh Rowley
United States
☎ 203-988-3995

Josh Rowley
United States

Quotation # SO03325

Your Reference:
Filtration - Quote A

Quotation Date:
04/05/2018 16:28:26

Salesperson:
Peter DeLone

Payment Terms:
Immediate Payment

Description	Quantity	Unit Price	Taxes	Price
[2047B-01] Welch DryFast Pump (2047B-01, 115V)	1.000 Each	2,605.00	No Tax	\$ 2,605.00
[JBF-2000] Buchner Funnel (200mm)	4.000 Each	100.00	No Tax	\$ 400.00
[CH0421] Filter Adapters (Blue, 7 Pc. Set)	4.000 Each	15.00	No Tax	\$ 60.00
[FG5340-5000] Flask, United Scientific (5000ml)	4.000 Each	175.00	No Tax	\$ 700.00
[LS-VMK-C] Lab Society Vacuum Manifold Kit	1.000 Each	650.00	No Tax	\$ 650.00
[LS-BIO1-185] Filter Paper, Qualitative (18.5 cm, 11 micron (Medium))	1.000 Each	26.00	No Tax	\$ 26.00
[LS-BIO3-185] Filter Paper, Qualitative (18.5 cm, 6 micron (Slow))	1.000 Each	26.00	No Tax	\$ 26.00
Total Without Taxes				\$ 4,467.00
Taxes				\$ 0.00
Total				\$ 4,467.00

Payment term: Immediate Payment



Lab Society
4699 Nautilus Ct S #503
Boulder, CO 80301
United States

Invoicing and shipping address:
Josh Rowley
United States
203-988-3995

Josh Rowley
United States

Quotation # SO03320

Your Reference:
Short Path - Quote A

Quotation Date:
04/05/2018 16:13:47

Salesperson:
Peter DeLone

Payment Terms:
Immediate Payment

Description	Quantity	Unit Price	Taxes	Price
[LS-SPK-5EQ2S] G2 Executive Short Path Distillation Kit (5L Silvered)	1.000 Each	10,945.00	No Tax	\$ 10,945.00
[3081-01] Welch CRVpro Rotary Vane Vacuum Pump (Pro 8, 115/230V)	1.000 Each	3,025.00	No Tax	\$ 3,025.00
[320015] Exhaust Filter (Welch) (CRV KF16 (NW))	1.000 Each	433.10	No Tax	\$ 433.10
[SIS-KF16X375-AL] Aluminum KF Flange KF16 (NW) 3/8 in. ID Barb	1.000 Each	12.00	No Tax	\$ 12.00
[AI-T40] Mechanical Cold Trap	1.000 Each	2,990.00	No Tax	\$ 2,990.00
[LS-CTG2-DT18] Cold Trap Inner 34/45, GL-18 Connections	3.000 Each	125.00	No Tax	\$ 375.00
[LS-CTG2-TB34] Cold Trap Bottom, 34/45 Joint	3.000 Each	70.00	No Tax	\$ 210.00
[SD07R-20-A11B] PolyScience 7L Refrigerated Circulator (-20C, Standard Digital, 120V)	1.000 Each	3,112.00	No Tax	\$ 3,112.00
Freight - Lab Society	1.000 Each	500.00		\$ 500.00
Total Without Taxes				\$ 21,602.10
Taxes				\$ 0.00
Total				\$ 21,602.10

Payment term: Immediate Payment



Wires

Payment Information

Fed Ref # 071011B7033R016497

Status Successful

Payment ID 800

Modified 07/10/2018 04:36 pm ET by TOWNJ913

Type Wire

Debit Account

Debit Account
SAN DIEGO BUILDING VENTURES LLC
Acct # 5234430907 USD

Beneficiary

Beneficiary
Labtrader Inc
United States of America (US)
Acct # 5790606080

Beneficiary Bank
California Bank and Trust, A Division of ZB, National Association
1024 GRAVES AVE
EL CAJON 92021
United States of America (US)
ABA # 122232109

Payment Details

Debit Currency USD - United States Dollar

Value Date 07/10/2018

Credit Currency USD - United States Dollar

Cutoff 07/10/2018 05:30 pm ET

Amount 13,150.00 USD

References

Originator
SAN DIEGO BUILDING VENTURES LLC
32123 LINDERO CANYON RD STE 210
WESTLAKE VILLAGE CA 913615461
United States of America (US)

Payment References

ID or Acct # 5234430907



LabTrader Inc.
 1396 Poinsettia Ave.
 Vista, CA 92081

Invoice

Date	Invoice #
6/12/2018	629.6799

Bill To
San Diego Building Ventures LLC 9212 Mira Este Court San Diego, CA 92126

Ship To
San Diego Building Ventures LLC 9212 Mira Este Court San Diego, CA 92126

P.O. Number	Terms	Due Date	Ship	Via
	prepay	6/12/2018	6/12/2018	

Description	Reference #	Quantity	Price Each	Amount
Thermo Scientific Forma 8600 Series -86C Chest Ultra-Low Temperature Freezer	F820CD	1	8,500.00	8,500.00T
Thermo Revco Ultima II -86C Chest Ultra-Low Temperature Freezer	LT0917006	1	3,400.00	3,400.00T
Local Delivery in San Diego County			280.00	280.00

Subtotal	\$12,180.00
Sales Tax (7.75%)	\$922.25
Payments/Credits	\$0.00
Balance Due	\$13,102.25



Lab Society
4699 Nautilus Ct S #503
Boulder, CO 80301
United States

Invoicing and shipping address:
Josh Rowley
United States
203-988-3995

Josh Rowley
United States

Quotation # SO03325

Your Reference:
Filtration - Quote A

Quotation Date:
04/05/2018 16:26:26

Salesperson:
Peter DeLone

Payment Terms:
Immediate Payment

Description	Quantity	Unit Price	Taxes	Price
[2047B-01] Welch DryFast Pump (2047B-01, 115V)	1.000 Each	2,605.00	No Tax	\$ 2,605.00
[JBF-2000] Buchner Funnel (200mm)	4.000 Each	100.00	No Tax	\$ 400.00
[CH0421] Filter Adapters (Blue, 7 Pc. Set)	4.000 Each	15.00	No Tax	\$ 60.00
[FG5340-5000] Flask, United Scientific (5000ml)	4.000 Each	175.00	No Tax	\$ 700.00
[LS-VMK-C] Lab Society Vacuum Manifold Kit	1.000 Each	650.00	No Tax	\$ 650.00
[LS-BIO1-185] Filter Paper, Qualitative (18.5 cm, 11 micron (Medium))	1.000 Each	26.00	No Tax	\$ 26.00
[LS-BIO3-185] Filter Paper, Qualitative (18.5 cm, 6 micron (Slow))	1.000 Each	26.00	No Tax	\$ 26.00
Total Without Taxes				\$ 4,467.00
Taxes				\$ 0.00
Total				\$ 4,467.00

Payment term: Immediate Payment



Lab Society
4699 Nautilus Ct S #503
Boulder, CO 80301
United States

Invoicing and shipping address:

Josh Rowley
9212 Mira Este Court
San Diego, CA 92126
United States
☎ 203-988-3995

Josh Rowley
9212 Mira Este Court
San Diego, CA 92126
United States

Quotation # SO03488

Quotation Date:
04/13/2018 15:16:56

Salesperson:
Peter DeLone

Payment Terms:
Immediate Payment

Description	Quantity	Unit Price	Taxes	Price
[CDO-28] Cascade Decarboxylation Oven	1.000 Each	9,950.00	No Tax	\$ 9,950.00
Freight - Cascade	1.000 Each	250.00		\$ 250.00
Total Without Taxes				\$ 10,200.00
Taxes				\$ 0.00
Total				\$ 10,200.00

Payment term: Immediate Payment

West Coast Sight and Sound (818)579-9699
 12428 Oxnard Street, CAlic#1030408
 Los Angeles, CA 91606 US
 jordan@westcoastsightandsound.com
 http://www.westcoastsightandsound.com

INVOICE

BILL TO
 Dan Spillane

INVOICE # 1183
DATE 05/24/2018
DUE DATE 05/24/2018

PRODUCT	DISCRIPTION	QTY	RATE	AMOUNT
Atrium A22 2 door controller	Cdvi Americas CDV- A22KITB Atrium 2-Door Controller Kit - A22	7	839.00	5,873.00T
He's 500	HES 5000 SERIES GRADE 1 LOW PROFILE ELECTRIC STRIKE	10	145.00	1,450.00T
Magnetic lock	Magnetic lock for main entry doors	3	289.00	867.00T
16 port gigabit switch	TPLink 16 port rack mount gigabit switch	1	110.00	110.00T
18 gauge wire	18 gauge	7	189.00	1,323.00T
22/8 wire	22/8 wire for card readers	4	169.00	676.00T
Labor charge	Labor for installing access control system	1	4,900.00	4,900.00T

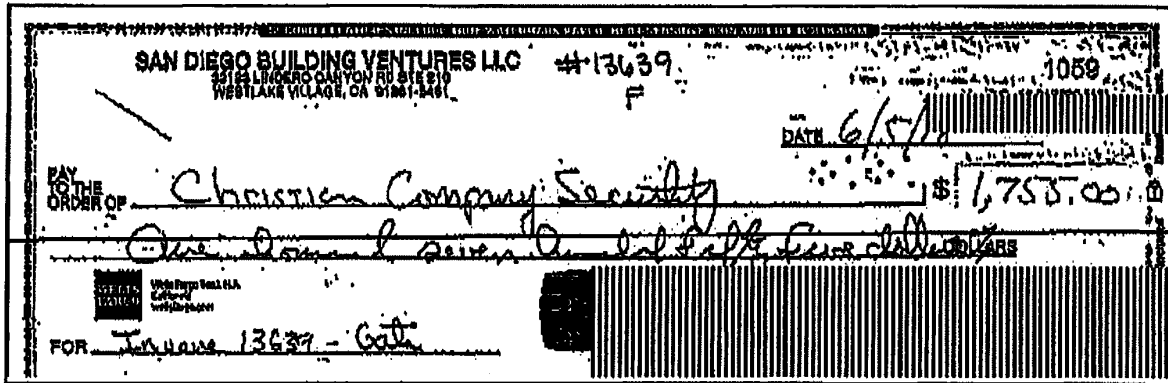
.....
 SUBTOTAL 15,199.00
 TAX (7.75%) 798.17
 TOTAL 15,997.17
 BALANCE DUE **\$15,997.17**

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Check Details

Check Number	1059
Date Posted	06/14/18
Check Amount	\$1,755.00



For your security, information like account numbers, signatures, and the ability to view the backs of checks have been removed from the images. You can see full or partial fronts and backs of the images by using the link at the top of the window.

Equal Housing Lender

West Coast Sight and Sound (818)579-9699
 12428 Oxnard Street, CAlic#1030408
 Los Angeles, CA 91606 US
 jordan@westcoastsightandsound.com
 http://www.westcoastsightandsound.com

INVOICE

BILL TO
 Dan Spillane

INVOICE # 1192
DATE 06/25/2018
DUE DATE 06/25/2018

PRODUCT	DISCRIPTION	QTY	RATE	AMOUNT
Cat 6 cable	Cat 6 cable	6	125.00	750.00T
Hikvision 4MP WDR Fixed Dome IP Camera DS- 2CD2142FWD- IB	Hikvision 4MP WDR Fixed Dome IP Camera DS- 2CD2142FWD-IB	23	135.00	3,105.00T
27U RACK	A2V A2VER27U 27U RACK MOUNT ASSEMBLED	1	500.00	500.00T
Labor charge	Labor for wiring and installing 22 lp cameras 1 In the front of the building 2 on North side of bulding 3 back of the building 4. The remaining 19 will be installed inside and spoken locations extra cables will be ran for the bigger rooms In case we need more coverage.	1	3,500.00	3,500.00
32 CHANNEL NVR W/ 8 TB,	32 CHANNEL NVR W/ 1080P RESOLUTION, HI DEFINITION, IP This is Loaner system till we upgrade to the proper system full refund when you upgrade to the 128 system	1	500.00	500.00T
hikvision hard drive	Hikvision hard DriveHK-HDD6T-E	4	370.00	1,480.00

PRODUCT	DISCRIPTION	QTY	RATE	AMOUNT
	Will be used in the upgraded system			
40 Inch flat screen	40 inch flat screen	1	299.00	299.00T
65 foot HDMI	65 foot non 4k HDMI	1	85.00	85.00T
Labor charge	Labor for installing Tv and running HDMI cable	250	1.00	250.00
Hikvision 4MP WDR Vari-focal Bullet Network Camera motorized lens HD	Hikvision 4MP WDR Vari-focal Bullet Network Camera DS-2CD2642FWD-IZS 2.8-12mm motorized l	2	225.00	450.00T

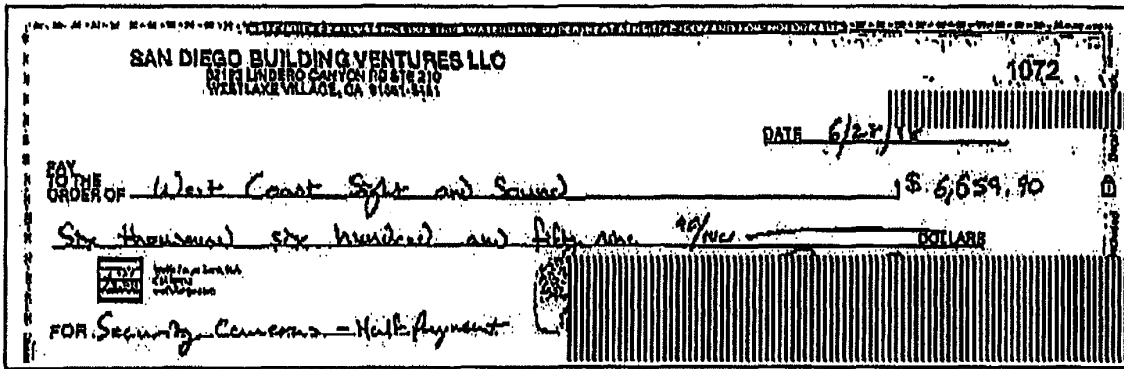
SUBTOTAL	10,919.00
TAX (7.75%)	440.90
TOTAL	11,359.90
PAYMENT	4,700.00
BALANCE DUE	\$6,659.90

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Check Details

Check Number	1072
Date Posted	06/28/18
Check Amount	\$6,659.90



For your security, information like account numbers, signatures, and the ability to view the backs of checks have been removed from the images. You can see full or partial fronts and backs of the images by using the link at the top of the window.

Equal Housing Lender



Wires

Payment Information

Fed Ref # 071011B7031R017575

Status Successful

Payment ID 814

Modified 07/10/2018 05:11 pm ET by TOWNJ913

Type Wire

Debit Account

Debit Account
SAN DIEGO BUILDING VENTURES LLC
Acct # 5234430907 USD

Beneficiary

Beneficiary
Gary Stadler
United States of America (US)
Acct # 60679452

Beneficiary Bank
MUFJ UNION BANK N.A.
1980 SATURN STREET
MONTEREY PARK 91755
United States of America (US)
ABA # 122000496

Payment Details

Debit Currency USD - United States Dollar

Value Date 07/10/2018

Credit Currency USD - United States Dollar

Cutoff 07/10/2018 05:30 pm ET

Amount 25,100.00 USD

References

Originator to Beneficiary Information
OBI Replacement

Originator
SAN DIEGO BUILDING VENTURES LLC
32123 LINDERO CANYON RD STE 210
WESTLAKE VILLAGE CA 913615461
United States of America (US)

Payment References
ID or Acct # 5234430907

EXHIBIT B

San Diego		2017-2018 Accounting to Date	
	Mira Este		
10/24/2017	Mira Este October Rent	\$	(55,500.00)
11/8/2017	Mira Este - November Rent	\$	(55,500.00)
11/22/2017	Mira Este CUP - wire	\$	(66,658.00)
11/30/2017	Mira Este - check 1003 - Dec Rent	\$	(55,500.00)
1/4/2018	Mira Este - CUP - 1018	\$	(15,206.00)
1/4/2018	Mira Este - Rent - check 1019	\$	(55,500.00)
1/24/2018	Mira Este - Misc	\$	(8,500.00)
2/6/2018	Mira Este - Rent check 1028	\$	(60,300.00)
2/22/2018	Mira Este - Min Guarantee	\$	(85,000.00)
3/7/2018	Mira Este - Rent	\$	(60,300.00)
3/15/2018	Mira Este - Min Guarantee	\$	(50,000.00)
4/3/2018	Mira Este - TI - Toby	\$	(16,920.50)
4/3/2018	Mira Este - April rent	\$	(60,300.00)
4/20/2018	Mira Este - Past Min Guarantee	\$	(75,000.00)
4/27/2018	Mira Este - April Min Guarantee	\$	(50,000.00)
5/12/2018	May Rent	\$	(60,300.00)
5/21/2018	Mira Este - Gina Austin Legal	\$	(33,300.00)
6/4/2018	Mira Este - May Min Guarantee	\$	(50,000.00)
6/7/2018	Mira Este - June Rent	\$	(60,300.00)
6/15/2018	Mira Este - CUP	\$	(15,400.00)
7/11/2018	Nelson Hardiman	\$	(15,000.00)
7/19/2018	Michael Essary - Receiver (2xrent+MG)	\$	(170,600.00)
7/23/2018	Dan Spillane - Reimburse Locks	\$	(990.53)
		\$	(1,176,075.03)
	Balboa		
11/30/2017	San Diego Holding -1004 Balboa Rent	\$	(15,000.00)
11/30/2017	San Diego Holding -1007 Balboa Legal	\$	(66,000.00)
11/30/2017	San Diego Holding Balboa Inventory	\$	(83,000.00)
11/30/2017	San Diego Holding - 1005 Balboa FF&E	\$	(125,000.00)
1/4/2018	Balboa legal - check 1017	\$	(8,500.00)
1/25/2018	Balboa (CREDIT OF \$44k FROM 11/30 \$83)	\$	(11,000.00)
1/25/2018	75K Min Guarantee and 25K legal Austin	\$	(100,000.00)
2/6/2018	Balboa Rent - check 1029	\$	(15,000.00)
2/12/2018	CUP	\$	(18,245.00)
2/22/2018	Balboa Min Guarantee	\$	(35,000.00)
3/1/2018	Balboa - San Diego United	\$	(50,000.00)
3/15/2018	Balboa - San Diego United - Option	\$	(75,000.00)
3/30/2018	Balboa - Min Guarantee paid by Sales	\$	(35,000.00)
4/1/2018	Balboa Rent - paid by Sales	\$	(15,000.00)
4/30/2018	Balboa - Min Guarantee paid by Sales	\$	(35,000.00)
5/1/2018	Balboa Rent - paid by Sales	\$	(15,000.00)
5/30/2018	Balboa - Min Guarantee paid by Sales	\$	(35,000.00)
6/1/2018	Balboa Rent - paid by Sales	\$	(15,000.00)

EXHIBIT B

7/17/2018	Grainway Rent - July - Check	\$	(4,500.00)
	Total	\$	(756,245.00)
	Balboa Shop Operations & Inventory		
12/6/2017	ABP Consulting	\$	(40,000.00)
12/14/2017	ABP Consulting	\$	(30,000.00)
12/19/2017	Flip Management	\$	(50,000.00)
12/29/2017	ABP Consulting	\$	(60,000.00)
	Total	\$	(180,000.00)
	Mira Este Lab Setup		
12/22/2017	Adam Lustig	\$	(10,000.00)
12/11/2017	Delta Separation	\$	(67,000.00)
12/12/2017	Dr Good Life - Lustig	\$	(25,000.00)
12/14/2017	KIM Industries - cartridges	\$	(107,275.00)
2/7/2018	Jacksam Processor	\$	(17,600.00)
2/12/2018	Delta Separation	\$	(66,147.00)
3/2/2018	Chris Wayne	\$	(4,000.00)
3/9/2018	Jacksam Processor	\$	(8,500.00)
3/13/2018	Chris Wayne	\$	(6,000.00)
3/23/2018	Dan Spillane	\$	(5,000.00)
4/2/2018	Chris Wayne	\$	(5,000.00)
4/12/2018	Dan Spillane	\$	(500.00)
4/18/2018	Electrical	\$	(4,400.00)
4/19/2018	Dan Spillane	\$	(5,000.00)
4/24/2018	Equipment Order	\$	(65,000.00)
4/28/2018	Nelson Hardiman	\$	(25,000.00)
5/1/2018	Dan Spillane	\$	(5,000.00)
5/1/2018	Flintridge Insurance	\$	(21,895.00)
5/1/2018	MSS Consulting	\$	(10,000.00)
5/11/2018	Chris Wayne	\$	(5,000.00)
5/15/2018	Dan Spillane - May 1-15	\$	(3,500.00)
5/15/2018	American AV - Electric	\$	(4,010.00)
5/21/2018	Chris Wayne - Balance April	\$	(5,000.00)
6/1/2018	Josh Rowley - Relocation	\$	(6,000.00)
6/1/2018	Aaron Coleman - Relocation	\$	(5,000.00)
6/1/2018	Dan Spillane - May 16-30	\$	(3,500.00)
6/1/2018	MSS Consulting	\$	(10,000.00)
6/5/2018	West Coast Sight - cameras and access	\$	(13,100.00)
6/14/2018	Chris Wayne	\$	(5,000.00)
6/14/2018	Christen Camera Security	\$	(1,755.00)
6/15/2018	Dan Spillane	\$	(3,500.00)
6/15/2018	Joshua Rawley	\$	(3,500.00)
6/15/2018	Aaron Coleman	\$	(3,500.00)
6/28/2018	Westcoast Sigh & Sound	\$	(6,659.00)

6/28/2018	Miles Electric	\$	(10,900.00)
7/10/2018	Lab trader	\$	(13,150.00)
7/10/2018	Aaron Coleman	\$	(5,500.00)
7/10/2018	Joshua Rawley	\$	(5,500.00)
7/10/2018	Dan Spillane	\$	(5,000.00)
7/10/2018	Sadler Freezers	\$	(25,100.00)
7/17/2018	Chris Wayne	\$	(5,000.00)
7/17/2018	Dan Spillane - 1/2 July	\$	(5,000.00)
7/17/2018	Josh Rowley - 1/2 July	\$	(3,500.00)
7/17/2018	Aaron Coleman - 1/2 July	\$	(3,500.00)
		\$	(619,491.00)
	Grand Total	\$	(2,731,811.03)



Dean Bornstein <dbadh13@gmail.com>

San Diego United holdings

Chris Hakim <symbolicrealestate@gmail.com>
To: dbadh13@gmail.com
Cc: NinusMalan@yahoo.com, jtproducer34@gmail.com

Wed, Jan 24, 2018 at 4:39 PM

Wire instructions

San Diego United Holdings Group LLC
Bank of america
Lemon grove ca
325090171268 Acc
121000358 Rte

Sent Chris Hakim's iPhone 7+



Jim Townsend <jtproducer34@gmail.com>

Re: Additional \$55,500 - LOI

Chris Hakim <symbolicrealestate@gmail.com>
To: Jim Townsend <jtproducer34@gmail.com>
Cc: Dean Bornstein <dbadh13@gmail.com>, Chris Berman <bermanc1976@gmail.com>

Tue, Nov 7, 2017 at 8:01 AM

Check payable to

Mira Este Properties, LLC
1545 Hotel circle south, suite 145
San Diego, 92108

I will sign today along with Ninus and will send back.

Sent from my iPhone

On Nov 7, 2017, at 7:54 AM, Jim Townsend <jtproducer34@gmail.com> wrote:

Chris,

Who is the check made payable to and what address do we use?

Also, we have not received back the executed copies of the agreement that were sent last week to you. You can keep one copy and return the two other copies to us at the address below..

Thanks,

Jim

----- Forwarded message -----

From: **Dean Bornstein** <dbadh13@gmail.com>
Date: Tue, Nov 7, 2017 at 7:49 AM
Subject: Fwd: Additional \$55,500 - LOI
To: Jim Townsend <jtproducer34@gmail.com>

----- Forwarded message -----

From: **Dean Bornstein** <dbadh13@gmail.com>
Date: Tue, Nov 7, 2017 at 7:47 AM
Subject: Re: Additional \$55,500 - LOI
To: Chris Hakim <symbolicrealestate@gmail.com>
Cc: Chris Berman <bermanc1976@gmail.com>

Chris,

We will federal express a check today.

Best,

Dean

On Mon, Nov 6, 2017 at 6:52 PM, Chris Hakim <symbolicrealestate@gmail.com> wrote:

Dean,

I know we ALL have a lot going on. Per our executed LOI, we were supposed to get \$55,500 on November 6th, which was today. I know I asked you today over the phone if we can get the remaining funds tomorrow and you said as long as we agree to Rob's documents.

I am going to need some time to review the documents from Rob when I actually receive them. So I would appreciate if you can have your accounting department wire the \$55,500 tomorrow. Let me know if you need me to resend the wiring instructions?

Ninus and I are working on the CUP contracts and will send shortly and hope to go get reimbursed for 50% of those once we agree and execute the actual agreements.

Call me any time to chat.

Sincerely,

--
Chris Hakim
Broker
License #01353790
858-373-8781 DIRECT
619-900-4185 OFFICE

1545 Hotel Circle South Ste. 145
San Diego, CA 92108

--
32123 Lindero Canyon Road
Suite 210
Westlake Village, Ca. 91361
818-865-1700 Office
310-866-0028 Cell

--
32123 Lindero Canyon Road
Suite 210
Westlake Village, Ca. 91361
818-865-1700 Office
310-866-0028 Cell

--
SoCal Building Ventures LLC
Sherwood Media Company

32123 Lindero Canyon Rd.
Suite 210
Westlake Village, CA 91361

(818) 865-1700 office
(818) 865-1711 fax
(310) 866-0024 cell
www.sherwoodmediacompany.com

WIRE INSTRUCTIONS Domestic Wires in US Dollars

**Bank Name and Address: Torrey Pines Bank: 12220 El Camino Real Ste 100 San Diego, CA
92130**

ABA / Routing Number 122243635

Beneficiary Account Name: Mira Este Properties, LLC

Beneficiary Account Number 8011802264

Special Instructions Attn: Chris Hakim

1. Check 1052 to Mira Este Properties for \$50,000 – May 28 returned – Replaced with:

WT FED#04280 TORREY PINES BANK, /FTR/BNF=Mira Este
 6/04/18 Properties LLC SRF# GW00000016470163 TRN#180604084047 RFB# \$50,125.00
 778

- 2.

Expand 01/24/18 NSF RETURN ITEM FEE FOR A TRANSACTION RECEIVED \$35.00
 ON 01/23 \$75,000.00 CHECK # 01021

Expand 01/24/18 NSF RETURN ITEM FEE FOR A TRANSACTION RECEIVED \$35.00
 ON 01/23 \$33,500.00 CHECK # 01022

Replace with Wire on 1/24 for \$100,000 and wire for \$8,500

Wells Fargo Portfolio Checking (continued)

Date	Description	Check No.	Deposits/ Additions	Withdrawals/ Subtractions	Ending Daily Balance
1/23	WT Fed#07358 Redwood Capital Ba /Ftr/Bnf=Humboldt Land Title Company Srf# 0011721022139941 Trn#180123072398 Rfb#			25,000.00	
1/23	Deposited OR Cashed Check	2736		15,000.00	
1/23	Deposited OR Cashed Check	2737		10,000.00	99,940.60
1/24	Deposit Made In A Branch/Store		7,000.00		
1/24	Wire Trans Svc Charge - Sequence: 180124149007 Srf# 0011721024052981 Trn#180124149007 Rfb#			30.00	
1/24	WT Fed#07951 Torrey Pines Bank, /Ftr/Bnf=Mira Este Properties, LLC Srf# 0011721024052981 Trn#180124149007 Rfb#			100,000.00	
1/24	So Cal Gas Paid Sogc 180123 0385031901 301601474094582006			655.01	
1/24	Barclaycard US Creditcard Xxxx7673 Chris Berman			6,000.00	
1/24	American Express ACH Pmt 180124 W2756 Chris Berman			5,000.00	
1/24	Overdraft Xfer From Credit Card OR Line		4,644.41		0.00
1/25	ATM Check Deposit On 01/25 Westlake Blvd Westlake VIII CA 0003412 ATM ID 0968H Card 3085		93,000.00		93,000.00
1/29	Venmo Cashout Xxxx8743 Chris Berman		200.00		
1/29	Paypal Inst Xfer 180127 Airbnb Christopher Berman			1,206.46	91,993.54
1/30	Jonathan Club 00132849 180129 Mrc19217452 E Berman Christopher			1,796.97	90,196.57
1/31	ATT Payment 013018 723168003Epayj Chris E Berman			180.03	
1/31	Chase Credit Crd Epay 180130 3431910659 Christopher Berman			1,000.00	
1/31	Interest Payment		2.28		89,018.82
Ending balance on 1/31					89,018.82
Totals			\$289,823.69	\$221,708.13	

WT FED#04933 TORREY PINES BANK, /FTR/BNF=Mira Este
 01/24/18 Properties LLC SRF# GW00000010079402 TRN#180124124695 RFB# \$8,500.00
 619

3. Return check 1/23 to San Diego United Holdings – replaced next day with wire

Expand 01/24/18	NSF RETURN ITEM FEE FOR A TRANSACTION RECEIVED ON 01/23 \$11,000.00 CHECK # 01020	\$35.00
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Expand 01/25/18	WT FED#07237 BANK OF AMERICA, N /FTR/BNF=San Diego United Holding Group LLC SRF# GW00000010096293 TRN#180125069873 RFB# 620	\$11,000.00
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EXHIBIT K

5139

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

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SUPERIOR COURT OF CALIFORNIA
FOR THE COUNTY OF SAN DIEGO

9

10

11 SALAM RAZUKI, an individual,
12 Plaintiff,

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

13

v.

NOTICE OF ENTRY OF ORDER

14

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,

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

23

Defendants.

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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

ELECTRONICALLY FILED
Superior Court of California,
County of San Diego

10/17/2018 at 01:40:00 PM
Clerk of the Superior Court
By Julia McGinnis, Deputy Clerk

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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.

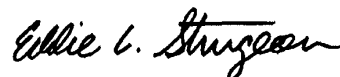
15 5. Sunrise Property Investments, LLC shall be within the scope of the forensic audit
16 conducted by accountant Brian Brinig in this matter. However, this expansion of the forensic audit
17 scope shall be stayed until Sunrise Property Investments, LLC retains counsel in this matter and
18 counsel 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.

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IT IS SO ORDERED.

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
6 is 444 S. Cedros Avenue, Suite 250, Solana Beach, California 92075.

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

9 **SEE ATTACHED SERVICE LIST**

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
14 United States Postal Service. Under that practice, the correspondence would be deposited with the
15 United States Postal Service on that same day with postage thereon fully prepaid in the ordinary
16 course of business.

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

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

24 (BY FACSIMILE) I transmitted a true and correct copy(ies) of the foregoing documents via
25 facsimile.

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

28 
Katie Westendorf

SERVICE LIST

1
2 *Counsel for Plaintiff Salam Razuki*

3 Steven A. Elia, Esq.
4 Maura Griffin, Esq.
5 LAW OFFICES OF STEVEN A. ELIA, APC
6 2221 Camino Del Rio South, Suite 207
7 San Diego, CA 92108
8 Email: steve@elialaw.com; MG@mauragriffinlaw.com

6 *Counsel for Defendant Ninus Malan*

7 Steven Blake, Esq.
8 Daniel Watts, Esq.
9 GALUPPO & BLAKE, APLC
10 2792 Gateway Road, Suite 102
11 Carlsbad, CA 92009
12 Email: sblake@galuppolaw.com; dwatts@galuppolaw.com

11 Gina M. Austin, Esq.
12 Tamara M. Leetham, Esq.
13 AUSTIN LEGAL GROUP, APC
14 3990 Old Town Avenue, Suite A-112
15 San Diego, CA 92110
16 Email: gaustin@austinlegalgroup.com; tamara@austinlegalgroup.com

15 *Counsel for Defendant Chris Hakim*

16 Charles F. Gorla, Esq.
17 GORLA, WEBER & JARVIS
18 1011 Camino del Rio South, #210
19 San Diego, CA 92108
20 Email: chasgoria@gmail.com

19 *Counsel for SoCal Building Ventures, LLC*

20 Robert Fuller, Esq.
21 Salvatore Zimmitti, Esq.
22 NELSON HARDIMAN LLP
23 1100 Glendon Avenue, Suite 1400
24 Los Angeles, CA 90024
25 Email: rfuller@nelsonhardiman.com; szimmitti@nelsonhardiman.com

EXHIBIT L

5147

**AGREEMENT OF COMPROMISE, SETTLEMENT,
AND MUTUAL GENERAL RELEASE**

This AGREEMENT OF COMPROMISE, SETTLEMENT, AND MUTUAL GENERAL RELEASE ("Agreement") is entered into by and between SALAM RAZUKI (hereinafter collectively "RAZUKI"), on the one hand, and NINUS MALAN (hereinafter "MALAN"), on the other. The persons to this Agreement may sometimes be referred to collectively as the "Parties" or separately as "Party". This Agreement is entered into with reference to the recitals set forth in the Article titled "Recitals" below and constitutes (i) a settlement agreement between the Parties and (ii) a mutual release of all liabilities of the Parties arising out of the matters described below and except as expressly otherwise noted herein.

**ARTICLE I.
RECITALS**

This Agreement is entered into with reference to the following facts:

1.1 RAZUKI and MALAN have engaged in several business transactions, dealings, agreements (oral and written), promises, loans, payments, related to the acquisition of real property and interests in various medical marijuana businesses. Specifically, RAZUKI and MALAN have each invested certain sums of capital for the acquisition of the following assets (collectively hereinafter referred to as the "Partnership Assets"):

(a) MALAN'S one hundred percent (100%) membership interest in SAN DIEGO UNITED HOLDING GROUP LLC, a California Limited Liability Company, and record owner of the following properties:

- i. The real property commonly known as 8859 BALBOA AVE., STE. A, SAN DIEGO, CA 92123.
- ii. The real property commonly known as 8859 BALBOA AVE., STE. B, SAN DIEGO, CA 92123.
- iii. The real property commonly known as 8859 BALBOA AVE., STE. C, SAN DIEGO, CA 92123.
- iv. The real property commonly known as 8859 BALBOA AVE., STE. D, SAN DIEGO, CA 92123.
- v. The real property commonly known as 8859 BALBOA AVE., STE. E, SAN DIEGO, CA 92123.
- vi. The real property commonly known as 8861 BALBOA, STE. B, SAN DIEGO, CA 92123.
- vii. The real property commonly known as 8863 BALBOA, STE. E,

SAN DIEGO, CA 92123.

(b) One hundred percent (100%) membership interest in FLIP MANAGEMENT LLC, a California Limited Liability Company.

(c) MALAN'S fifty percent (50%) membership interest in MIRA ESTE PROPERTIES LLC, a California Limited Liability Company, and record owner of the real property commonly known as 9212 MIRA ESTE CT., SAN DIEGO, CA 92126.

(d) MALAN'S Fifty percent (50%) membership interest in ROSELLE PROPERTIES, LLC, a California Limited Liability Company, and record owner of the real property commonly known as 10685 ROSELLE ST., SAN DIEGO, CA 92121.

(e) RAZUKI'S twenty percent (20%) membership interest in SUNRISE PROPERTY INVESTMENTS, LLC, a California Limited Liability Company, the record owner of the real property located 3385 SUNRISE STREET, SAN DIEGO, CA 92012.

(f) RAZUKI'S twenty seven percent (27%) membership interest in SUPER 5 CONSULTING GROUP, LLC, a California Limited Liability Company, which is the operator of a medical marijuana dispensary located at 3385 SUNRISE STREET, SAN DIEGO, CA 92012.

1.2 RAZUKI and MALAN have an understanding such that regardless of which Party or entity holds title and ownership to the Partnership Assets, RAZUKI is entitled to a seventy-five percent (75%) interest in the capital, profits, and losses of each Partnership Asset and MALAN is entitled to a twenty five percent (25%) interest, and no Party is entitled to receive any profits whatsoever until, and unless the Parties have first been repaid their investment in full (hereinafter referred to as the "Partnership Agreement").

1.3 RAZUKI and MALAN have now formed RM PROPERTY HOLDINGS, LLC, a California Limited Liability Company (the "Company"), whereby RAZUKI and MALAN have agreed to transfer title to the Partnership Assets to the Company, and forever resolve any and all matters, claims or controversies that each Party may have against each other related to the Partnership Agreement as stated in this Agreement.

1.4 RAZUKI and MALAN have not recouped their financial investments in the Partnership Assets.

1.5 The Parties consider it to be in their best interests, in light of the cost of litigation, and to their best advantage, to forever dismiss, settle, adjust and compromise all claims and defenses which have been, or could have been asserted relative to their Partnership Agreement.

1.6 All claims are denied and contested, and nothing contained herein should be construed as an admission by any Party hereto of any liability of any kind to any other Party hereto or to any other person.

1.7 The Parties now wish to settle the dispute between them and forever release,

AGREEMENT OF COMPROMISE, SETTLEMENT, AND MUTUAL GENERAL RELEASE

Page 2 of 8

discharge, and terminate any and all liabilities arising out of, or existing or emanating from their Partnership Agreement, including all demands and causes of action, whether state, federal, or administrative, and whether actually raised or could have been raised by way of complaint, supplemental complaint, or cross-complaint except as expressly otherwise set forth within this Agreement. In order to effectuate this release, the Parties hereto enter into this Agreement.

NOW THEREFORE, in consideration of the mutual promises and covenants, and upon the conditions contained herein, and for other good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged, the Parties agree as follows:

ARTICLE II TERMS OF SETTLEMENT

2.1 Transfer of Partnership Assets to the Company. The Parties shall use their best efforts to effectuate the transfer of the Partnership Assets to the Company within thirty (30) days, and shall execute any and all further documents as may be necessary to carry out the same.

2.2 Financial Accounting. The Parties agree to work in good faith to calculate each of their respective cash investment amounts in the Partnership Assets within thirty (30) days and shall execute an amendment or exhibit to this Agreement to memorialize the same. Once executed, the exhibit or amendment shall be incorporated and become a part of this Agreement as though set forth originally (the "Accounting"). For avoidance of doubt, the amount agreed to in the Accounting shall be the amount of cash capital investment that must be first repaid to the Parties by the Company before either Party receives any profits therein (each referred to as the "Partners' Cash Investment").

2.3 The Company's Operating Agreement. The Parties hereby reaffirm and acknowledge the terms of the Operating Agreement provide for repayment of the Partners' Cash Investment prior to any distribution of profits and losses. The Parties further reaffirm that once the Partners' Cash Contribution has been repaid by the Company, then RAZUKI shall receive seventy five percent (75%) of the profits and losses of the Company and MALAN shall receive twenty five percent (25%), all as set forth under the terms of the Operating Agreement. It is the Parties' intention that once the Partnership Assets have been transferred to the Company and the Accounting has been agreed upon, then all other business matters shall be governed and controlled by the terms of the Operating Agreement and the Parties shall thereafter be released from all further liability to each other arising under their Partnership Agreement as set forth below.

ARTICLE III MUTUAL GENERAL RELEASE OF ALL CLAIMS

3.1 General Release. In consideration of the terms and provisions of this Agreement, the Parties hereto, on behalf of themselves, successors, and assigns, hereby forever relieve, release, and discharge each other, and their respective successors and assigns, and all of their respective present and former attorneys, accountants, agents, employees, representatives,

AGREEMENT OF COMPROMISE, SETTLEMENT, AND MUTUAL GENERAL RELEASE

Page 3 of 8

administrators, insurers, partners, directors, officers, shareholders, and heirs of and from any and all claims, debts, liabilities, demands, obligations, promises, acts, agreements, costs, and expenses, including but not limited to attorney's fees, damages, actions, and causes of action of whatsoever kind or nature, specifically including those related to in any way, directly or indirectly, to any alleged past, present, or future claims for violations of any state, federal, or administrative code or statute, or any type of tort or conversion, or indemnification, contribution, or declaratory relief based on any type of allocation of fault, whether now known or unknown, suspected or unsuspected, based on, arising out of, or in connection with anything whatsoever done, omitted, or suffered to be done at any time, relating to, or in any matter connected with, directly or indirectly, the matters, facts or claims related to their Partnership Agreement as set forth in the Article of this Agreement titled "Recitals". This Agreement shall not be interpreted to bar any claims for the enforcement of the provisions of this Agreement or any provision of the Company's Operating Agreement. Furthermore, this release and settlement shall only be effective upon (i) the transfer to the Company of the Partnership Assets pursuant to section 2.1 above, and (ii) execution of an amendment or exhibit related to the Accounting. Thereafter, the Parties shall forever be barred from bringing any claims related to the Partnership Agreement as set forth herein, and all claims or controversies shall be governed by the terms of the Company's Operating Agreement.

3.2 Waiver under Section 1542 of the California Civil Code. The Parties hereto expressly waive any and all rights under Section 1542 of the Civil Code of the State of California, which provides as follows:

"A general release does not extend to claims which the creditor does not know or suspect to exist in his or her favor at the time of executing the release, which if known by him or her must have materially affected his or her settlement with the debtor."

In connection with such waiver and relinquishment, the Parties acknowledge that it may hereafter discover claims presently unknown or unsuspected, or facts in addition to or different from those which it now knows or believes to be true. Nevertheless, it is the intention of the Parties, through this Agreement, and with the advice of counsel, if any, to fully, finally, and forever settle this dispute. Pursuant to that intention, the Parties expressly consent that this release shall have the same full force and effect as to unknown and unsuspected claims, demands, and causes of action, if any, as to those terms and provisions relating to claims, demands, and causes of action hereinabove specified.

3.3 Representations and Warranties. The Parties hereby represent and warrant to, and agree with each other as follows:

(a) The Parties hereto, and each of them, represent and declare that in executing this Agreement they have relied solely upon their own judgment, belief and knowledge, and the advice and recommendations of their own independently selected counsel, if any, 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.

(b) Except as expressly stated in this Agreement, neither of the Parties have made any statements or representations regarding any fact relied upon in entering into this Agreement, and the Parties specifically do not rely on any statements, representations, or promises in executing this Agreement, or in making the settlement provided for herein, except as expressly stated in this Agreement;

(c) The Parties, and their attorneys, if desired, have made such investigation of the facts pertaining to this Agreement and all of the matters pertaining thereto, as they deem necessary;

(d) The terms of this Agreement are contractual, not a mere recital, and are the result of negotiations between the Parties;

(e) The Recitals to this Agreement are expressly made a part hereof;

(f) This Agreement has been carefully read by the Parties hereto, and if they choose, by their attorneys; it is signed freely by each person executing this Agreement and each person executing this Agreement is empowered to do so.

(g) In entering into this Agreement, the Parties recognize that no facts or representations are absolutely certain. The Parties acknowledge that they are aware that they may, after execution of this Agreement, discover facts different from or in addition to those they now know or believe to be true with respect to the liabilities, actions or causes of action to be released. Accordingly, the Parties each assume their own risk of any incomplete disclosure or mistake. If the Parties, or each of them, should subsequently discover that any fact it relied upon in entering into this Agreement was untrue, or that any understanding of the facts or of the law was incorrect, such party shall not be entitled to set aside this Agreement by reason thereof. This Agreement is intended to be final and binding between the Parties hereto, and is further intended to be effective as a final accord and satisfaction between the Parties. The Parties are relying on the finality of this Agreement as a material factor inducing the Parties' execution of this Agreement.

(h) The consideration specified herein is given for the purpose of (i) settling and compromising all claims and disputes which have arisen between the Parties, and (ii) releasing the Parties by operation of this Agreement from any an all claims and liabilities, past, present, and future, that have or may arise out of the matters described in the Article titled "Recitals". Neither the payment nor tender of consideration, nor anything herein, shall be construed as an admission by any of the Parties, their agents, servants or employees, of any liability of any kind to the other.

(i) The Parties represent and warrant that they have not heretofore transferred or assigned or purported to transfer or assign to any person, firm, or corporation any claim, demand, damage, debt, liability, account, action or cause of action herein to be released.

(j) The Parties acknowledge the adequacy of the consideration given for the release

AGREEMENT OF COMPROMISE, SETTLEMENT, AND MUTUAL GENERAL RELEASE

Page 5 of 8

of all Parties in this Agreement and understands that irrespective of whether the consideration is expressly described herein, adequate consideration exists for the release of all Parties under this Agreement.

3.4 Non-Disparagement. The Parties further agrees not to make any statement or take any action, directly or indirectly, that harms, or could harm, the other Party's business interests, reputation or good will, including any statements that may be made to any past, current, or prospective employees, vendors, or any other third parties whatsoever. Accordingly, the Parties shall not make any statements, written or oral, which disparage the other; however, this provision shall not prevent the any Party from truthfully responding to any inquiry required by law or pursuant to a court order.

ARTICLE IV GENERAL PROVISIONS

4.1 Integration. This Agreement constitutes a single, integrated, written contract expressing the entire Agreement of the Parties hereto relative to the subject matter hereof. No covenants, agreements, representations, or warranties of any kind whatsoever have been made by any Party hereto, except as specifically set forth in this Agreement. All prior discussions and negotiations, if any, are superseded by this Agreement.

4.2 No Construction Against Drafter. Each party to this Agreement and its legal counsel have reviewed and revised this Agreement. The rule of construction that any ambiguities are to be resolved against the drafting party shall not be employed in the interpretation of this Agreement or of any amendments or exhibits to this Agreement. This Agreement shall not be deemed prepared or drafted by one party or another, or its attorneys, and will be construed accordingly.

4.3 Modification. No modification, waiver, amendment, discharge, or any change of this Agreement shall be valid unless the same is in writing and signed by the party against which the enforcement of such modification, waiver, amendment, discharge, or change is or may be sought.

4.4 Heirs, Successors, and Assigns. This Agreement shall inure to the benefit of, and shall be binding upon, the heirs, successors, and assigns of the Parties hereto, and each of them.

4.5 Severability. In the event that any term, covenant, condition, or provision of this Agreement should be held to be void, voidable, or unenforceable, the remaining portions hereof shall remain in full force and effect.

4.6 Governing Law. This Agreement shall be construed in accordance with, and be governed by the laws of California.

4.7 Venue and Jurisdiction. In the event that any action, suit, or other proceeding arising from this Agreement is instituted, the parties agree that venue for such action shall be in San Diego County, and that personal jurisdiction and subject matter jurisdiction shall be

exercised by the Superior Court of the State of California, in and for the County of San Diego, Central Division.

4.8 Execution in Counterparts. This Agreement may be executed and delivered in two or more counterparts, each of which, when so executed and delivered, shall be an original, but such counterparts shall together constitute but one and the same Agreement. This Agreement shall be deemed to be executed on the last date any such counterpart is executed.

4.9 Facsimile Signatures. This Agreement may be executed and a copy of such executed Agreement transmitted by facsimile, which when received can be used as an original of the Agreement for all purposes.

4.10 Costs and Attorney's Fees. The Parties hereto agree to bear his or its own costs and attorney's fees, and each party hereby waives any statute, rule of court, or other law, awarding costs, fees, or expenses relating to any litigation. Said waiver shall be effective with respect to the statutes, rules of court, or other laws or provisions of the United States and/or of each state, including, without limitation, the State of California. However, in the event that any action, suit, or other proceeding is instituted to interpret and/or enforce this Agreement, or arising out of a breach of this Agreement, the prevailing party shall recover all of such party's reasonable attorney's fees and costs incurred in each and every action, suit, or other proceeding, including any and all appeals or petitions therefrom.

4.11 Waiver. Any waiver of a default under this Agreement must be in writing and shall not be a waiver of any other default concerning the same or any other provision of this Agreement. No delay or omission in the exercise of any right or remedy shall impair such right or remedy or be construed as a waiver. Consent to or approval of any act shall not be deemed to waive or render unnecessary consent to or approval of any other or a subsequent act.

4.12 Confidentiality. The terms of this Agreement are confidential. The Parties expressly understand and agree that it shall constitute a breach of this Agreement to disclose or communicate the terms of this settlement or to disseminate this Agreement to any third party (unless required by Court order or operation of law or to the Parties' respective attorneys, accountants or tax advisers).

4.13 Time of Essence. The Parties hereto agree and confirm that time is of the essence for execution, completion, and full performance of the terms and conditions of this agreement.

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IN WITNESS WHEREOF, the Parties hereto have each approved and executed this Agreement on the dates set forth opposite their respective signatures.

Dated: 11/9/17

RAZUKI

By: 
SALAM RAZUKI

Dated: 11/9/17

MALAN

By: 
NINUS MALAN

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

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
11/15/2018 at 12:20:00 PM
Clerk of the Superior Court
By Valeria Contreras, Deputy Clerk

6 Attorneys for Defendants Monarch Management Consulting,
San Diego United Holdings Group, Flip Management,
7 Balboa Ave Cooperative, California Cannabis Group, Devilish Delights, Inc.

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

11 SALAM RAZUKI, an individual,
12 Plaintiff,
13 vs.

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

**DECLARATION OF TAMARA M. LEETHAM
REGARDING NOVEMBER 16, 2018 STATUS
CONFERENCE**

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;

[Imaged File]

Judge: Hon. Eddie C. Sturgeon
Dept: C-67
Date: November 16, 2018
Time: 1:30 p.m.

Complaint filed: July 11, 2018
Trial date: Not set

23 Defendants.

24 AND RELATED CROSS-ACTIONS.
25
26

27 ///

28 ///

1 I, Tamara M. Leetham, declare:

2 1. I am attorney admitted to practice before this Court and all California courts and,
3 along with Gina M. Austin, represent defendants Monarch Management and Consulting, San
4 Diego United Holdings Group, Balboa Ave Cooperative, California Cannabis Group, Flip
5 Management, and Devilish Delights in this matter. I make this declaration for the November 16,
6 2018 status conference for the following defendants, currently enjoined and in receivership: San
7 Diego United Holdings Group, LLC, Balboa Ave Cooperative, California Cannabis Group, and
8 Flip Management. If called as a witness, I would and could competently testify to them.

9 2. As explained in prior briefing, there is a Settlement Agreement between San Diego
10 United Holdings Group, Balboa Ave Cooperative, Ninus Malan, Salam Razuki and Razuki
11 Investments on the one hand, and the Montgomery Field HOA on the other, that controls the
12 Balboa Dispensary and the Balboa Manufacturing Facility's ability to operate within the
13 Montgomery Field HOA.

14 3. The Settlement Agreement obligates San Diego United Holdings Group, Balboa
15 Ave Cooperative, Ninus Malan, Salam Razuki and Razuki Investments to make numerous
16 payments that are a condition to their ability to operate within the Montgomery Field HOA. If the
17 Settlement Agreement payments are not made, the Montgomery Field HOA may elect to bring a
18 motion to permanently revoke the Balboa Dispensary and the Balboa Manufacturing Facility's
19 right to operate.

20 4. On Tuesday November 13, 2018, I received an e-mail from a man named John
21 Peek, the President for the Montgomery Field Homeowners Association Board of Directors. The
22 letter is entitled "Letter of Intent: Breach of Settlement Agreement to Revoke Use Variance."
23 The Letter demands a payment of \$132,957.25 within 5 business days of November 13, 2018 for
24 money owed pursuant to the Settlement Agreement. A true and correct copy of this letter is
25 attached as Exhibit A and incorporated by reference.

26 5. The letter was e-mailed to me as well as Razuki's attorney in the HOA litigation,
27 Douglas Jaffe.

28 6. On November 13, 2018, the same morning I received Mr. Peek's letter, I

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

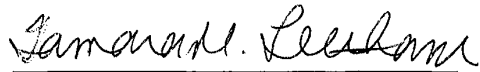
1 forwarded the letter to Mr. Essary and Mr. Griswold and offered any assistance in working with
2 the HOA's attorney.

3 7. On the morning of November 14, 2018, Mr. Essary responded to my e-mail and
4 asked for the HOA attorney's contact information and explained that money is an issue since
5 there are no funds in his receivership account.

6 8. I responded shortly thereafter with the HOA attorney's contact information and
7 again offered to assist.

8 9. On another note, on November 13, 2018, I filed a motion to be relieved as counsel
9 for the entity defendants that my firm represents. Ms. Austin filed one as well. The hearing is set
10 for December 21, 2018. Unfortunately, since the receivership order was entered, my clients have
11 been left with no resources to pay their legal fees and we have been left with no choice but to ask
12 the Court to be relieved as their attorneys.

13 I declare under penalty of perjury under California state law that the foregoing is true and
14 correct. Executed in San Diego, California, on November 14, 2018.

15
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17 Tamara M. Leetham
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EXHIBIT A

5159



November 13, 2018

Letter of Intent: Breach of Settlement Agreement to Revoke Use Variance

To: San Diego United Holdings Group, LLC
From: Montgomery Field Business Condominium Association Board of Directors

San Diego United Holdings Group has been ordered by the court to follow the stipulated requirements of the settlement with the Montgomery Field Condominium Association as is outlined in the "Settlement Agreement" to maintain the use variance within our complex.

We have reminded SDUHG that we do not intend to send out invoices as "reminders" or act as office personnel to ensure that the obligations outlined in the settlement agreement are met.

All owners have access to our management company, Associated Professional Services, to corroborate their account.

The following list is outstanding as of this date and must be paid within 5 business days:

Monthly association dues.....	\$ 5,494.00
Liability Insurance.....	\$ 17,603.25
Emergency Plumbing repairs on main lin.....	\$ 82,347.00
Legal fees.....	\$ 18,513.00
Water and sewer.....	\$ 9,000.00
Total in arrears	\$ 132,957.25

An Executive Board Member Session will convene to vote on action to enforce action in light of this breach of the Settlement Agreement unless all outstanding obligations to the Association are met within 5 business days.

Sincerely,

John Peek
President, BOD of Montgomery Field HOA
8861-A Balboa Avenue
San Diego, CA 92123
C-33 # 479546
858-505-1361 Office
john@peekbrotherspainting.com

Leetham, Tamara

From: Leetham, Tamara
Sent: Wednesday, November 14, 2018 10:41 AM
To: 'calsur@aol.com'; rgriswold@griswoldlawsandiego.com
Cc: Austin, Gina; dwatts@galuppolaw.com; ninusmalan@yahoo.com
Subject: RE: Intent to file for Breach

Hi Mike,

The HOA is represented by Mandy Hexom of Epsten Grinnell and Howell. I can "e-introduce" if you like. If you would like to handle on your own with Red, here is her contact information:

Mandy D. Hexom
Senior Attorney at Law

10200 Willow Creek Road, Suite 100 | San Diego, CA 92131
Phone: 1.858.527.0111 | Fax: 1.858.527.1531 | Direct Dial: (858) 444-9664 | www.epsten.com

I have always found her responsive.

I know money is an issue and I say that with absolutely no finger pointing. My overriding concern is that we can get this figured out right away and I will help in anyway I can.

-Tamara

From: calsur@aol.com [mailto:calsur@aol.com]
Sent: Wednesday, November 14, 2018 10:16 AM
To: Leetham, Tamara; rgriswold@griswoldlawsandiego.com
Cc: Austin, Gina; dwatts@galuppolaw.com; ninusmalan@yahoo.com
Subject: Intent to file for Breach

Thank you for the update Tamara. I'd like to meet or conference with whomever is the point person for the HOA. Can you get me that information or set something up for this week?

Obviously the money is an issue since there are essentially no funds in my account. I would say we need to limit some of our inventory purchases and squeeze other expenses to accumulate monies for at least a partial payment.

Mike

In a message dated 11/13/2018 10:06:41 AM Pacific Standard Time, tamara@austinlegalgroup.com writes:

Good Morning,

Please see attached. This is obviously of the utmost importance - if the HOA moves to revoke the use variance for breach of the settlement agreement, and the motion is granted, Balboa Manufacturing and the dispensary are done. It took several months of litigation and then several additional months to negotiate this agreement and the manufacturing facility and the dispensary operate purely by virtue of the use variance and the monetary compensation outlined therein. I am available to work with either of you in any capacity I can to help avoid the

HOA filing anything with the Court. I have been informed that if the HOA does file a motion, there is no turning back. I am not sure how reliable my "source" is who gave this information to me, so please take it with a grain of salt. Ultimately, I believe and hope that if the HOA is communicated with, there will be a way to work through the current situation with the receivership and the litigation.

Again, please let me know if I can be of assistance.

Thank you,

Tamara

From: Peek, John [mailto:john@peekbrotherspainting.com]
Sent: Tuesday, November 13, 2018 6:27 AM
To: Ninus Malan; douglasjaffe@aol.com; Leetham, Tamara; mhexsom@epalten.com; Daniel Burakowski
Subject: Intent to file for Breach

Attached is a conditional letter of intent to file for breach

Please refer all communications to our attorney Mandy Hexom

Have a Hooray day!

John Peek Peek Brothers Painting 8861-A Balboa Avenue San Diego, CA 92123

C-33 # 479546 619-247-7390 Cell 858-505-1361 Office 858-505-1347 fax

<http://www.peekbrotherspainting.com>

Thank you in advance for your referrals! They have been the lifeblood of our business for 30 years and the greatest compliment you can give us.



✓✓ Sender notified by
Mailtrack ---

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

Attorneys for Defendant Ninus Malan

ELECTRONICALLY FILED
Superior Court of California,
County of San Diego
11/15/2018 at 12:20:00 PM
Clerk of the Superior Court
By Valeria Contreras, Deputy Clerk

10 SUPERIOR COURT OF CALIFORNIA, COUNTY OF SAN DIEGO

11 CENTRAL DIVISION

12 SALAM RAZUKI, an individual,

13 Plaintiff,

14 vs.

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

25 Defendants.

26 AND ALL RELATED CROSS-ACTIONS

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

PROOF OF SERVICE

27 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 November 15, 2018, I served the foregoing document(s) in this action described as:

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1. BRIEFING OF NINUS MALAN, MONARCH, SAN DIEGO UNITED HOLDINGS GROUP, BALBOA AVE COOPERATIVE, DEVILISH DELIGHTS, AND CALIFORNIA CANNABIS GROUP RE: NOVEMBER 16, 2018 STATUS CONFERENCE
2. DECLARATION OF NINUS MALAN, MONARCH, SAN DIEGO UNITED HOLDINGS GROUP, BALBOA AVE COOPERATIVE, DEVILISH DELIGHTS, AND CALIFORNIA CANNIBIS GROUP RE: NOVEMBER 16, 2018 STATUS CONFERENCE
3. DECLARATION OF TAMARA M. LEETHAM REGARDING NOVEMBER 16, 2018 STATUS CONFERENCE

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

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

Charles F. Gorla, Esq.
GORIA, WEBER & JARVIS
1011 Camino del Rio South, Suite 210
San Diego, CA 92108

PROOF OF SERVICE

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Attorneys for Court-Appointed Receiver

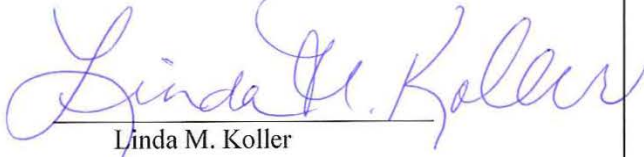
Richardson C. Griswold
GRISWOLD LAW, APC
444 S. Cedros Avenue, Suite 250
Solana Beach, CA 92075
rgriswold@griswoldlawsandiego.com

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

[X] **VIA ELECTRONIC FILING SERVICE:** Complying with Code of Civil Procedure section 1010.6, my electronic business address is lkoller@galuppolaw.com and I caused such 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. 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.

Executed on **November 15, 2018** at Carlsbad, California


Linda M. Koller

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
5 Fax: (760) 431-4579

6 Gina M. Austin (SBN 246833)
E-mail: gaustin@austinlegalgroup.com
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.
25

Case No.: 37-2018-00034229-CU-BC-CTL
Assigned: Hon. Judge Sturgeon
Dept.: C-67
**Notice of Motion and Motion;
Memorandum of Points and Authorities
ISO Ninus Malan, Monarch, San Diego
United Holdings Group, Balboa Ave
Cooperative, Devilish Delights, and
California Cannabis Group's motion for
order setting appellate bond amount**
Date: December 14, 2018
Time: 1:30 p.m.
Judge: Sturgeon
Dept.: C-67

ELECTRONICALLY FILED
Superior Court of California,
County of San Diego
11/15/2018 at 05:59:00 PM
Clerk of the Superior Court
By Richard Day, Deputy Clerk

Notice of Motion and Motion to set Appellate Undertaking

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Notice of Motion and Motion

Defendants Ninus Malan, Monarch, San Diego United Holdings Group, Balboa Ave Cooperative, Devilish Delights, and California Cannabis Group move 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, all papers on file in this action, anything of which the court may take judicial notice, and any evidence presented at or before the hearing.

At the ex parte hearing held November 6, 2018, the court set the date of the hearing and ordered the parties to brief the motion per code. The hearing was set for December 14, 2018 at 1:30 p.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 15, 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. They asked the court in an ex parte application heard
4 November 6th to set the amount of undertaking to stay the court’s order during the appeal. The
5 court declined to set the bond and ordered the Defendants to file a noticed motion. This is that
6 motion.

7 The undertaking must account for the likely damage the respondent – Plaintiff Salam
8 Razuki – would incur if the receiver is removed during the appeal. Among the factors to
9 consider are the appellants’ net worth, the harm the respondent would incur if the receiver is
10 removed, and the respondent’s likelihood of success on the merits of his claim.

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

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

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

But more importantly, Plaintiff does not claim to have an ownership interest in any of
the companies in receivership. He claims only a partial interest in the profits *and losses* of RM

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

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

18 Finally, the Plaintiff’s claims fail because they are based on a contract that was illegal¹
19 at the time it was signed, since it sought to divvy up the proceeds from marijuana operations. In
20 2017, contracts dealing with marijuana were void as against public policy. The receivership
21 order, which assumed Plaintiff could succeed on a void contract, was void at its inception.

23 ¹ It is also illegal to try to transfer ownership of a non-profit. “An agreement to perform
24 an act which the party has not power lawfully to perform when required to do so.” Civ.
25 Code, § 3390. In non-profit cooperatives, “No member may transfer a membership or
any right arising therefrom.” Corp. Code §12410(a)(1). Malan does not have the lawful
power to transfer ownership of non-profit mutual benefit cooperatives.

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

8 **Argument**

9 Perfecting an appeal stays enforcement of an order appointing a receiver if “an
10 **undertaking in a sum fixed by the trial court** is given on condition that if the judgment or
11 order is affirmed or the appeal is withdrawn, or dismissed, the appellant will pay all damages
12 which the respondent may sustain by reason of the stay.” Code Civ. Proc., § 917.5. The trial
13 court has a duty to fix the amount of the bond, and failure to fix it upon application by the
14 appellant is reversible error. *Rondos v. Superior Court, Solano County* (1957) 150 Cal.App.2d
15 304, 305 (“It appears that the court refused to fix the stay bond because the application asserted
16 that it was based, among other grounds, on the ground that the plaintiff was not entitled to the
17 appointment of a receiver. ... That refusal amounted to refusal to perform a duty cast upon the
18 respondent court by the law and warrants the issuance of this court's peremptory writ.”).

19 **A. Undertaking to stay order appointing receiver should be nominal because** 20 **appellants are indigent.**

21 “The court may, in its discretion, waive a provision for a bond in an action or
22 proceeding and make such orders as may be appropriate as if the bond were given, if the court
23 determines that the principal is unable to give the bond because the principal is indigent and is
24 unable to obtain sufficient sureties, whether personal or admitted surety insurers. In exercising
25 its discretion the court shall take into consideration all factors it deems relevant, including but
not limited to the character of the action or proceeding, the nature of the beneficiary, whether

1 public or private, and the potential harm to the beneficiary if the provision for the bond is
2 waived.” Code Civ. Proc., § 995.240.

3 The receiver himself will tell the court that the companies in receivership are indigent.
4 In his own ex parte application filed two weeks ago, he asks for permission to take out a
5 \$600,000 loan because Defendants cannot pay their immediate operating expenses while
6 simultaneously bearing the cost of the receiver, receiver’s counsel, and forensic audit. *See*
7 *Decl. Austin, Exhibit D*. Plaintiff Razuki says these companies are more than a million dollars
8 in debt. *See generally, Complaint*. Defendant Malan says the same thing. So does SoCal. The
9 Balboa companies run a deficit every month and have unpaid bills, including their mortgage,
10 loans owed to people who subsidized them earlier this year, and more than \$150,000 in sales
11 taxes that SoCal was supposed to pay while SoCal was managing them. The companies are
12 indigent.

13 Three of the companies will always be indigent because they are legally barred from
14 making a profit. Devilish Delights, Inc., California Cannabis Group, and Balboa Ave
15 Cooperative are not-for-profit mutual benefit corporations who operate for the benefit of their
16 members, and have no stock holders. They do not earn profits, and they have no money to post
17 an undertaking.

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

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

23 This receiver’s job is to “to preserve the property or rights of any party.” Code Civ.
24 Proc. §564(b). The only problem is, the Defendants in receivership are not Plaintiff’s property.
25 Plaintiff claims he will someday have the right to 75 percent of the profits and losses of RM
Property Holdings, a company which is not a plaintiff in this action. It is RM Property
Holdings that has a potential claim to some of the Defendants, not Plaintiff Razuki. Defendants

1 are *not Plaintiff's property* – and Plaintiff's complaint does not allege that they are. If we
2 accept 100 percent of Plaintiff's allegations, he will have the right to share in the losses of RM
3 Property Holdings *after* he performs an accounting of his and Malan's assets, pays money to
4 capitalize RM Property Holdings, and transfers his own shares in Sunrise and Super 5 to RM
5 Property Holdings – *not before*. But even if he emerges victorious, triumphant in his ability to
6 share in the losses of RM Property Holdings, the companies in receivership will not be his
7 property. They will be owned in part by RM Property Holdings.

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

Plaintiff Razuki does not show that he owns any of the Defendants in receivership. He
claims to own part of RM Property Holdings, LLC, a company which is *not* in receivership and

1 which has not asked for a receiver. Plaintiff will suffer no injury if the receiver is vacated
2 because his property is not in receivership, so the undertaking should be nominal.

3 Even if Plaintiff owned the Defendants, removing the receiver would not damage him
4 because there is no evidence the companies are in danger if the receiver is removed. The
5 Balboa dispensary is up and running, albeit at a deficit because of the \$50,000 monthly cost of
6 paying the receiver. There has been no evidence at any time that the operators of the Balboa
7 dispensary are spending money on frivolous things. Defendants have filed multiple
8 declarations showing exactly what they are spending money on. In August, for example,
9 expenses were:

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

18 In September:

19 ATM: \$59,700
20 Vendors: \$52,441.80
21 Advertising (Weed Maps and San Diego Reader): \$24,878.65
22 Management fees to Far West, Hancock, Adam Knopf (a.k.a. payroll):
23 \$62,847.01
24 Security: \$8,323.20
25 Maintenance: \$2,342.62
Total: \$210,533.28

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

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

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

1 The receiver filed a declaration on September 5th authenticating his own billings, paying
2 himself \$17,028 on July 30th, \$812 on August 6th, \$9,651 on August 13th, and \$7,658 on
3 September 1st. He also inexplicably paid \$100 for the premium on the receiver bond on July
4 26th – a fee that was supposed to be paid by Plaintiff Razuki.

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

7 At the ex parte hearing, Plaintiff/Respondent argued that the bond amount should be
8 millions of dollars because that is the price that Plaintiff-in-intervention SoCal was willing to
9 pay for an option to acquire part of the dispensaries. And it is true that in its management
10 contracts, SoCal was given the chance to pay up to \$75,000 for an option to pay another couple
11 million dollars to acquire parts of the dispensaries. But there is no evidence this price was
12 based on anything except SoCal’s pipe dreams about what the companies might one day
13 become. It was not an appraised value; it was set before SoCal took over and started running
14 the companies into the ground. It was set before this litigation started, burdening them with
15 hundreds of thousands of dollars in debt. It was, incidentally, a price SoCal apparently thought
16 was way too high, since SoCal never exercised their options. Not only did they refuse to
17 exercise the options, they did not even spend the \$75,000 to *buy* the options to acquire the
18 Roselle and Mira Este properties. The prices in the management agreement are not evidence of
19 the companies’ worth, let alone the damages Respondent Razuki might theoretically incur if
20 the receiver is removed.

21 If the companies disappeared tomorrow, Respondent Razuki would not suffer any
22 damages at all because the companies are not profitable. According to the transfer agreement
23 with Malan, Razuki is only to a partial interest in the *losses* of RM Property Holdings, LLC.
24 *First Amended Complaint* at ¶1. If we accept everything he says as true, “Razuki would be
25 entitled to seventy-five percent (75%) of the profits & losses of RM Holdings.” *Id.* RM
Property Holdings, *not* Plaintiff, has a potential claim to some of the shares in *some* of the
companies in receivership – but not the non-profits. FAC ¶21. The complaint lists six

Notice of Motion and Motion to set Appellate Undertaking

1 companies Plaintiff wants transferred to RM Property Holdings, omitting the non-profits. *Id.*
2 And since those companies are losing money every day, RM Property Holdings will also lose
3 money if it ever acquires an interest in those companies. Plaintiff, entitled to 75 percent of the
4 *losses* of RM Property Holdings, will suffer no harm if the receiver is gone.

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

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

11 An agreement with an illegal object is unenforceable, and a Plaintiff cannot get a
12 receiver appointed based on an invalid contract. Civ. Code §1668, §1608 (unlawful
13 consideration voids entire contract); *Yoo v. Jho* (2007) 147 Cal.App.4th 1249, 1251. “In
14 determining whether the subject of a given contract violates public policy, courts must rely on
15 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.

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

Notice of Motion and Motion to set Appellate Undertaking

1 The contract is also illegal under state law because it transfers ownership of marijuana
2 dispensaries to RM Property Holdings, a company in which Plaintiff claims an ownership
3 interest, but which is not approved by the Bureau of Cannabis Control. Any “individual who
4 will be participating in the direction, control, or management” of a licensee of the Bureau of
5 Cannabis Control must send detailed information to the Department of Justice. Bus.&Prof
6 Code § 26001(al) (defining “owner”). They must submit fingerprint images, a record of their
7 arrests, proof of their legal right to occupy building, a statement from the landowner showing
8 consent to their operation, proof of a bond, and a list of everyone with a financial interest in the
9 entity applying for a license, among other things. Id. §26051.5 *et. seq.* There is no evidence
10 Razuki has done any of these things, so he and his companies cannot legally cannot operate a
11 dispensary in California.

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

17 Defendant Ninus Malan is one of only two parties to the transfer agreement. None of
18 the other defendants signed the agreement, so Plaintiff cannot succeed on claims against them
19 as a matter of law. **Balboa Ave Cooperative, Devilish Delights, San Diego United, Mira
20 Este, and Flip must be released from receivership because Plaintiff can show no
21 likelihood of success against companies that did not do anything wrong.**

22 Against Malan, Plaintiff’s claims fail because Plaintiff did not satisfy the contract’s
23 conditions precedent before suing on it. “Specific performance cannot be enforced in favor of a
24 party who has not fully and fairly performed all the conditions precedent on his part to the
25 obligation of the other party” (Civ. Code, § 3392), and Plaintiff Razuki has not performed
conditions precedent. Before Malan must transfer anything, Plaintiff must:

1. Transfer Plaintiff’s shares in Super 5 and Sunrise to RM Property Holdings.

Notice of Motion and Motion to set Appellate Undertaking

1 2. Perform an accounting of Plaintiff’s finances and properties and determine how
2 much of them is owned by Malan.

3 3. Capitalize RM Property Holdings.

4 FAC, Ex. A §2.1, 2.2, §2.3, §1.1(e)-(f).

5 Plaintiff did not do any of this.

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

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

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

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

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

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

25 This court originally ordered Razuki to post a \$350,000 bond intended to compensate
26 Defendants for harm they might conceivably suffer during the receivership. As the receiver’s
27 report says, though, the receiver is imposing expenses of more than \$50,000 per month on the

1 Defendants in receivership. The \$350,000 bond will be exhausted in just three more months,
2 assuming the receiver's costs remain the same.

3 According to the multiple declarations of Heidi Rising, Gina Austin, Chris Hakim, and
4 others filed in this action, the receiver's very presence at the facilities has dissuaded potential
5 suppliers from doing business with Defendants. The Mira Este facility, for instance, could have
6 contracts tomorrow with manufacturers, but everyone is staying away as long as the receiver is
7 in place. *Decl. Chris Hakim* (filed Nov. 15, 2018). The costs of these missed opportunities
8 exceed the cost of the receiver himself. Factoring in the lost opportunities to develop the
9 businesses, the \$350,000 bond is already depleted.

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

12 **Conclusion**

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

15 Dated: November 15, 2018



16 Daniel Watts
17 Steven W. Blake
18 **GALUPPO & BLAKE, APLC**
19 Attorneys for Defendant Ninus Malan

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
2792 Gateway Road, Suite 102
Carlsbad, California 92009
Phone: (760) 431-4575
Fax: (760) 431-4579

ELECTRONICALLY FILED
Superior Court of California,
County of San Diego
11/15/2018 at 05:58:00 PM
Clerk of the Superior Court
By Richard Day, Deputy Clerk

6 Attorneys for Defendant Ninus Malan

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
15 California corporation; SAN DIEGO UNITED
16 HOLDING GROUP, LLC, a California limited
17 liability company; MIRA ESTE
18 PROPERTIES, LLC, a California limited
19 liability company; ROSELLE PROPERTIES,
20 LLC, a California limited liability company;
21 and DOES 1-100, inclusive,
22 Defendants.

Case No.: 37-2018-00034229-CU-BC-CTL
Assigned: Hon. Judge Strauss
Dept.: C-75
**Defendants' Request for Judicial Notice ISO
Motion to Set Appellate Undertaking**
Date: December 14, 2018
Time: 1:30 p.m.
Judge: Sturgeon
Dept.: C-67

1 **TO ALL PARTIES AND THEIR ATTORNEYS OF RECORD:**

2 Defendant Ninus Malan requests that the Court take judicial notice of the following
3 documents. Unless otherwise indicated this request is made pursuant to Evidence Code Section
4 452(d) and Section 453:

5 **Exhibit A:** Declaration of Tamara Leetham filed in this action on November 15, 2018.

6 **Exhibit B:** Declaration of Ninus Malan filed in this action on November 15, 2018.


7 **Exhibit C:** Declaration of Gina Austin filed in this action on November 5, 2018 (signed
8 October 24, 2018).

9 **Exhibit D:** Declaration of Ninus Malan filed in this action on November 5, 2018.

10 **Exhibit E:** Declaration of Heidi Rising filed in this action on November 5, 2018 (signed
11 October 24, 2018).

12
13 Dated: November 15, 2018

GALUPPO & BLAKE
A Professional Law Corporation

14
15
16 By: 

17 STEVEN W. BLAKE, ESQ.
18 ANDREW E. HALL, ESQ.
19 DANIEL WATTS, ESQ.
20 Attorneys for Defendant Malan

21
22
23
24
25
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28

EXHIBIT A

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

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 Defendants Monarch Management Consulting,
San Diego United Holdings Group, Flip Management,
7 Balboa Ave Cooperative, California Cannabis Group, Devilish Delights, Inc.

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

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.

24 AND RELATED CROSS-ACTIONS.
25
26

27 ///

28 ///

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

**DECLARATION OF TAMARA M. LEETHAM
REGARDING NOVEMBER 16, 2018 STATUS
CONFERENCE**

[Imaged File]

Judge: Hon. Eddie C. Sturgeon

Dept: C-67

Date: November 16, 2018

Time: 1:30 p.m.

Complaint filed: July 11, 2018

Trial date: Not set

1 I, Tamara M. Leetham, declare:

2 1. I am attorney admitted to practice before this Court and all California courts and,
3 along with Gina M. Austin, represent defendants Monarch Management and Consulting, San
4 Diego United Holdings Group, Balboa Ave Cooperative, California Cannabis Group, Flip
5 Management, and Devilish Delights in this matter. I make this declaration for the November 16,
6 2018 status conference for the following defendants, currently enjoined and in receivership: San
7 Diego United Holdings Group, LLC, Balboa Ave Cooperative, California Cannabis Group, and
8 Flip Management. If called as a witness, I would and could competently testify to them.

9 2. As explained in prior briefing, there is a Settlement Agreement between San Diego
10 United Holdings Group, Balboa Ave Cooperative, Ninus Malan, Salam Razuki and Razuki
11 Investments on the one hand, and the Montgomery Field HOA on the other, that controls the
12 Balboa Dispensary and the Balboa Manufacturing Facility's ability to operate within the
13 Montgomery Field HOA.

14 3. The Settlement Agreement obligates San Diego United Holdings Group, Balboa
15 Ave Cooperative, Ninus Malan, Salam Razuki and Razuki Investments to make numerous
16 payments that are a condition to their ability to operate within the Montgomery Field HOA. If the
17 Settlement Agreement payments are not made, the Montgomery Field HOA may elect to bring a
18 motion to permanently revoke the Balboa Dispensary and the Balboa Manufacturing Facility's
19 right to operate.

20 4. On Tuesday November 13, 2018, I received an e-mail from a man named John
21 Peek, the President for the Montgomery Field Homeowners Association Board of Directors. The
22 letter is entitled "Letter of Intent: Breach of Settlement Agreement to Revoke Use Variance."
23 The Letter demands a payment of \$132,957.25 within 5 business days of November 13, 2018 for
24 money owed pursuant to the Settlement Agreement. A true and correct copy of this letter is
25 attached as Exhibit A and incorporated by reference.

26 5. The letter was e-mailed to me as well as Razuki's attorney in the HOA litigation,
27 Douglas Jaffe.

28 6. On November 13, 2018, the same morning I received Mr. Peek's letter, I

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

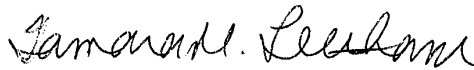
1 forwarded the letter to Mr. Essary and Mr. Griswold and offered any assistance in working with
2 the HOA's attorney.

3 7. On the morning of November 14, 2018, Mr. Essary responded to my e-mail and
4 asked for the HOA attorney's contact information and explained that money is an issue since
5 there are no funds in his receivership account.

6 8. I responded shortly thereafter with the HOA attorney's contact information and
7 again offered to assist.

8 9. On another note, on November 13, 2018, I filed a motion to be relieved as counsel
9 for the entity defendants that my firm represents. Ms. Austin filed one as well. The hearing is set
10 for December 21, 2018. Unfortunately, since the receivership order was entered, my clients have
11 been left with no resources to pay their legal fees and we have been left with no choice but to ask
12 the Court to be relieved as their attorneys.

13 I declare under penalty of perjury under California state law that the foregoing is true and
14 correct. Executed in San Diego, California, on November 14, 2018.

15
16 

17 Tamara M. Leetham
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EXHIBIT A

5186



November 13, 2018

Letter of Intent: Breach of Settlement Agreement to Revoke Use Variance

To: San Diego United Holdings Group, LLC
From: Montgomery Field Business Condominium Association Board of Directors

San Diego United Holdings Group has been ordered by the court to follow the stipulated requirements of the settlement with the Montgomery Field Condominium Association as is outlined in the "Settlement Agreement" to maintain the use variance within our complex.

We have reminded SDUHG that we do not intend to send out invoices as "reminders" or act as office personnel to ensure that the obligations outlined in the settlement agreement are met.

All owners have access to our management company, Associated Professional Services, to corroborate their account.

The following list is outstanding as of this date and must be paid within 5 business days:

Monthly association dues.....	\$ 5,494.00
Liability Insurance.....	\$ 17,603.25
Emergency Plumbing repairs on main lin.....	\$ 82,347.00
Legal fees.....	\$ 18,513.00
Water and sewer.....	\$ 9,000.00
Total in arrears	\$ 132,957.25

An Executive Board Member Session will convene to vote on action to enforce action in light of this breach of the Settlement Agreement unless all outstanding obligations to the Association are met within 5 business days.

Sincerely,

John Peek
President, BOD of Montgomery Field HOA
8861-A Balboa Avenue
San Diego, CA 92123
C-33 # 479546
858-505-1361 Office
john@peekbrotherspainting.com

Leetham, Tamara

From: Leetham, Tamara
Sent: Wednesday, November 14, 2018 10:41 AM
To: 'calsur@aol.com'; rgriswold@griswoldlawsandiego.com
Cc: Austin, Gina; dwatts@galuppolaw.com; ninusmalan@yahoo.com
Subject: RE: Intent to file for Breach

Hi Mike,

The HOA is represented by Mandy Hexom of Epsten Grinnell and Howell. I can "e-introduce" if you like. If you would like to handle on your own with Red, here is her contact information:

Mandy D. Hexom
Senior Attorney at Law

10200 Willow Creek Road, Suite 100 | San Diego, CA 92131
Phone: 1.858.527.0111 | Fax: 1.858.527.1531 | Direct Dial: (858) 444-9664 | www.epsten.com

I have always found her responsive.

I know money is an issue and I say that with absolutely no finger pointing. My overriding concern is that we can get this figured out right away and I will help in anyway I can.

-Tamara

From: calsur@aol.com [mailto:calsur@aol.com]
Sent: Wednesday, November 14, 2018 10:16 AM
To: Leetham, Tamara; rgriswold@griswoldlawsandiego.com
Cc: Austin, Gina; dwatts@galuppolaw.com; ninusmalan@yahoo.com
Subject: Intent to file for Breach

Thank you for the update Tamara. I'd like to meet or conference with whomever is the point person for the HOA. Can you get me that information or set something up for this week?

Obviously the money is an issue since there are essentially no funds in my account. I would say we need to limit some of our inventory purchases and squeeze other expenses to accumulate monies for at least a partial payment.

Mike

In a message dated 11/13/2018 10:06:41 AM Pacific Standard Time, tamara@austinlegalgroup.com writes:

Good Morning,

Please see attached. This is obviously of the utmost importance - if the HOA moves to revoke the use variance for breach of the settlement agreement, and the motion is granted, Balboa Manufacturing and the dispensary are done. It took several months of litigation and then several additional months to negotiate this agreement and the manufacturing facility and the dispensary operate purely by virtue of the use variance and the monetary compensation outlined therein. I am available to work with either of you in any capacity I can to help avoid the

HOA filing anything with the Court. I have been informed that if the HOA does file a motion, there is no turning back. I am not sure how reliable my "source" is who gave this information to me, so please take it with a grain of salt. Ultimately, I believe and hope that if the HOA is communicated with, there will be a way to work through the current situation with the receivership and the litigation.

Again, please let me know if I can be of assistance.

Thank you,

Tamara

From: Peek, John [mailto:john@peekbrotherspainting.com]
Sent: Tuesday, November 13, 2018 6:27 AM
To: Ninus Malan; douglasjaffe@aol.com; Leetham, Tamara; mhexasom@eprten.com; Daniel Burakowski
Subject: Intent to file for Breach

Attached is a conditional letter of intent to file for breach

Please refer all communications to our attorney Mandy Hexom

Have a Hooray day!

John Peek Peek Brothers Painting 8861-A Balboa Avenue San Diego, CA 92123

C-33 # 479546 619-247-7390 Cell 858-505-1361 Office 858-505-1347 fax

<http://www.peekbrotherspainting.com>

Thank you in advance for your referrals! They have been the lifeblood of our business for 30 years and the greatest compliment you can give us.



✓✓ Sender notified by
Mailtrack ---

EXHIBIT B

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
4 3990 Old Town Ave, Ste A-112
San Diego, CA 92110
5 Phone: (619) 924-9600
Facsimile: (619) 881-0045
6

7 Attorneys for Defendants Ninus Malan, San Diego United Holdings Group,
Balboa Ave Cooperative, Flip Management, California Cannabis Group,
8 Monarch Management and Consulting, and Devilish Delights

9 Steven W. Blake, Esq., SBN 235502
Andrew W. Hall, Esq., SBN 257547
10 Daniel Watts, Esq. SBN 277861
GALUPPO & BLAKE
A Professional Law Corporation
11 2792 Gateway Road, Suite 102
Carlsbad, California 92009
12 Phone: (760) 431-4575
Fax: (760) 431-4579
13

14 Attorneys for Defendant Ninus Malan

15 SUPERIOR COURT OF CALIFORNIA, COUNTY OF SAN DIEGO

16 CENTRAL DIVISION

17 SALAM RAZUKI, an individual,

18 Plaintiff,

19 vs.

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

26 Defendants.
27

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

**DECLARATION OF NINUS MALAN Re:
NOVEMBER 16, 2018, STATUS
CONFERENCE**

[Imaged File]

Judge: Hon. Eddie C. Sturgeon
Dept: C-67
Date: November 16, 2018
Time: 1:30 p.m.

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 the custodian of records
5 for each of the companies for which I am an owner or manager, as described in prior
6 declarations filed with the Court in this action.

7 3. The receivership order has done nothing but drive the Marijuana Operations
8 further into insolvency. As of the date of this declaration, the Balboa Dispensary is in extreme
9 danger of losing its ability to operate due to breach of the Settlement Agreement with the
10 Montgomery Field Business Condominiums Association (the "Association"). A true and correct
11 copy of the Settlement Agreement is attached as Exhibit A and incorporated by reference.

12 4. As detailed in Exhibit A, the Association has very specific requirements that must
13 be met in order for the Balboa Dispensary to remain in operation, and certain payments that
14 must be made on a monthly basis. Breach of those requirements allows the Association to
15 revoke the use variance. Without the use variance, the Balboa Dispensary will be forced to shut
16 down immediately and render the property worthless.

17 5. On August 22, 2018, I notified the Receiver, Michael Essary, that a number of
18 Association payments were past due and I believe he is aware of the critical importance of the
19 Association payments and past due invoices but because Balboa does not generate enough
20 money to pay its bills and the receivership expenses, they have gone unpaid. A true and correct
21 copy of my notification is attached as Exhibit B and incorporated by reference.

22 6. On October 2, 2018, I once again informed Mr. Essary about outstanding
23 expenses that needed to be paid as soon as possible. Within those expenses, I detailed several
24 critical Association obligations. Despite recognizing the legitimacy and need for these
25 payments, Mr. Essary stated he had just recently used the receiver funds for "Receiver and Legal
26 fees and the retainer for Brinig accountants" and further, "I am not willing to release
27 [receivership] funds at this time as I would like to have a small reserve for unexpected receiver

1 expenses that may arise.” A true and correct copy of my email correspondence to Mr. Essary is
2 attached as Exhibit C and incorporated by reference.

3 7. Most of the bills that I told Mr. Essary about in the October 2, 2018 email
4 correspondence still remain unpaid. Some of these expenses include: the mortgages on the
5 properties, personal loans to cover business expenses, and insurance for Balboa. The businesses
6 will suffer from nonpayment of these outstanding bills.

7 8. On September 11, 2018, my attorney Tamara Leetham informed Mr. Essary that
8 the Association had requested payment to replace the main sewer line that had collapsed, an
9 obligation contained in the Settlement Agreement. Failure to pay for the sewer line is grounds
10 for revocation of the use variance that permits the Balboa Dispensary to operate, granted by the
11 Settlement Agreement. This payment is still outstanding. A true and correct copy of my email
12 correspondence notifying Mr. Essary of the expense is attached as Exhibit D and incorporated
13 by reference.

14 9. On October 10, 2018, I reminded Mr. Essary once again about the outstanding
15 payments required for the Balboa Mortgages and asked him how we were going to make these
16 payments. Mr. Essary referenced a prior email and said nothing has changed except that he was
17 in “strong disagreement about the accounting and expense approvals for Balboa and Mira Este.”
18 He appeared to be insinuating that there were unresolved accounting issues, despite recognizing
19 that the costs I was seeking for reimbursement were legitimate. I have been subsidizing these
20 businesses for months, and I am concerned that I will ultimately not be reimbursed for the costs
21 of the mortgages, the Association payments, and insurance, just to name a few. A true and
22 correct copy of my email correspondence discussing reimbursement with Mr. Essary is attached
23 as Exhibit E and incorporated by reference.

24 10. On November 13, 2018, the President of the Montgomery Field HOA dispatched
25 a letter of intent to San Diego United Holdings Group, LLC to revoke the Balboa Dispensary’s
26 use variance if the total outstanding amount of \$132,957.25, is not paid within five business
27 days. If the use variance for Balboa is revoked, the business will be irreparably harmed and

1 unable to legally operate in the future. Failure to pay the amount outstanding will effectively
2 destroy the entirety of this business. A true and correct copy of this letter and correspondence is
3 attached to the concurrently filed declaration of my attorney, Tamara Leetham.

4 11. The Receivership is causing harm to the businesses that do not make enough
5 money to sustain themselves. As detailed in the report filed by the Receiver prior to this
6 hearing, the Receivership has already cost the businesses \$98,605.65 in Receiver, Legal, and
7 accounting services alone. A true and correct copy of the Receiver's Second Report is attached
8 to my declaration as Exhibit F and incorporated by reference.

9 12. There is an additional \$56,048.55 in outstanding invoices for Receiver, Legal, and
10 accounting services. Maintaining the status quo of the businesses, and actually paying the
11 businesses critical past due bills, may only be possible in the absence of the Receiver exhausting
12 all of the businesses available resources. (Exhibit F).

13 13. Between the Montgomery Field HOA demand of approximately \$132,000, the
14 outstanding receiver invoices of \$56,048.55, the outstanding state excise taxes of \$173,000
15 (approximate) that SoCal did not pay, the Balboa marijuana operations have a combined
16 indebtedness of approximately **\$361,048.55**. This number does not account for outstanding
17 legal bills for my attorneys, potential fines owed to the City of San Diego related to the MGO
18 Audit, and money owed to Far West Management under the management services agreement as
19 the Court and the Receiver are also not allowing payment to Far West.

20 14. Turning to the forensic accounting, the report submitted by Brian Brinig does not
21 demonstrate that there is any need for the Receiver to remain in place, and the report itself is
22 inadequate. The forensic accountant's statement of cash received and disbursed from both the
23 Balboa and Mira Este Operations are unaudited figures. Unaudited figures are inherently
24 unreliable, which is why an accounting was ordered in the first place- to verify the source of
25 funds. (Exhibit F).

26 15. In addition to being unaudited, the forensic accountant's report is incomplete. The
27 report recognizes that the "other contributions claimed by the parties" must be investigated

1 further. (Exhibit F). The accountant, Brian Brinig, also reserved the right to update the report
2 due to timing constraints and “inadequate substantiation.” (Exhibit F).

3 16. For example, on November 9, 2018, I had a meeting with Mr. Brinig’s colleague,
4 Marilyn Weber, to submit some of my own financial documentation. Ms. Weber said that she
5 could not accept many of the documents until they were organized and listed according to her
6 specifications. For that reason, a great deal of my pertinent financial information is not included
7 in the forensic accountant’s report that is directly relevant to the overall issues in this case e.g.
8 how much money did the parties put in and how should that money be allocated. Until the
9 forensic accountant is satisfied that the report contains all the relevant information, and all
10 necessary investigation has been completed, any findings based upon the report are premature.

11 17. Despite the report being incomplete, some general conclusions are evident. The
12 businesses are clearly insolvent. The cash flow coming into the businesses is already earmarked
13 for current and past due obligations and the debts are only growing. There is no net profit being
14 squandered, let alone any profit to begin with. (Exhibit F).

15 18. Plaintiff Salam Razuki’s claim that he injected five million dollars into the
16 Balboa Dispensary in his August 12, 2018 Supplemental Declaration, was a wildly overstated
17 falsehood. A true and correct copy of Razuki’s supplemental declaration which states a five to
18 six million contribution is attached as Exhibit G, without its voluminous exhibits, and
19 incorporated by reference.

20 19. Mr. Razuki also claims, and the forensic accounting claims to have verified, that
21 Mr. Razuki is attributed with \$50,000 to Balboa based on the Arroyo Hondo sale. Yet, I have the
22 source documentation from the Arroyo Hondo sale, and it clearly depicts that the sale was
23 completed by American Lending and Holdings and seller Ninus Malan, not Mr. Razuki. I do not
24 understand how Mr. Razuki can claim he contributed funds from a sale completed by a company
25 that he does not even own. A true and correct copy of the HUD certificate evidencing the sale is
26 attached as Exhibit H and incorporated by reference.

27

1 20. Plaintiff-in-Intervention SoCal Building Ventures, LLC (“SoCal”) represents that
2 it contributed roughly \$1.55 million dollars to the Balboa Dispensary, and roughly \$500,000
3 dollars to the Mira Este Facility. (Exhibit F). However, SoCal’s “contributions” were
4 contractually obligated payments it was required to make under its Management Services
5 agreement with the respective facilities for the privilege of operating the Balboa Dispensary.
6 Characterizing the cost of doing business, and the cost of required minimum guarantee
7 payments as injections of capital, is deliberately misleading. A true and correct copy of the
8 management services agreement is attached as Exhibit I and incorporated by reference. It is
9 evident from this agreement that SoCal was contractually obligated to make these payments and
10 they were not meant for any other purpose.

11 21. Additionally, the financials that SoCal provided to the forensic accountant do not
12 match the financials that SoCal previously relied on in these proceedings.

13 22. On or about August of 2018, I was contacted by one of SoCal’s creditors who
14 loaned a substantial amount of money to its business. This creditor questioned me about an
15 accounting that SoCal’s Managing Member, Jim Townsend, provided the court in his August
16 11, 2018 declaration, demonstrating what money SoCal had allegedly spent at the Balboa and
17 Mira Este Facilities. That accounting, and the numbers that were apparently provided to Mr.
18 Brinig, cannot be reconciled; they do not match. In fact they appear to be almost the inverse of
19 what was previously represented. A true and correct copy of Mr. Townsend’s declaration with
20 the contradictory numbers is attached as Exhibit J and incorporated by reference.

21 23. Mr. Brinig’s accounting demonstrates that SoCal’s “contributions” to Balboa
22 totaled \$1,555,892.34 and an additional \$534,682.50 to Mira Este after accounting for the cost
23 of the equipment returned to SoCal of \$397,056.00. (Exhibit F).

24 24. Conversely, Mr. Townsend’s financial records provided to the Court demonstrate
25 “contributions” to Balboa of \$936,245.00 and an additional \$1,795,566.03 to Mira Este; thus
26 bringing the Mira Este total to \$1,398,510.03 by accounting for the cost of the equipment
27 returned to SoCal. Leaving aside for the moment the fact that *even these numbers do not*

1 **match**, the closest possible reconciliation of the inconsistent accounts could only be achieved by
2 attributing the contributions to the other facility. (Exhibit J).

3 25. Further, even at the time that I went over the financials with SoCal's creditor,
4 there were a number of inconsistencies regarding payments that SoCal claims it made, which
5 were never in fact paid out, according to the business's financial records at the time. SoCal has
6 at best kept highly unreliable records of its finances, and at worst, falsely represented the status
7 of its accounts. Either way, SoCal's financial accounts are not credible.

8 26. Even if SoCal's financial accounts could be relied upon, it still would not matter.
9 The only payments they made to the businesses were payments they were contractually
10 obligated to pay under their management agreement. Further, SoCal did not exercise its options
11 to purchase either of the businesses and in fact, never even paid to keep an option open on the
12 Mira Este facility at all. SoCal was fired for breaching their management agreements and have
13 allowed their only option to expire; SoCal has no stake in these businesses.

14 27. The costs defendants are being forced to incur by the receivership, coupled with
15 the outstanding debt that has not been paid, is on the brink of forcing the Balboa Dispensary to
16 close, and at this juncture has deprived me of the counsel of my choosing. As it stands I am
17 currently owed significant sums for personal loans that I used to float the business expenses
18 when they were not being paid by the Receiver.

19 28. Defendants continue to incur the entire cost of the receivership and it is simply
20 unsustainable. If the Receiver is to remain in place at all, the costs must be allocated to Plaintiff
21 and Plaintiff's-in-Intervention.

22 29. Lastly, the accounting should not be relied upon as it is incomplete and
23 contradictory. I have financial information that was omitted from the report, information which
24 is critical to the accounting. It is extremely prejudicial to me and the entity defendants to make
25 rulings on financial reports that do not comprehensively and completely detail the information.

26 30. My cross-complaint details a much larger picture between Razuki and me; it
27 extends well beyond the dispensary operations which should be included and considered. In

1 addition, and significantly, the forensic accounting does not include any information on Sunrise
2 and Super 5, both of which are critical to making any determination on the claims. Razuki
3 claims these entities are part of the purported business venture we have yet there is ZERO
4 MENTION of anything related to these entities in the accounting.

5 31. Even more troubling is that fact that this Court ordered Sunrise to be part of this
6 accounting at the September 27, 2018 hearing; that order was entered on October 25, 2018. Yet,
7 nothing has ever come of it. A true and correct copy of the Order requiring Sunrise to be part of
8 the accounting is attached as Exhibit K and incorporated by reference.

9 32. Not only that, but the transfer agreement which Mr. Razuki claims to be
10 enforcing, was rescinded in early 2018. Mr. Razuki does not actually claim to own any part of
11 the businesses that are currently in the receivership, he claims that he has a right to share in their
12 profits and losses through the transfer agreement to capitalize RM Property Holdings. A true and
13 correct copy of the transfer agreement is attached to my declaration as Exhibit L and
14 incorporated by reference.

15 33. There are several problems with Razuki's claims. First, no one ever capitalized
16 RM Holdings. Mr. Razuki never transferred the shares of Super 5 and Sunrise as he was
17 required to do. Mr. Razuki also never performed an accounting as he was required to do.

18 34. Second, I was never even given the opportunity to look over the agreement with
19 my attorney before I signed it. Instead, Rick Al-Jabi, Mr. Razuki's lawyer, pressured me to sign
20 it while I was sitting in his office with Mr. Razuki, even though he knew I was represented by
21 Austin Legal Group at the time.

22 35. Third, even if RM Property Holdings actually held shares in San Diego United, or
23 any of these other business entities, it would be operating at a net loss. All of the businesses in
24 the receivership are currently insolvent and becoming more indebted every day, or are not for
25 profit entities, and legitimately will not ever make a profit.

1 36. I have been doing everything in my power to keep these businesses open and
2 running. The financial burden of floating these operations has taken a severe personal toll on me
3 and I am afraid of losing everything I have worked so hard for.

4 37. I do not intend to sell these businesses, instead I am holding out in the hopes that
5 I can somehow turn this around. The receivership is endangering my livelihood.

6 I declare under penalty of perjury under California state law that the foregoing is true and
7 correct. Executed in San Diego, California on November 15, 2018.

8
9 *Ninus Malan*

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11 Ninus Malan
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EXHIBIT A

5201

SETTLEMENT AGREEMENT

This Settlement Agreement (“Agreement”) is entered into by and between Montgomery Field Business Condominiums Association (“Association”), Balboa Ave Cooperative (“Balboa”), San Diego United Holdings Group, LLC (“SDUHG”), Ninus Malan (“Malan”), Razuki Investments, LLC (“Razuki LLC”), and Salam Razuki (“Razuki”). The Association, Balboa, SDUHG, Malan, Razuki LLC and Razuki are sometimes referred to in this Agreement individually as a “Party” or collectively as the “Parties.” The Parties agree as follows:

1. Recitals. This Agreement is made with reference to the following recitals:

1.1 The Association is a California mutual benefit corporation that was organized on or about June 19, 1981 pursuant to its Articles of Incorporation, dated May 27, 1981 filed with the California Secretary of State. The Association was organized and operates as a Commercial or Industrial Common Interest Development as defined by Civil Code section 6531. The Association is also a “Condominium Project” as defined by Civil Code section 6542. The Association consists of certain commercial real property, including 62 office and industrial units, located within the City of San Diego, State of California (“Units”).

1.2 The Units are subject to the Association’s governing documents (as that term is defined in Civil Code section 6552), including, but not limited to, the Declaration of Covenants, Conditions and Restrictions for Montgomery Field Business Condominiums (“CC&Rs”) recorded on July 31, 1981, as Document Number 1981-242889, in the official records of the San Diego County Recorder, as amended from time to time. The Units are also subject to a valid and enforceable 2015 Amendment to Declaration of Covenants, Conditions and Restrictions for Montgomery Field Business Condominiums Association, dated February 26, 2015, recorded on March 2, 2015 as Document Number 2015-0093872 (“2015 Amendment”). A true and correct copy of the 2015 Amendment is attached to this Agreement as Exhibit “1” and is incorporated herein by reference. The 2015 Amendment was adopted by the Association pursuant to a valid vote of the Members of the Association (as defined in Section 16 of the CC&Rs), which took place in January and February 2015. In summary, the 2015 Amendment generally prohibits marijuana activities within the Association including the Units. In the 2015 Amendment, “Marijuana Activities” are defined as the “consumption, cultivation, manufacture, processing, possession, sale and/or distribution of marijuana and/or cannabis-related or cannabis-containing products and/or the operation of a medical marijuana collective, a medical marijuana cooperative, a medical marijuana dispensary, or a marijuana business for the sale of any marijuana product.”

1.3 On March 20, 2017, upon the recording of a Grant Deed, dated March 2, 2017 (recorded in the Official Records of the San Diego County Recorder), SDUHG became the record owner of two units within the Association located at 8863 Balboa Ave #E and 8861 Balboa Ave #B (the “SDUHG Units”). The SDUHG Units were transferred from Razuki LLC to SDUHG pursuant to this Grant Deed. In addition, Razuki LLC obtained a Deed of Trust with Assignment of Rents, which was recorded against the SDUHG Units on March 20, 2017 as Document Number 2017-0126557 recorded in the Official Records of the San Diego County Recorder. Malan is the managing member of SDUHG and Razuki is the principal member of Razuki LLC.

1.4 In or about April 2017, pursuant to Conditional Use Permit No. 1296130 8863 Balboa Ste E MMCC – Project No. 368347 (“CUP”), granted by City of San Diego Planning Commission, which is attached as Exhibit “2” and incorporated by reference, the Defendants, either individually or jointly, began some Marijuana Activities within the SDUHG Units.

1.5 On May 26, 2017, the Association commenced a civil enforcement action against the Defendants in San Diego County Superior Court, case number 37-2017-00019384-CU-CO-CTL (“Action”) to enforce the CC&Rs and the 2015 Amendment against the Defendants related to the Marijuana Activities occurring at the SDUHG Units. In the Action, Defendants raised numerous defenses to the validity or enforceability of the 2015 Amendment.

1.6 On September 8, 2017, the Court granted the Association a Preliminary Injunction, which was later modified. The Parties have posted several civil bonds in this Action related to the Preliminary Injunction and other ex parte applications filed in this Action (“Bonds”). Upon execution of this Agreement and the Stipulation, and upon the filing of a Notice of Settlement as set forth in Section 2.18, the Parties shall cooperate in obtaining the release of any bonds as part of this Agreement, if necessary.

1.7 On December 21, 2017, a Posted Notice of Application from the City of San Diego Development Services Department states that SDUHG applied for a Conditional Use Permit for a Marijuana Production Facility to operate within 8859 Balboa Ave, Suites A-E, located within the Association (“Proposed Production Facility”).

1.8 From May 26, 2017 through the present date, the Association has incurred \$127,924 in attorney’s fees and \$14,648.52 in costs in this Action as a result of (i) preparing, filing and serving the Complaint in this Action; (ii) approximately a dozen court hearings resulting or related to various ex parte applications filed by the parties and the preliminary injunction motion; (iii) a deposition; (iv) written discovery; and (v) other related litigation activities. The Association has limited funds, leaving it unable to pay its attorneys’ fees related to this Action in full unless it imposes one or more special assessments to Association’s Unit owners. In the Action, Defendants raised numerous defenses to the validity or enforceability of the 2015 Amendment.

1.9 As set forth in this Agreement, the Parties wish to forever settle, waive, and release any and all allegations, causes of action and claims, whether known or unknown, arising from or related to the Action by or between the Parties other than those claims specifically excluded from the releases herein.

2. Agreement.

In consideration of the recitals, terms, promises, conditions, and mutual covenants contained herein, the Parties agree as follows:

2.1 Settlement Payment. Defendant Malan shall pay the Association \$142,572 (One Hundred Forty-Two Thousand, Five Hundred Seventy-Two Dollars) for its attorneys' fees and costs incurred by the Association in the Action (the "Settlement Payment"). The Settlement Payment shall be paid by certified check, money order, or wire transfer made payable to the "Epsten Grinnell & Howell Client Trust Account" and delivered to the attention of Mandy D. Hexom, Epsten Grinnell & Howell, APC, 10200 Willow Creek Drive, Suite 100, San Diego, California 92131. The Settlement Payment shall be paid in the following manner:

2.1.1. By March 1, 2018, Defendant Malan shall pay the Association \$50,000 ("First Installment") to be applied exclusively toward the Settlement Payment; and

2.1.2. The remainder of the Settlement Payment, or \$92,572 (Ninety-Two Thousand, Five Hundred Seventy-Two Dollars), shall be paid in 15 monthly installments in the amount of \$6,171.47. The first \$6,171.47 installment payment shall be made on or before April 1, 2018 and continuing on the first day of each successive month until the remainder of the Settlement Payment is paid ("Remaining Monthly Installments").

2.2 Use Variance. In exchange for the Settlement Sum and for other valuable consideration as set forth herein, the Association shall permit Defendants to conduct Marijuana Activities and have armed guards as permitted by State and local law including the applicable governmental authorities from the City of San Diego. The Marijuana Activities may only occur within the SDUHG Units and/or the Proposed Production Facility as allowed by state and local law ("Use Variance"). The Use Variance shall be applicable to and run with Defendants only. The Use Variance shall be immediately and automatically revoked upon sale or transfer of the SDUHG Units or the Proposed Production Facility. However, the Board of Directors of the Association may approve a transfer of the Use Variance or approve a new Use Variance to another person or entity ("Transferee") for the SDUHG Units, but such transfer will require a new written agreement between the Association and any Transferee under the same terms and conditions of this Agreement including compliance with Sections 2.2, 2.3, 2.4, 2.5, 2.6, 2.7, 2.8, 2.9, 2.10, and 2.11 herein (unless performance is complete as to those specific provisions) and any other conditions that the Board deems necessary. Furthermore, an agreed transfer of the Use Variance to a Transferee will not waive or dispose of any other obligations imposed on Defendants pursuant to this Agreement that may be due or performed prior to any transfer.

2.2.1 The Parties agree that the 2015 Amendment is valid and enforceable. However, the Association agrees to provide the Use Variance for Marijuana Activities and armed guards even if such activities violate the 2015 Amendment. The Use Variance does not act as a waiver of the Association's ability to enforce its governing documents against any Unit owner within the Association including but not limited to any Party to this Agreement.

2.2.2 The Use Variance shall be in effect as long as Defendants are in compliance with this Agreement, the Stipulation, any applicable Conditional Use Permit, and state and local laws pertaining to Marijuana Activities. In the event of a dispute between the Parties related to the Use Variance, the Parties agree that such dispute shall be made pursuant to an application or motion (with at least 16 court days prior notice) to enforce this Agreement

which allows the non-moving party the opportunity to file an opposition. If the Association prevails on such a motion or application, Judgment shall be entered and the Use Variance will be deemed revoked.

2.2.3 Nothing in this Agreement shall constitute a waiver by any Unit owner from opposing any applications related to any Marijuana Activities within the Association. However, the Association, including the Board of Directors, agrees not to oppose any such applications by the Defendants for any Marijuana Activities that may be allowed pursuant to the terms of this Agreement.

2.2.4 Should any Defendants or their Transferee(s), their/his/its agents or representatives serve on the Board of Directors of the Association, they/he/she/it shall not participate in any decisions on behalf of the Board, the Association, or a Committee of the Board, that relate to the Use Variance, this Agreement, or the Stipulation.

2.3 Payment of Insurance. The Association currently has a package policy of insurance with Farmers. A true and correct copy of the Certificate of Insurance and Memo to Mortgage Processors is attached herewith as Exhibit 3 ("Insurance Policy"). The Association currently has the following deductibles: (i) \$0.00 for Commercial General Liability Deductible; (ii) \$500 for Directors and Officers (D&O) Deductible; (iii) \$2,500 Property Deductible; (iv) \$2,500 Crime Deductible (Money/Fidelity); and (v) \$2,500 Cyber Liability Deductible (collectively "Association Deductibles" or individually "Association Deductible"). The current annual premium for the Association's Insurance Policy is \$14,000 ("Premium"). Defendants agree to the following insurance obligations:

2.3.1 Should the Association's Insurance Policy be cancelled or not renewed because of or related to, in whole or in part, Defendants' Marijuana Activities or armed guards, the Association or its authorized insurance agents and/or brokers, at its sole and exclusive authority and right, may procure or obtain an alternative insurance policy or policies for the Association. Defendants shall not interfere with the Association obtaining any insurance proposal, quotes or policies.

2.3.2 Should the Association be required, at any time in the future, to pay or deduct any deductibles, as required by any Association insurance policies in effect, in an amount for any and all claims involving the Marijuana Activities and/or armed guards permitted pursuant to the Use Variance, Defendants shall pay or reimburse any such deductible amount within 30 days of receipt of a written demand by the Association, which shall include verification by the insurer or an agent of the insurer of such required deductible by written letter, email or notice to the Association or its agent.

2.3.3 Beginning May 1, 2018 and during the time that Defendants conduct Marijuana Activities or have armed guards within the Association, Defendants shall pay the Association's insurance premiums. The Association agrees to send a demand for payment which shall include a copy of the invoice or notice of the required premium for the Association insurance policies ("Insurance Notice"). Defendants agree to pay the Association premium within 30 days of receipt of such Insurance Notice.

2.4 Payment of Association Water and Sewer Costs. Beginning on March 1, 2018, Defendants shall reimburse the Association any and all water and sewer costs above \$500.00 per billing period, which is every two months. The Association agrees to send a demand for payment to Defendants for reimbursement of these water and sewer costs, which shall include a copy of the invoice or bill (“Water Bill Notice”). Defendants agree to pay the Association’s water costs above \$500.00 within 15 days of receipt of the Water Bill Notice.

2.5 Payment of Common Area Asphalt Costs. Beginning no earlier than September 1, 2018 and every five years thereafter, as long as this Agreement is in effect, Defendants shall pay or reimburse the costs for asphalt repairs, re-sealing, restriping, and restenciling of the common area parking stalls or parking spaces of the Association driveways and parking lots within the common areas of the Association (“Asphalt Costs”). The Parties agree that the Association will obtain a quote prior to obligating Defendants to the Asphalt Costs and present the quote to Defendants. In the event Defendants deem the quote too high, the Parties agree that the Association shall present three proposals or quotes from a licensed contractor and Defendants will be obligated to pay to the Association the lowest proposal for the Asphalt Costs. However, the Board of Directors of the Association will continue to have the authority to choose or select the contractor that will ultimately perform the work.

2.6 Payment of Painting Costs. Defendants agree to pay John Peak and Jason McKinney to paint the exterior of the Association’s two front buildings that face Balboa Avenue (8855 Balboa Ave Units A-H and 8865 Balboa Avenue Units A-H) pursuant to a Board-approved proposal for such work (“Painting Costs”). Defendants agree to pay the Painting Costs by March 1, 2020.

2.6.1 In the event John Peak and/or Jason McKinney are unable or unwilling to perform the exterior painting, or if the Association determines these painters do not have adequate insurance, the Parties agree that the Association will obtain a total of three quotes from licensed painting contractors and Defendants will be required to pay to the Association the lowest proposed amount. Payment of these Painting Costs shall be due within 60 days upon receipt by Defendants of the invoice or proposal from the Association. However, the Board of Directors of the Association will continue to have the authority to choose or select the contractor that will ultimately perform the work.

2.7 Payment of Sewer Line Costs.

2.7.1 Defendants agree to hydro-jet the sewer line(s) associated with the SDUHG Units on or before April 1, 2018 and annually thereafter if the Association deems annual hydro-jet service is required or necessary to the SDUHG Units. If the sewer lines associated with the SDUHG Units or the Proposed Production Facility require repair, replacement or other ancillary work to be performed, Defendants shall reimburse the Association for any such costs upon receipt of a written demand by the Association within 60 days.

2.7.2 Between December 1, 2020 and March 1, 2021, Defendants agree to pay the cost to replace the Association’s main sewer line (“Sewer Line Replacement”). The

Parties agree that the Association will obtain three quotes from a licensed and insured plumber prior to obligating Defendants to the Sewer Line Replacement and present the lowest quote to Defendants. Reimbursement of the cost of the Sewer Line Replacement shall be due within 60 days upon receipt by Defendants of the lowest proposal received by Defendants from the Association.

2.8 Water Valve Costs. Defendants shall reimburse the Association for the costs to replace 8 shut-off or shut down valves (one of each building) in addition to related new meter vales (5 total) ("Water Valve Costs"). The Association will obtain a total of three quotes from a licensed plumber and Defendants will be required to pay to the Association the lowest proposed amount. Payment of these Water Valve Costs shall be due within 60 days upon receipt by Defendants of the invoice or proposal from the Association. However, the Board of Directors of the Association will continue to have the authority to choose or select the contractor that will ultimately perform the work, provided that such reimbursement or payment will not be due before December 1, 2019.

2.9 Signs. Defendants agree that they cannot erect any signs for any Marijuana Activities or otherwise on the common areas of the Association unless such signs are first approved by the Board. The current signs on the Units will be approved by the Board of Directors of the Association at the Board meeting in February 2018.

2.10 Architectural Approval. Defendants must comply with Article VII, Section of the CC&RS. The Board of Directors of the Association may conduct an inspection of the interior of the SDUHG Units or the Proposed Production Facility upon 24 hours advanced written notice to Defendants if the Board of Directors obtains credible written information which details a potential violation of the governing documents of the Association.

2.11 Indemnification. Defendants hereby agree to and shall indemnify, hold harmless, and defend, at their own cost and expense, the Association and its employees, agents, officers, directors, board members, or representatives (collectively, "Association") from and against any and all losses, damages, judgments, rulings, settlements, claims, demands, actions, complaints, lawsuits, arbitrations, mediations, costs and expenses, including attorney's fees and costs (collectively "Claims" or individually "Claim") incurred by Association related to or resulting from any and all claims asserted or brought against Association in connection with the Marijuana Activities or armed guards involving the Defendants. Defendants further agree to defend, promptly and diligently, without compromising any deadlines imposed by law, at their sole expense, any such Claims brought against the Association or against the Association and/or Defendants, and to reimburse the Association any monies Association may have had to advance or pay to Defendants to protect the Association from such Claims (although nothing herein shall be construed to require Association to do so) or as the Association is required to pay by law or regulation or in order to avoid a fine, penalty, or forfeiture, or otherwise is paid by the Association in connection with, or as an expense, in defense of any Claim relating to Marijuana Activities or armed guards within the Association. This indemnification provision and its obligations shall be covered by any applicable insurance coverage(s) and for purposes of such insurance, Defendants shall list the Association as an additional insured party. The provisions

and obligations of this Indemnification paragraph shall survive for as long as the Use Variance is in effect or in use.

2.12 Stipulation. The Parties shall enter into the Stipulation for Court Jurisdiction to Enforce Settlement Upon Default Pursuant to Code of Civil Procedure Section 664.4 and Entry of Judgment Upon Default; Proposed Order Thereon, a true and correct copy of which is attached herewith as Exhibit 4 (“Stipulation”). The Judgment shall not be filed unless and until there is an adjudicated violation pursuant to Code of Civil Procedure section 664.6. The Parties further understand and agree that this Agreement will be attached as an exhibit to an application or motion should Party be required to file a noticed application or motion to enforce the terms of this Agreement pursuant to Section 2.17 herein.

2.13 Dismissal of Avila Restraining Order, Contempt, and Appeal. Balboa, SDUHG, Malan and Association agree that they will, in good faith, attempt to obtain a dismissal of the restraining order against Board President, Daniel Burakowski and dismissal of the related contempt and appeal, in exchange for a mutual waiver of fees and costs by the parties in that action and appeal, entitled *Anthony Avila v. Daniel Burakowski*, San Diego Superior Court Case Number 37-2017-00020519-CU-HR-CTL and Court of Appeal Case Number D072772.

2.14 Dismissal of Action. Within seven business days upon the receipt of a fully executed copy of this Agreement and the Stipulation, the Association shall file a Conditional Notice of Settlement using Judicial Council Form CM-200 indicating that the settlement is conditioned on obligations not to be performed until after payment of the Settlement Sum as set forth in Section 2.1. Upon payment of the Settlement Payment, the Association shall file with the court the attached Stipulation with the court in order to effectuate the execution of the Stipulation by the court and to obtain dismissal of the action without prejudice pursuant to the Stipulation. The Parties understand and agree that the Association may appear ex parte in this Action only to obtain the court’s agreement and signature to retain jurisdiction as set forth in the Stipulation after the payment of the Settlement Payment.

2.15 Mutual Release of Claims by the Parties. With the exception of his/her/its/their respective rights and obligations created pursuant to this Agreement and the Stipulation, and as otherwise set forth in this Agreement or the Stipulation, upon execution of this Agreement and the Stipulation, and upon completed performance of Sections 2.1 herein, each Party hereby forever mutually releases and discharges each other Party his/her/its/their predecessors, successors and assigns and his/her/its/their respective officers, agents, directors, employees, other representatives and shareholders, from any and all claims including, without limitation, rights, defenses, demands, causes of action, liabilities, suits, obligations, controversies, damages, losses, expenses, penalties, costs, attorney’s fees, and expenses of each and every kind and nature whatsoever, whether known or unknown, suspected or unsuspected, fixed or contingent, based upon, related to, or arising out of the Action related to this Action (the “Released Claims”).

2.16 Waiver of Civil Code Section 1542. The Parties acknowledge this Agreement and all releases and waivers contained herein are intended to and do apply to all such known, unknown, expected or unexpected risk, loss, or damage. Except as otherwise provided

herein, the Parties expressly waive any and all rights they may have pursuant to the provisions of section 1542 of the California Civil Code, which section 1542 states as follows:

A general release does not extend to claims which the creditor does not know or suspect to exist in his or her favor at the time of executing the release, which if known by him or her must have materially affected his or her settlement with the debtor.

The Parties hereby acknowledge that they understand the significance and consequences of the specific waiver of Civil Code section 1542 and waive and relinquish all rights and benefits they may have under Civil Code section 1542 to the full extent that they may lawfully waive all such rights and benefits.

2.17 Enforcement of Agreement.

2.17.1 CCP Section 664.6. The Parties stipulate, agree and acknowledge, pursuant to the Stipulation, that this Agreement shall be enforceable pursuant to and under Code of Civil Procedure section 664.6 and pursuant to the court's inherent power to enforce settlement agreements, including the power to set aside a dismissal in order to enforce the Agreement. Accordingly, the Parties request and agree that the San Diego County Superior Court shall have the authority and exclusive jurisdiction to enforce the terms of this Agreement pursuant to CCP section 664.6 or pursuant to any other authority if the court refuses to apply CCP section 664.6 to enforce the terms of this Agreement.

2.17.2 Service of Agreement. Execution of this Agreement by a Party constitutes proof that such Party was served with this Agreement for purposes of any ex parte application or motion to enforce pursuant to Civil Code section 664.6 or otherwise.

2.17.3 Attorneys' Fees. Should either Party initiate any action at law or in equity to enforce or interpret the terms of this Agreement, the prevailing Party shall be entitled to recover its reasonable attorneys' fees, costs, and necessary disbursements against the non-prevailing Party, in addition to any other appropriate relief.

3. General Provisions

3.1. Required Notices. Any required notices to be delivered to a Party or Parties shall be provided by first class mail as follows:

If to Ninus Malan, Balboa Ave Cooperative or SDUHG, then to:
Ninus Malan
SDUHG, and Balboa Ave Cooperative
8863 Balboa Ave, Ste E, San Diego, CA 92123

If to Salam Razuki or Razuki Investments, LLC, then to:
Salam Razuki
Razuki Investments, LLC

If to Association, then to:

Mandy D. Hexom
Epsten Grinnell & Howell, APC
10200 Willow Creek Road, Suite 100
San Diego, CA 92131

3.2 Independent Counsel. The Parties have been represented or have had the opportunity to be represented by independent counsel of their own choice throughout any and all negotiations which preceded the execution of this Agreement. Each Party executed this Agreement with the consent and upon the advice of said independent counsel including with respect to the meaning of California Civil Code section 1542. The Parties have conducted their own independent investigation and relied upon their own advisors and attorneys regarding the settlement and terms of this Agreement and are entering into this Agreement on their own free will.

3.3 Waiver of Attorney's Fees and Costs. Except as other set forth herein, each Party shall bear their/its/his/her own costs and attorneys' fees in any way related to the Action, and the negotiation, documentation, and consummation of this Agreement and the Stipulation.

3.4 Authorized Signatory. The Parties, or the authorized representative thereof, has read this Agreement and understands the contents set forth herein. Each individual signing this Agreement on behalf of its respective entity or individual Party warrants and represents that each has the full power and authority to do so and thereby binds such respective Party.

3.5 Integration. This Agreement and Stipulation memorializes and constitutes the final expression and understanding between the Parties as to the claims being released herein, the complete exclusive statement of the Agreement, and supersedes and replaces all prior negotiations and agreements whether written or oral. The Stipulation is incorporated herein.

3.6 No Oral Modification or Modification by Interested Defendants. This Agreement may only be amended or modified by a writing signed by the Parties.

3.7 Cooperation and Drafting. Each Party has cooperated in the drafting and preparation of this Agreement and Stipulation. Hence, if any construction is made of this Agreement and Stipulation, the same shall not be construed against any Party.

3.8 California Law. This Agreement shall be deemed to have been executed and delivered within the County of San Diego, State of California, and the rights and obligations of the parties hereto shall be governed and enforced in accordance with the laws of the State of California.

of the parties hereto shall be governed and enforced in accordance with the laws of the State of California.

3.9 Further Assurances. The Parties shall perform any further acts and execute and deliver any documents which may be reasonably necessary to carry out the intent of this Agreement.

3.10 Captions. Sections, paragraphs, captions and/or headings contained in this Agreement are inserted for reference and convenience, and are not intended to define, limit, extend or otherwise define the scope or content of this Agreement or any provision hereof and shall not affect in any way the meaning or interpretation of this Agreement.

3.11 Counterparts. This Agreement may be executed in counterparts and when each Party has signed and delivered one such counterpart, each counterpart shall be deemed an original and, when taken together with other signed counterparts, shall constitute one Agreement which shall be binding upon and effective as to all Parties.

3.12 Facsimile or Electronic Signatures. This Agreement may be executed and signature pages exchanged via facsimile. Upon receipt via facsimile by all Parties, each executed signature page, combined with other original signature pages, shall be deemed an original and shall constitute one Agreement which shall be binding upon and effective as to all parties. A signed copy of the Agreement transmitted by facsimile machine, or other electronic image, will have the same force and effect as an original signature.

3.13 No Waiver. No delay or omission on the part of either Party in exercising or enforcing any rights under this Agreement shall constitute a waiver of the right, or of any right, including, but not limited to, the right to enforce any continuing breach of this Agreement.

3.14 Effective Date of Agreement. This Agreement shall become effective upon the date it is last signed by the Parties (the "Effective Date") and upon all Parties executing the Stipulation.

3.15 Time is of the Essence. Time is of the essence as to each and every term, covenants and condition of this Agreement in which time is a factor.

EACH OF THE UNDERSIGNED HEREBY DECLARES THAT THE TERMS OF THIS AGREEMENT HAVE BEEN COMPLETELY READ AND ARE FULLY UNDERSTOOD, AND BY EXECUTION HEREOF VOLUNTARILY ACCEPT THE TERMS WITH THE INTENT TO BE LEGALLY BOUND THEREBY.

Dated: 2/13/18

BALBOA AVE COOPERATIVE

By: [Signature]

Title: president

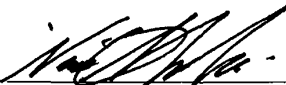
Dated: 2/12/18

SAN DIEGO UNITED HOLDINGS GROUP, LLC

By: 

Title: Manager

Dated: 2/12/18


NINUS MALAN

Dated: _____

MONTGOMERY FIELD BUSINESS
CONDOMINIUMS ASSOCIATION

By: _____
Daniel Burakowski
Board President

Dated: _____

MONTGOMERY FIELD BUSINESS
CONDOMINIUMS ASSOCIATION

By: _____
Glenn Strand
Vice President

Dated: _____

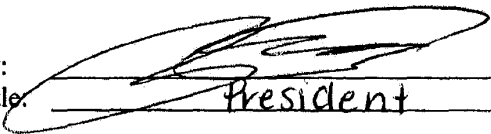
MONTGOMERY FIELD BUSINESS
CONDOMINIUMS ASSOCIATION

By: _____
Chris Williams
Secretary

Dated: 2/12/18

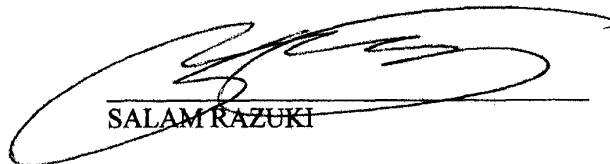
RAZUKI INVESTMENTS, LLC

By:
Title:



President

Dated: 2/12/18



SALAM RAZUKI

EXHIBIT 1

DOC# 2015-0093872



Mar 02, 2015 01:34 PM

OFFICIAL RECORDS
Ernest J. Dronenburg, Jr.,
SAN DIEGO COUNTY RECORDER
FEES: \$35.00

Recording Requested By:

MONTGOMERY FIELD BUSINESS
CONDOMINIUMS ASSOCIATION

When Recorded, Return To:

MONTGOMERY FIELD BUSINESS
CONDOMINIUMS ASSOCIATION
c/o Epstein Grinnell & Howell APC
10200 Willow Creek Rd., Suite 100
San Diego, California 92131

772
101P

**2015 AMENDMENT TO DECLARATION OF COVENANTS, CONDITIONS AND
RESTRICTIONS FOR
MONTGOMERY FIELD BUSINESS CONDOMINIUMS ASSOCIATION**

**NOTICE
(Govt. Code §12956.1)**

IF THIS DOCUMENT CONTAINS ANY RESTRICTION BASED ON RACE, COLOR, RELIGION, SEX, GENDER, GENDER IDENTITY, GENDER EXPRESSION, SEXUAL ORIENTATION, FAMILIAL STATUS, MARITAL STATUS, DISABILITY, GENETIC INFORMATION, NATIONAL ORIGIN, SOURCE OF INCOME AS DEFINED IN SUBDIVISION (P) OF SECTION 12955, OR ANCESTRY, THAT RESTRICTION VIOLATES STATE AND FEDERAL FAIR HOUSING LAWS AND IS VOID, AND MAY BE REMOVED PURSUANT TO SECTION 12956.2 OF THE GOVERNMENT CODE. LAWFUL RESTRICTIONS UNDER STATE AND FEDERAL LAW ON THE AGE OF OCCUPANTS IN SENIOR HOUSING OR HOUSING FOR OLDER PERSONS SHALL NOT BE CONSTRUED AS RESTRICTIONS BASED ON FAMILIAL STATUS.

THIS AMENDMENT is made on this 13th day of February, 2015, by MONTGOMERY FIELD BUSINESS CONDOMINIUMS ASSOCIATION, a California nonprofit mutual benefit corporation ("Association"), with reference to the following:

RECITALS

A. The Association is a corporation whose Members are the Owners of all the Office Units and Industrial Units within that certain real property in the City of San Diego, County of San Diego, State of California, more particularly described in Exhibit "A" attached hereto and made a part hereof (hereinafter "Property").

B. The Property was developed in part as a "Commercial or Industrial Common Interest Development" as defined in section 6531 of the California Civil Code, and as a "Condominium Project" as defined in section 6542 of the California Civil Code, and currently consists of Office Units, Industrial Units and Exclusive Use Areas as shown on the "Condominium Plan" recorded July 31, 1981 as Document No. 81-242888 in the San Diego County Recorder's Office.

C. The Property is currently subject to the covenants, conditions, restrictions, rights, reservations, easements, equitable servitudes, liens and charges set forth in the "Declaration of Covenants, Conditions and Restrictions for Montgomery Field Business Condominiums" recorded on July 31, 1981 in the Official Records of the San Diego County Recorder as Document No. 81-242889 ("Declaration"), and all amendment thereto, including but not limited to the First Amendment to Declaration recorded September 14, 1989 as Document No. 1989-495903, and the Second Amendment to Declaration recorded on August 24, 1999, as Document No. 1999-0582901.

D. The Association and its Members desire to amend the Declaration as set forth below. By this 2015 Amendment, members representing at least seventy-five percent (75%) of the total voting power of the Association desire to amend certain provisions of the Declaration.

E. Article XIII, Section 2 of the Declaration provides that the Declaration may be amended from time to time by an instrument signed by members representing at least seventy-five percent (75%) of the total voting power of the Association.

F. The undersigned President and Secretary of the Association certify that at the time the ballots were counted the number of members in good standing and entitled to vote on matters related to the Association at the Special Meeting was 740. The undersigned President and Secretary of the Association certify that, to the best of their knowledge, the affirmative vote or written consent of at least the required percentage of Association Members has been obtained. The vote was 660 in favor of approval and 40 disapprovals, a total of 700 ballots were submitted out of total possible 740 eligible voters;

F. Each of the definitions contained in this 2015 Amendment shall be the same as those set forth in the Declaration except where such term is specifically deleted, amended or modified herein.

G. Notwithstanding any other provisions in the Declaration, the provisions of this Amendment shall apply and shall prevail in any inconsistency between this Amendment and the Declaration.

NOW, THEREFORE, pursuant to and in accordance with the provisions of Corporations Code Section 7513 and Article XIII, Section 2 of the Declaration, the Declaration is hereby amended as stated below:

Article VI, of the Declaration of Covenants, Conditions and Restrictions for Montgomery Field Business Condominiums, shall be amended to add the following language to the "Use Restrictions":

Section 20. Cultivation, Manufacture, Possession, Processing, Sale and/or Distribution of Marijuana Prohibited. The Association hereby implements a program to prohibit the use of Units for the consumption, cultivation, manufacture, processing, possession, sale and/or distribution of marijuana and/or cannabis-related or -containing products ("Marijuana Activities") and/or the operation of a medical marijuana collective, a medical marijuana cooperative, or a medical marijuana dispensary (collectively "Medical Marijuana Distributors"). The Association and its members have determined the following:

(a) Restrictive covenants pertaining to private land use (CC&Rs) are permitted to be more restrictive than public laws and zoning uses. *Mullaly v. Ojai Hotel Co.* (1968) 266 CA2d 9. To the extent such uses are permitted by law, the owners of this development have determined to make clear their desire to prevent uses which may otherwise be permissible at law. Accordingly, while Article VI, Sections 1 and 16, of this Declaration likely provide the Association with independent and adequate authority to restrict any and all activity related to marijuana, the threat posed by the possible presence of persons or businesses geared to Marijuana Activities or operations of Medical Marijuana Distributors, warrants additional clarity in this Declaration and the owners accordingly wish to prohibit all such activities to the greatest possible extent;

(b) Marijuana Manufacture, Cultivation, Possession and Distribution violates federal law. (21 USC Section 841(a)(1).)

(c) The presence of Marijuana Activities and/or operations of Medical Marijuana Distributors, would increase the likelihood of crime on the Property;

(d) The presence of a Marijuana Activities and/or the operation of Medical Marijuana Distributors would likely create parking and traffic flow problems for all Members;

(e) The carrier of the Association's master hazard insurance policy has informed the Members that the increased hazard presented by Marijuana Activities and/or the presence of Medical Marijuana Distributors due to high theft rates, break-ins, flammable products (i.e. THC methane wax extraction) and any manufacturing exposure could cause a claim to be denied and subject all Members of the Association to uncovered financial loss;

(f) The carrier of the Association's master hazard insurance policy has further informed the Members that associations whose units are involved in the sale or distribution of medical marijuana are ineligible for insurance coverage;

(g) The presence of Marijuana Activities and/or the presence of Medical Marijuana Distributors would likely decrease the property value of all Units;

(h) The California Supreme Court has concluded, "[N]either the [Compassionate Use Act of 1996 (Health & Safety Code § 11362.5) ("CUA")] nor the [Medical Marijuana Program (Health & Safety Code § 11362.7 et seq.) ("MMP")] expressly or impliedly preempts the authority of California cities and counties, under their traditional land use and police powers, to allow, restrict, limit, or entirely exclude facilities that distribute medical marijuana, and to enforce such policies by nuisance actions....[The CUA and the MMP]remove state-level criminal and civil sanctions from specified medical marijuana activities, but they do not establish a comprehensive state system of legalized medical marijuana; or grant a "right" of convenient access to marijuana for medicinal use; or override the zoning, licensing, and police powers of local jurisdictions; or mandate local accommodation of medical marijuana cooperatives, collectives, or dispensaries."(*City of Riverside v. Inland Empire Patients Health & Wellness Center, Inc.*, 56 Cal. 4th 729, 762-763 (Cal. 2013).)

Therefore, notwithstanding anything in this Declaration to the contrary, the use of any Unit for consumption, cultivation, manufacture, processing, possession, sale and/or distribution of marijuana and/or cannabis-related or -

containing products ("Marijuana Activities") and/or the operation of a medical marijuana collective, a medical marijuana cooperative, or a medical marijuana dispensary (collectively "Medical Marijuana Distributors"), is prohibited.

IN WITNESS WHEREOF, the undersigned have executed this **2015 Amendment to Declaration of Covenants, Conditions and Restrictions for Montgomery Field Business Condominiums Association**, on this 26, day of February, 2015.

MONTGOMERY FIELD BUSINESS CONDOMINIUMS ASSOCIATION,
a California nonprofit mutual benefit corporation

By: *Dan Burakowski*
DAN BURAKOWSKI, President

By: *Edward Quinn*
Edward Quinn, Secretary

A Notary Public or other officer completing this certificate verifies only the identity of the individual who signed the document to which this certificate is attached, and not the truthfulness, accuracy, or validity of that document.

STATE OF CALIFORNIA)
) ss.
COUNTY OF SAN DIEGO)

On Feb. 26, 2015 before me, A. Caro DelCastillo, Notary Public, personally appeared Dan Burakowski and Edward Quinn, proved to me on the basis of satisfactory evidence to be the persons whose names are subscribed to the within instrument and acknowledged to me that they executed the same in their authorized capacities, and that by their signatures on the instrument the persons, or the entity upon behalf of which the persons acted, executed the instrument.

I certify under PENALTY OF PERJURY under the laws of the State of California that the foregoing paragraph is true and correct.

Witness my hand and official seal.

A. Caro DelCastillo
Notary Public



**EXHIBIT A
LEGAL DESCRIPTION**

The Southwesterly 219.55 feet of the Northeasterly 413.55 feet of Lot 9 in the City of San Diego Industrial Park Unit No. 2., in the City of San Diego, County of San Diego, State of California, according to map thereof No. 4113, filed in the Office of the County Recorder of San Diego County, March 12, 1959.

Assessor's Parcel Numbers: 369-150-13-01 through 369-150-13-46

CERTIFICATE OF BOARD PRESIDENT AND SECRETARY
OF
MONTGOMERY FIELD BUSINESS CONDOMINIUMS ASSOCIATION
A California Nonprofit Mutual Benefit Corporation

We, the undersigned, do hereby certify:

That we are the duly elected President and Secretary, respectively, of Montgomery Field Business Condominiums Association, a California non-profit, mutual benefit corporation.

That the foregoing 2015 Amendment to Article VI of the "Declaration of Covenants, Conditions and Restrictions for Montgomery Field Business Condominiums," recorded on July 31, 1981 in the Official Records of the San Diego County Recorder as Document No. 81-242889, was approved by a majority vote of the membership on February 13, 2015 and was recorded on NA, 2015 as Document No. 2015-NA, in the Official Records of San Diego County, California, and affects the real property legally described in Exhibit A to the 2015 Amendment.

MONTGOMERY FIELD BUSINESS CONDOMINIUMS ASSOCIATION
a California nonprofit mutual benefit corporation

By: *Dan Burakowski*
DAN BURAKOWSKI, President

By: *Edward Quinn*
Edward Quinn, Secretary

EXHIBIT 2

13p
1c

DOC# 2015-0399133



Jul 29, 2015 10:11 AM
OFFICIAL RECORDS
Ernest J. Dronenburg, Jr.,
SAN DIEGO COUNTY RECORDER
FEES: \$51.00

PAGES: 13

RECORDING REQUESTED BY
CITY OF SAN DIEGO
DEVELOPMENT SERVICES
PERMIT INTAKE, MAIL STATION 501

PROJECT MANAGEMENT
PERMIT CLERK
MAIL STATION 501

SPACE ABOVE THIS LINE FOR RECORDER'S USE

INTERNAL ORDER NUMBER: 24004643

CONDITONAL USE PERMIT NO. 1296130
8863 BALBOA STE E MMCC - PROJECT NO. 368347
PLANNING COMMISSION

This Conditional Use Permit No. 1296130 is granted by the Planning Commission of the City of San Diego to LEADING EDGE REAL ESTATE, LLC, Owner and UNITED PATIENTS CONSUMER COOPERATIVE, Permittee, pursuant to San Diego Municipal Code [SDMC] section 126.0305. The 2.51-acre site located at 8863 Balboa Avenue is in the IL-3-1 Zone, the Airport Influence Area (Miramar and Montgomery Field), Montgomery Field Safety Zone 2, 5, and 6, the 60-65 dB CNEL for Montgomery Field, and within the Kearny Mesa Community Plan Area. The project site is legally described as: Lot 9, Industrial Park No. 2, Map No. 4113, March 12, 1959.

Subject to the terms and conditions set forth in this Permit, permission is granted to Owner/Permittee to operate a Medical Marijuana Consumer Cooperative (MMCC) and subject to the City's land use regulations described and identified by size, dimension, quantity, type, and location on the approved exhibits [Exhibit "A"] dated July 9, 2015, on file in the Development Services Department.

The project shall include:

- a. Operation of a Medical Marijuana Consumer Cooperative (MMCC) in a 999 square-foot tenant space within an existing, 4,995 square-foot, one-story building on a 2.51-acre site;
- b. Existing landscaping (planting, irrigation and landscape related improvements);
- c. Existing off-street parking;

ORIGINAL

5223

- d. Public and private accessory improvements determined by the Development Services Department to be consistent with the land use and development standards for this site in accordance with the adopted community plan, the California Environmental Quality Act [CEQA] and the CEQA Guidelines, the City Engineer's requirements, zoning regulations, conditions of this Permit, and any other applicable regulations of the SDMC.

STANDARD REQUIREMENTS:

1. This permit must be utilized within thirty-six (36) months after the date on which all rights of appeal have expired. If this permit is not utilized in accordance with Chapter 12, Article 6, Division 1 of the SDMC within the 36 month period, this permit shall be void unless an Extension of Time has been granted. Any such Extension of Time must meet all SDMC requirements and applicable guidelines in effect at the time the extension is considered by the appropriate decision maker. This permit must be utilized by July 9, 2018.
2. This Conditional Use Permit [CUP] and corresponding use of this MMCC shall expire on July 9, 2020.
3. In addition to the provisions of the law, the MMCC must comply with; Chapter 4, Article 2, Division 15 and Chapter 14, Article 1, Division 6 of the San Diego Municipal Code.
4. No construction, occupancy, or operation of any facility or improvement described herein shall commence, nor shall any activity authorized by this Permit be conducted on the premises until:
 - a. The Owner/Permittee signs and returns the Permit to the Development Services Department.
 - b. The Permit is recorded in the Office of the San Diego County Recorder.
 - c. A MMCC Permit issued by the Development Services Department is approved for all responsible persons in accordance with SDMC, Section 42.1504.
5. While this Permit is in effect, the MMCC shall be used only for the purposes and under the terms and conditions set forth in this Permit unless otherwise authorized by the appropriate City decision maker.
6. This Permit is a covenant running with the MMCC and all of the requirements and conditions of this Permit and related documents shall be binding upon the Owner/Permittee and any successor(s) in interest.
7. The continued use of this Permit shall be subject to the regulations of this and any other applicable governmental agency.

8. Issuance of this Permit by the City of San Diego does not authorize the Owner/Permittee for this Permit to violate any Federal, State or City laws, ordinances, regulations or policies including, but not limited to, the Endangered Species Act of 1973 [ESA] and any amendments thereto (16 U.S.C. § 1531 et seq.).

9. The Owner/Permittee shall secure all necessary building permits. The Owner/Permittee is informed that to secure these permits, substantial building modifications and site improvements may be required to comply with applicable building, fire, mechanical, and plumbing codes, and State and Federal disability access laws.

10. Construction plans shall be in substantial conformity to Exhibit "A." Changes, modifications, or alterations to the construction plans are prohibited unless appropriate application(s) or amendment(s) to this Permit have been granted.

11. All of the conditions contained in this Permit have been considered and were determined-necessary to make the findings required for approval of this Permit. The Permit holder is required to comply with each and every condition in order to maintain the entitlements that are granted by this Permit.

If any condition of this Permit, on a legal challenge by the Owner/Permittee of this Permit, is found or held by a court of competent jurisdiction to be invalid, unenforceable, or unreasonable, this Permit shall be void. However, in such an event, the Owner/Permittee shall have the right, by paying applicable processing fees, to bring a request for a new permit without the "invalid" condition(s) back to the discretionary body which approved the Permit for a determination by that body as to whether all of the findings necessary for the issuance of the proposed permit can still be made in the absence of the "invalid" condition(s). Such hearing shall be a hearing de novo, and the discretionary body shall have the absolute right to approve, disapprove, or modify the proposed permit and the condition(s) contained therein.

12. The Owner/Permittee shall defend, indemnify, and hold harmless the City, its agents, officers, and employees from any and all claims, actions, proceedings, damages, judgments, or costs, including attorney's fees, against the City or its agents, officers, or employees, relating to the issuance of this permit including, but not limited to, any action to attack, set aside, void, challenge, or annul this development approval and any environmental document or decision. The City will promptly notify Owner/Permittee of any claim, action, or proceeding and, if the City should fail to cooperate fully in the defense, the Owner/Permittee shall not thereafter be responsible to defend, indemnify, and hold harmless the City or its agents, officers, and employees. The City may elect to conduct its own defense, participate in its own defense, or obtain independent legal counsel in defense of any claim related to this indemnification. In the event of such election, Owner/Permittee shall pay all of the costs related thereto, including without limitation reasonable attorney's fees and costs. In the event of a disagreement between the City and Owner/Permittee regarding litigation issues, the City shall have the authority to control the litigation and make litigation related decisions, including, but not limited to, settlement or other disposition of the matter. However, the Owner/Permittee shall not be required to pay or perform any settlement unless such settlement is approved by Owner/Permittee.

PLANNING/DESIGN REQUIREMENTS:

13. The use within the 999 square-foot tenant space shall be limited to the MMCC and any use permitted in the IL-3-1 zone.
14. Consultations by medical professionals shall not be a permitted accessory use at the MMCC.
15. Lighting shall be provided to illuminate the interior of the MMCC, facade, and the immediate surrounding area, including any accessory uses, parking lots, and adjoining sidewalks. Lighting shall be hooded or oriented so as to deflect light away from adjacent properties.
16. Security shall include operable cameras and a metal detector to the satisfaction of Development Services Department. This facility shall also include alarms and two armed security guards to the extent the possession of a firearm is not in conflict with 18 U.S.C. § 922(g) and 27 C.F.R § 478.11. Nothing herein shall be interpreted to require or allow a violation of federal firearms laws. The security guards shall be licensed by the State of California. One security guard must be on the premises 24 hours a day, seven days a week, the other must be present during business hours. The security guards should only be engaged in activities related to providing security for the facility, except on an incidental basis. The cameras shall have and use a recording device that maintains the records for a minimum of 30 days.
17. The Owner/Permittee shall install bullet resistant glass, plastic, or laminate shield at the reception area to protect employees.
18. The Owner/Permittee shall install bullet resistant armor panels or solid grouted masonry block walls, designed by a licensed professional, in adjoining walls with other tenants, reception area, and vault room (manager's office).
19. The name and emergency contact phone number of an operator or manager shall be posted in a location visible from outside of the MMCC in character size at least two inches in height.
20. The MMCC shall operate only between the hours of 7:00 a.m. and 9:00 p.m., seven days a week.
21. The use of vending machines which allow access to medical marijuana except by a responsible person, as defined in San Diego Municipal Code Section 42.1502, is prohibited. For purposes of this section and condition, a vending machine is any device which allows access to medical marijuana without a human intermediary.
22. The Owner/Permittee or operator shall maintain the MMCC, adjacent public sidewalks, and areas under the control of the owner or operator, free of litter and graffiti at all times. The owner or operator shall provide for daily removal of trash, litter, and debris. Graffiti shall be removed within 24 hours.

23. Medical marijuana shall not be consumed anywhere within the 2.51-acre site.
24. The Owner/Permittee or operator shall post anti-loitering signs near all entrances of the MMCC.
25. All signs associated with this development shall be consistent with sign criteria established by City-wide sign regulations and shall further be restricted by this permit. Sign colors and typefaces are limited to two. Ground signs shall not be pole signs. A sign is required to be posted on the outside of the MMCC and shall only contain the name of the business.
26. Interior spaces exposed to exterior aircraft noise sources shall be attenuated to achieve an indoor noise level of 50 dB CNEL.

ENGINEERING REQUIREMENTS:

27. Prior to the issuance of any building permit, the Owner/Permittee shall assure by permit and bond the replacement of the two easterly driveways with City standard driveways on Balboa Avenue per Standard Drawings SDG-159, satisfactory to the City Engineer.

TRANSPORTATION REQUIREMENTS:

28. No fewer than 5 parking spaces (including 1 van accessible space) for the proposed 999 square-foot MMCC (with 99 existing surface parking spaces -including 4 accessible spaces on the entire 2.5 acre site) shall be maintained on the property at all times in the approximate locations shown on Exhibit "A". All on-site parking stalls and aisle widths shall be in compliance with requirements of the City's Land Development Code and shall not be converted and/or utilized for any other purpose, unless otherwise authorized in writing by the Development Services Department.
29. Prior to any building permit/tenant improvement for 8861 Balboa Avenue Suite #B, the applicant shall demonstrate that the converted portion of the warehouse space to 2-car parking garage at 8861 Balboa Suite #B is to be accessed accessible for minimum turning path for passenger car design vehicle to accommodate ingress/egress of two (2) side-by-side dimensionally acceptable interior garage parking spaces, one of which is to be assigned to this CUP for 8863 Balboa Avenue Suite #E as employee parking while the other to be assigned to 8861 Balboa Avenue Suite #B, which may in turn require its own building permit to convert a portion of Suite #B into a parking garage satisfactory to BDR - Structural Review staff. Improvements to the existing garage space that may be required include, but are not limited to, a wider garage door and improvements required for separation of the parking and warehouse uses in 8863 Balboa Avenue Suite #E, satisfactory to BDR - Structural Review staff.

POLICE DEPARTMENT RECOMMENDATION:

30. The San Diego Police Department recommends that a Crime Prevention Through Environmental Design (CPTED) review be requested by their department and implemented for the MMCC.

INFORMATION ONLY:

- The issuance of this discretionary use permit alone does not allow the immediate commencement or continued operation of the proposed use on site. The operation allowed by this discretionary use permit may only begin or recommence after all conditions listed on this permit are fully completed and all required ministerial permits have been issued and received final inspection.
- Any party on whom fees, dedications, reservations, or other exactions have been imposed as conditions of approval of this Permit, may protest the imposition within ninety days of the approval of this development permit by filing a written protest with the City Clerk pursuant to California Government Code-section 66020.
- This development may be subject to impact fees at the time of construction permit issuance.

APPROVED by the Planning Commission of the City of San Diego on July 9, 2015 and Resolution No. PC-4716.

Conditional Use Permit No. 1296130/PTS No. 368347
Date of Approval: July 9, 2015

AUTHENTICATED BY THE CITY OF SAN DIEGO DEVELOPMENT SERVICES
DEPARTMENT

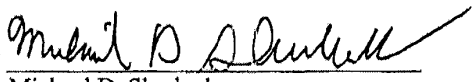


Edith Gutierrez
Development Project Manager

**NOTE: Notary acknowledgment
must be attached per Civil Code
section 1189 et seq.**

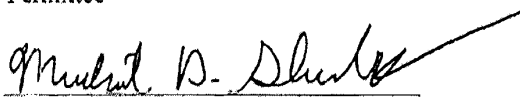
The undersigned Owner/Permittee, by execution hereof, agrees to each and every condition of
this Permit and promises to perform each and every obligation of Owner/Permittee hereunder.

LEADING EDGE REAL ESTATE, LLC
Owner

By 

Michael D. Sherlock
Managing Member

UNITED PATIENTS CONSUMER
COOPERATIVE
Permittee

By 

Michael D. Sherlock
Permittee

**NOTE: Notary acknowledgments
must be attached per Civil Code
section 1189 et seq.**

CALIFORNIA ALL-PURPOSE ACKNOWLEDGMENT

CIVIL CODE § 1189

A notary public or other officer completing this certificate verifies only the identity of the individual who signed the document to which this certificate is attached, and not the truthfulness, accuracy, or validity of that document.

State of California)
County of San Diego)
On July 27, 2015 before me, Vivian M. Gies, Notary Public
Date Here Insert Name and Title of the Officer
personally appeared Edith Gutierrez
Name(s) of Signer(s)

who proved to me on the basis of satisfactory evidence to be the person~~(s)~~ whose name(s) is/are subscribed to the within instrument and acknowledged to me that he/~~she/they~~ executed the same in his/~~her/their~~ authorized capacity~~(es)~~, and that by his/~~her/their~~ signature~~(s)~~ on the instrument the person~~(s)~~, or the entity upon behalf of which the person~~(s)~~ acted, executed the instrument.

I certify under PENALTY OF PERJURY under the laws of the State of California that the foregoing paragraph is true and correct.

WITNESS my hand and official seal.



Signature Vivian M. Gies
Signature of Notary Public

Place Notary Seal Above

OPTIONAL

Though this section is optional, completing this information can deter alteration of the document or fraudulent reattachment of this form to an unintended document.

Description of Attached Document PTS 368347/8863 Balboa Ste.E MMCC/CUP #1296130

Title or Type of Document: _____ Document Date: _____

Number of Pages: _____ Signer(s) Other Than Named Above: _____

Capacity(ies) Claimed by Signer(s)

Signer's Name: _____

Corporate Officer -- Title(s): _____

Partner -- Limited General

Individual Attorney in Fact

Trustee Guardian or Conservator

Other: _____

Signer Is Representing: _____

Signer's Name: _____

Corporate Officer -- Title(s): _____

Partner -- Limited General

Individual Attorney in Fact

Trustee Guardian or Conservator

Other: _____

Signer Is Representing: _____

ORIGINAL

CALIFORNIA ALL-PURPOSE ACKNOWLEDGMENT

CIVIL CODE § 1189

A notary public or other officer completing this certificate verifies only the identity of the individual who signed the document to which this certificate is attached, and not the truthfulness, accuracy, or validity of that document.

State of California)
County of San Diego)

On July 23rd, 2015 before me, Christine Gasparyan, Notary Public
Date Here Insert Name and Title of the Officer

personally appeared Michael DeCarlo Jorlock
Name(s) of Signer(s)

who proved to me on the basis of satisfactory evidence to be the person(s) whose name(s) is/are subscribed to the within instrument and acknowledged to me that he/she/they executed the same in his/her/their authorized capacity(ies), and that by his/her/their signature(s) on the instrument the person(s), or the entity upon behalf of which the person(s) acted, executed the instrument.

I certify under PENALTY OF PERJURY under the laws of the State of California that the foregoing paragraph is true and correct.

WITNESS my hand and official seal.



Signature Christine Gasparyan
Signature of Notary Public

Place Notary Seal Above

OPTIONAL

Though this section is optional, completing this information can deter alteration of the document or fraudulent reattachment of this form to an unintended document.

Description of Attached Document

Title or Type of Document: Conditional Use Permit #123456 Document Date: _____

Number of Pages: 7 Signer(s) Other Than Named Above: N/A

Capacity(ies) Claimed by Signer(s)

Signer's Name: _____
 Corporate Officer — Title(s): _____
 Partner — Limited General
 Individual Attorney in Fact
 Trustee Guardian or Conservator
 Other: _____
Signer Is Representing: _____

Signer's Name: _____
 Corporate Officer — Title(s): _____
 Partner — Limited General
 Individual Attorney in Fact
 Trustee Guardian or Conservator
 Other: _____
Signer Is Representing: _____

ORIGINAL

PLANNING COMMISSION
RESOLUTION NO. PC-4716
CONDITONAL USE PERMIT NO. 1296130
8863 BALBOA STE E MMCC PROJECT NO. 368347

WHEREAS, LEADING EDGE REAL ESTATE, LLC, Owner and UNITED PATIENTS CONSUMER COOPERATIVE, Permittee, filed an application with the City of San Diego for a permit to operate a Medical Marijuana Consumer Cooperative (MMCC) in a 999 square-foot tenant space within an existing, 4,995 square-foot building (as described in and by reference to the approved Exhibits "A" and corresponding conditions of approval for the associated Permit No. 1296130), on portions of a 2.51-acre site;

WHEREAS, the project site is located at 8863 Balboa Avenue is in the IL-3-1 Zone, the Airport Influence Area (Miramar and Montgomery Field), Montgomery Field Safety Zone 2, 5, and 6, the 60-65 dB CNEL for Montgomery Field, and within the Kearny Mesa Community Plan Area;

WHEREAS, the project site is legally described as Lot 9, Industrial Park No. 2, Map No. 4113, March 12, 1959;

WHEREAS, on April 22, 2015, the Hearing Officer of the City of San Diego approved Conditional Use Permit No. 1296130 pursuant to the Land Development Code of the City of San Diego;

WHEREAS, on March 25, 2015, Stephen Cline and Daniel Burakowski filed appeals of the Hearing Officer's decision;

WHEREAS, on July 9, 2015, the Planning Commission of the City of San Diego considered the appeal of Conditional Use Permit No. 1296130 pursuant to the Land Development Code of the City of San Diego;

WHEREAS, on November 20, 2014, the City of San Diego, as Lead Agency, through the Development Services Department, made and issued an Environmental Determination that the project is exempt from the California Environmental Quality Act (CEQA) (Public Resources Code section 21000 et. seq.) under CEQA Guidelines Section 15303 (New Construction or Conversion of Small Structures); and the Environmental Determination was appealed to City Council, which heard and denied the appeal on March 3, 2015 pursuant to Resolution No. 309534;

NOW, THEREFORE, BE IT RESOLVED by the Planning Commission of the City of San Diego as follows:

That the Planning Commission adopts the following written Findings, dated July 9, 2015.

FINDINGS:

Conditional Use Permit Approval – Section §126.0305

1. **The proposed development will not adversely affect the applicable land use**

Plan.

The proposed project is a request for a Conditional Use Permit to operate in a 999 square-foot tenant space within an existing, 4,995 square-foot one-story building. The 2.51-acre site is located at 8863 Balboa Avenue in the IL-3-1 Zone, the Airport Influence Area (Miramar and Montgomery Field), Montgomery Field Safety Zone 2, 5, and 6, the 60-65 dB CNEL for Montgomery Field, and within the Kearny Mesa Community Plan area.

The site is designated Industrial in the Kearny Mesa Community Plan. The Industrial designation is intended for manufacturing, assembling, processing, warehousing or transporting goods or products. The Kearny Mesa Community Plan encourages continued development of Kearny Mesa as a regional employment center, containing a mix of industrial, office, retail and compatible housing land uses. The proposed MMCC was reviewed by MCAS Miramar and determined to be consistent with the Air Installation Compatible Use Zone (AICUZ) noise and safety compatibility guidelines.

The 2.51-acre site is zoned IL-3-1 and has eight detached buildings constructed in 1969. The proposed MMCC is located on the far southwest side of the lot. The existing uses on the site consist of vehicle sales and services, retail and commercial services (business services-offices). The existing uses are consistent with the Industrial designation of the community plan. The surrounding parcels are within the IL-2-1 Zone except from the south parcel which is Montgomery Field Airport and is unzoned. The proposed MMCC, classified as commercial services, is a compatible use for this location with a Conditional Use Permit and is consistent with the community plan, therefore will not adversely affect the applicable land use plan.

2. The proposed development will not be detrimental to the public health, safety, and welfare.

The proposed 999 square-foot MMCC site located at 8863 Balboa Avenue is within an existing 4,995 square-foot building on a 2.51-acre site. The existing tenant space is currently being used for vehicle sales and services. The project proposes interior improvements that include a reception area, dispensary area, office, employee lounge and restroom. The tenant improvement building permit will require compliance with the California Building Code, Plumbing Code, Mechanical Code, Electrical Code, Fire Code and all adopted referenced standards. Public improvements include the replacement of the two easterly driveways with City standard driveways on Balboa Avenue.

MMCCs are restricted to four per Council District, 36 city-wide, within commercial and industrial zones in order to minimize the impact on the City and residential neighborhoods. MMCCs require compliance with San Diego Municipal Code (SDMC) section 141.0614 which require a 1,000-foot separation, measured between property lines, from: public parks, churches, child care centers, playgrounds, libraries, minor-oriented facilities, other medical marijuana consumer cooperatives, residential care facilities, and schools. There is also a minimum distance requirement of 100 feet from a residential zone. In addition to minimum distance requirements, MMCCs prohibit consultations by medical professionals on site and do not allow certain types of vending machines. Security requirements include interior and exterior lighting, security cameras, alarms and a security guard. The security guard must be licensed by the State of California and be present on the premises during business hours. Hours of operation are limited from 7:00 a.m. to 9:00 p.m. seven days a week. MMCCs must also comply with Chapter 4, Article 2, Division 15 which provides guidelines for lawful operation.

The project requires compliance with the development conditions in effect for the subject property as described in Conditional Use Permit No. 1296130. The Conditional Use Permit is valid for five years, however may be revoked if the use violates the terms, conditions, lawful requirements, or provisions of the permit.

The referenced regulations and conditions have been determined as necessary to avoid adverse impact upon the health, safety and general welfare of persons patronizing, residing or working within the surrounding area and therefore, the proposed MMCC will not be detrimental to the public health, safety and welfare.

3. The proposed development will comply with the regulations of the Land Development Code including any allowable deviations pursuant to the Land Development Code.

The proposed 999 square-foot MMCC located at 8863 Balboa Avenue is within an existing 4,995 square-foot building. The 2.51-acre site is zoned IL-3-1 and has eight detached buildings totaling 39,674 square-feet constructed in 1969. The proposed MMCC is located on the far southwest side of the lot. The existing uses on the site consist of vehicle sales and services, retail and commercial services (business services-offices). The project proposes interior improvements that include a reception area, dispensary area, office, employee lounge and restroom. The tenant improvement building permit will require compliance with the California Building Code, Plumbing Code, Mechanical Code, Electrical Code, Fire Code and all adopted referenced standards. Public improvements include the replacement of the two easterly driveways with City standard driveways on Balboa Avenue.

MMCCs are allowed in the IL-3-1 zone with a Conditional Use Permit (CUP). The CUP requires MMCCs to comply with SDMC section 141.0614 which requires a 1,000-foot separation, measured between property lines, from: public parks, churches, child care centers, playgrounds, libraries, minor-oriented facilities, other medical marijuana consumer cooperatives, residential care facilities, and schools. There is also a minimum distance requirement of 100 feet from a residential zone. In addition to minimum distance requirements, MMCCs prohibit consultations by medical professionals on site and do not allow certain types of vending machines. Security requirements include interior and exterior lighting, security cameras, alarms and a security guard. The security guard must be licensed by the State of California and be present on the premises during business hours. Hours of operation are limited from 7:00 a.m. to 9:00 p.m. seven days a week. MMCCs must also comply with Chapter 4, Article 2, Division 15 which provides guidelines for lawful operation.

The proposed MMCC is consistent with the land use designation of Industrial. The proposed MMCC meets all development regulations, no deviations are requested, and the permit as conditioned assures compliance with all the development regulations of the San Diego Municipal Code. The proposed MMCC therefore complies with the regulations of the Land Development Code.

4. The proposed use is appropriate at the proposed location.

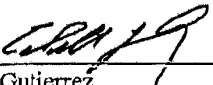
The proposed 999 square-foot MMCC located at 8863 Balboa Avenue is within an existing 4,995 square-foot building.

MMCCs, classified as commercial services, are allowed in the IL-3-1 zone with a Conditional Use Permit (CUP) and are consistent with the land use designation of Industrial use in the Kearny Mesa Community Plan. The CUP requires MMCCs to comply with SDMC section 141.0614 which requires a

1,000-foot separation, measured between property lines, from: public parks, churches, child care centers, playgrounds, libraries, minor-oriented facilities, other medical marijuana consumer cooperatives, residential care facilities, and schools. There is also a minimum distance requirement of 100 feet from a residential zone. In addition to minimum distance requirements, MMCCs prohibit consultations by medical professionals on site and do not allow certain types of vending machines. Security requirements include interior and exterior lighting, security cameras, alarms and a security guard. The security guard must be licensed by the State of California and be present on the premises during business hours. Hours of operation are limited from 7:00 a.m. to 9:00 p.m. seven days a week. MMCCs must also comply with Chapter 4, Article 2, Division 15 which provides guidelines for lawful operation.

The San Diego Municipal code limits MMCCs to commercial and industrial zones and the number of MMCCs to only four per Council District, 36 city-wide, in order to minimize the impact on the City and residential neighborhoods. The proposed MMCC is located on the far southwest side of a 2.51-acre site that is zoned IL-3-1 and has eight detached buildings. The existing uses on the site consist of vehicle sales and services, retail and commercial services (business services-offices). The proposed MMCC is a compatible use for this location with a Conditional Use Permit, is consistent with the community plan and the permit as conditioned assures compliance with all the development regulations of the San Diego Municipal Code, therefore the use is appropriate at the proposed location.

BE IT FURTHER RESOLVED that, based on the findings hereinbefore adopted by the Planning Commission, Conditional Use Permit No. 1296130 is hereby GRANTED by the Planning Commission to the referenced Owner/Permittee, in the form, exhibits, terms and conditions as set forth in Permit No. 1296130, a copy of which is attached hereto and made a part hereof.



Edith Gutierrez
Development Project Manager
Development Services

Adopted on: July 9, 2015

Job Order No. 24004643

EXHIBIT 3

5236



CERTIFICATE OF LIABILITY INSURANCE

1733198

DATE (MM/DD/YYYY)
05/01/2017

THIS CERTIFICATE IS ISSUED AS A MATTER OF INFORMATION ONLY AND CONFERS NO RIGHTS UPON THE CERTIFICATE HOLDER. THIS CERTIFICATE DOES NOT AFFIRMATIVELY OR NEGATIVELY AMEND, EXTEND OR ALTER THE COVERAGE AFFORDED BY THE POLICIES BELOW. THIS CERTIFICATE OF INSURANCE DOES NOT CONSTITUTE A CONTRACT BETWEEN THE ISSUING INSURER(S), AUTHORIZED REPRESENTATIVE OR PRODUCER, AND THE CERTIFICATE HOLDER.

IMPORTANT: If the certificate holder is an ADDITIONAL INSURED, the policy(ies) must be endorsed. If SUBROGATION IS WAIVED, subject to the terms and conditions of the policy, certain policies may require an endorsement. A statement on this certificate does not confer rights to the certificate holder in lieu of such endorsement(s).

PRODUCER Michael Abdou Insurance Agency, Inc. 7850 Mission Center Ct. Ste 103 San Diego, CA 92108-1323 (619) 293-7779	CONTACT NAME: Arthur Hopkins PHONE (A/C No., Ext.): 619.293.7779 E-MAIL ADDRESS: certs@abdouinsurance.com	FAX (A/C No.): 619.298.7523													
	<table border="1"> <thead> <tr> <th>INSURER(S) AFFORDING COVERAGE</th> <th>NAIC #</th> </tr> </thead> <tbody> <tr> <td>INSURER A: FARMERS INSURANCE EXCHANGE</td> <td>21652</td> </tr> <tr> <td>INSURER B:</td> <td></td> </tr> <tr> <td>INSURER C:</td> <td></td> </tr> <tr> <td>INSURER D:</td> <td></td> </tr> <tr> <td>INSURER E:</td> <td></td> </tr> <tr> <td>INSURER F:</td> <td></td> </tr> </tbody> </table>		INSURER(S) AFFORDING COVERAGE	NAIC #	INSURER A: FARMERS INSURANCE EXCHANGE	21652	INSURER B:		INSURER C:		INSURER D:		INSURER E:		INSURER F:
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INSURER D:															
INSURER E:															
INSURER F:															

COVERAGES **CERTIFICATE NUMBER:** **REVISION NUMBER:**

THIS IS TO CERTIFY THAT THE POLICIES OF INSURANCE LISTED BELOW HAVE BEEN ISSUED TO THE INSURED NAMED ABOVE FOR THE POLICY PERIOD INDICATED. NOTWITHSTANDING ANY REQUIREMENT, TERM OR CONDITION OF ANY CONTRACT OR OTHER DOCUMENT WITH RESPECT TO WHICH THIS CERTIFICATE MAY BE ISSUED OR MAY PERTAIN, THE INSURANCE AFFORDED BY THE POLICIES DESCRIBED HEREIN IS SUBJECT TO ALL THE TERMS, EXCLUSIONS AND CONDITIONS OF SUCH POLICIES. LIMITS SHOWN MAY HAVE BEEN REDUCED BY PAID CLAIMS

INSR LTR	TYPE OF INSURANCE	ADDL SUBR INSR WYD	POLICY NUMBER	POLICY EFF (MM/DD/YYYY)	POLICY EXP (MM/DD/YYYY)	LIMITS
A	GENERAL LIABILITY <input checked="" type="checkbox"/> COMMERCIAL GENERAL LIABILITY <input type="checkbox"/> CLAIMS-MADE <input checked="" type="checkbox"/> OCCUR <input type="checkbox"/> CLAIMS-MADE EPLI <input checked="" type="checkbox"/> CLAIMS-MADE D&O GEN'L AGGREGATE LIMIT APPLIES PER: <input checked="" type="checkbox"/> POLICY <input type="checkbox"/> PROJECT <input type="checkbox"/> LOC		60500-12-47	5/1/2017	5/1/2018	EACH OCCURRENCE \$ 2,000,000 DAMAGE TO RENTED PREMISES (Ea occurrence) \$ 75,000 MED EXP (Any one person) \$ 5,000 PERSONAL & ADV INJURY \$ 2,000,000 GENERAL AGGREGATE \$ 4,000,000 PRODUCTS - COMP/OP AGG \$ 2,000,000 D&O LIMIT/AGG \$ 1,000,000
A	AUTOMOBILE LIABILITY <input type="checkbox"/> ANY AUTO <input type="checkbox"/> ALL OWNED AUTOS <input checked="" type="checkbox"/> HIRED AUTOS <input type="checkbox"/> SCHEDULED AUTOS <input checked="" type="checkbox"/> NON-OWNED AUTOS		60500-12-47	5/1/2017	5/1/2018	COMBINED SINGLE LIMIT (Ea accident) \$ 2,000,000 BODILY INJURY (Per person) \$ BODILY INJURY (Per accident) \$ PROPERTY DAMAGE (Per accident) \$ \$
	UMBRELLA LIAB <input type="checkbox"/> OCCUR EXCESS LIAB <input type="checkbox"/> CLAIMS-MADE DED <input type="checkbox"/> RETENTION \$					EACH OCCURRENCE \$ AGGREGATE \$ \$
	WORKERS COMPENSATION AND EMPLOYERS' LIABILITY ANY PROPRIETOR/PARTNER/EXECUTIVE OFFICER/MEMBER EXCLUDED? (Mandatory in NH) <input type="checkbox"/> Y/N If yes, describe under DESCRIPTION OF OPERATIONS below	N/A				WC STATUTORY LIMITS <input type="checkbox"/> OTH-ER <input type="checkbox"/> E.L. EACH ACCIDENT \$ E.L. DISEASE - EA EMPLOYEE \$ E.L. DISEASE - POLICY LIMIT \$
A	BUILDING - 100% REPLACEMENT		60500-12-47	5/1/2017	5/1/2018	\$ 5,471,988 +ERC \$ 2,500 DED
A	EMPLOYEE DISHONESTY/FIDELITY		60500-12-47	5/1/2017	5/1/2018	\$ 50,000 \$ 2,500 DED
A	MECHANICAL BRKDOWN/ORDINANCE		60500-12-47	5/1/2017	5/1/2018	INCLUDED - SEE ATTACHED MEMO

DESCRIPTION OF OPERATIONS / LOCATIONS / VEHICLES (Attach ACORD 101, Additional Remarks Schedule, if more space is required)

, 8855-8873 BALBOA AVE, SAN DIEGO, CA 92123
 BUILDING COVERAGE IS "BARE-WALLS" INCLUDING EXTENDED REPLACEMENT UP TO \$6,839,985. (17 UNITS)

CERTIFICATE HOLDER ASSOCIATED PROFESSIONAL SERVICES (018) C/O MARIA BAHENA, COMMUNITY ADMINISTRATOR PO BOX 602090 SAN DIEGO, CA 92160-2090 Loan Number:	CANCELLATION SHOULD ANY OF THE ABOVE DESCRIBED POLICIES BE CANCELLED BEFORE THE EXPIRATION DATE THEREOF, NOTICE WILL BE DELIVERED IN ACCORDANCE WITH THE POLICY PROVISIONS. AUTHORIZED REPRESENTATIVE
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ACORD 25 (2010/05)

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5237

EXHIBIT 4

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Rian W. Jones, Bar No. 118830
Mandy D. Hexom, Bar No. 216390
EPSTEN GRINNELL & HOWELL APC
10200 Willow Creek Road, Suite 100
San Diego, California 92131
(858) 527-0111/ Fax (858) 527-1531
rjones@epsten.com
mhexom@epsten.com

Attorneys for Plaintiff,
MONTGOMERY FIELD BUSINESS
CONDOMINIUMS ASSOCIATION

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

MONTGOMERY FIELD BUSINESS
CONDOMINIUMS ASSOCIATION, a
California Nonprofit Mutual Benefit
Corporation,

Plaintiff,

v.

BALBOA AVE COOPERATIVE, a
California corporation; SAN DIEGO
UNITED HOLDINGS GROUP, LLC, a
California limited liability company; NINUS
MALAN, an individual; RAZUKI
INVESTMENTS, LLC, a California limited
liability company; SALAM RAZUKI, an
individual; and DOES 1 through 25,
inclusive,

Defendants.

CASE NO. 37-2017-00019384-CU-CO-CTL

**STIPULATION FOR COURT TO RETAIN
JURISDICTION TO ENFORCE
SETTLEMENT UPON DEFAULT
PURSUANT TO CODE OF CIVIL
PROCEDURE SECTION 664.6 AND
ENTRY OF JUDGMENT UPON
DEFAULT; [PROPOSED] ORDER
THEREON**

Case Assignment: Honorable Ronald L. Styn
Complaint Filed: May 26, 2017
Trial Date: March 9, 2018

[IMAGED FILE]

IT IS HEREBY STIPULATED by and between Plaintiff, MONTGOMERY FIELD
BUSINESS CONDOMINIUMS ASSOCIATION, a California Non-Profit Corporation
("Plaintiff" or "Association") and Defendants, BALBOA AVE COOPERATIVE, SAN
DIEGO UNITED HOLDINGS GROUP, LLC, NINUS MALAN, RAZUKI INVESTMENTS,

1 LLC and SALAM RAZUKI (collectively, the “Defendants”) as follows:¹

2 1. Recitals. On or about May 26, 2017, the Association commenced this action
3 against the Defendants for causes of action related to the enforcement of the Association’s
4 Declaration of Covenants, Conditions and Restriction for Montgomery Field Business
5 Condominiums recorded on July 31, 1981 as Documents No. 1981-242889 in the Official
6 Records of the San Diego County Recorder’s Office (“CC&Rs”) and the Association’s 2015
7 Amendment to Declaration of Covenants, Conditions and Restrictions for Montgomery Field
8 Business Condominiums Association recorded on March 2, 2015 as Document No. 2015-
9 0093872 in the Official Records of the San Diego County Recorder’s Office (“2015
10 Amendment”). The complaint in this action also demanded attorney’s fees and costs incurred
11 by the Association to enforce the CC&Rs and 2015 Amendment.

12 2. Settlement Agreement. The Parties to this action and to this Stipulation have
13 entered into a Settlement Agreement (“Settlement Agreement”) providing, in part, at Section
14 2.2.1, that upon default or breach of the Settlement Agreement, the Association may have the
15 dismissal in this action set aside and Judgment (in an agreed-form attached herewith as Exhibit
16 A unless as otherwise modified by the court) filed and entered on its behalf as hereafter
17 provided by a noticed motion pursuant to Code of Civil Procedure section 1005.

18 3. Payment of Attorney’s Fees and Costs. Pursuant to Section 2.1 of the
19 Settlement Agreement, Defendant, MALAN agrees to pay and agree to be liable for the
20 Association’s attorney’s fees and costs incurred in this action in the total amount set forth in
21 Section 2.1 of the Settlement Agreement. The Parties agree that if the Association enforces
22 Section 2.1 of the Settlement Agreement, such payment is not to be considered a penalty.

23 4. Retention of Jurisdiction. The Parties agree that, pursuant to Section 664.6 of
24 the California Code of Civil Procedure, the San Diego Superior Court shall retain jurisdiction
25 over this case, and the performance of the obligations to be undertaken pursuant to the terms of
26 this Stipulation and the Settlement Agreement for as long as the court agrees to retain

27 ¹ The Association, Balboa Ave Cooperative, San Diego United Holdings Group, LLC, Ninus
28 Malan, Razuki Investments, LLC and Salam Razuki may be referred to as a “Party”
individually or “Parties” collectively in this Stipulation.

1 jurisdiction, and the Parties agree to submit to said jurisdiction. In the event any obligation
2 imposed by the Stipulation or the Settlement Agreement is not fulfilled as prescribed herein,
3 the court may set aside the dismissal entered in this action and, upon reasonable notice and
4 after hearing set forth herein, enforce the terms of this Stipulation and the Settlement
5 Agreement pursuant to Code of Civil Procedure section 664.6, and enter judgment against
6 either Party for violations of any of the terms set forth in this Stipulation and/or the Settlement
7 Agreement. This Stipulation and Settlement Agreement memorializes the settlement terms
8 entered into by the Parties, and is signed by all Parties to this action.

9 5. Default Terms. It is hereby agreed by the Parties that Defendants will be in
10 default under the terms of the Settlement Agreement should they fail to comply with any of the
11 terms set forth in Section 2 of the Settlement Agreement. It is further agreed by the Parties that
12 any Party will be in default under the terms of the Settlement Agreement should they fail to
13 comply with any of the Settlement Agreement's terms that he/she or it is obligated to perform.

14 6. Entry of Judgment Upon Default. Should any Party allege a breach or default of
15 any of the terms of the Settlement Agreement, the non-breaching Party will give the alleged
16 breaching Party written notice, via first class mail, which will be sent pursuant to the Required
17 Notices provision of the Settlement Agreement at Section 3.1. If the deficiencies, breach or
18 default of the Settlement Agreement is not corrected within ten (10) days from the date of said
19 written notice, then the non-breaching Party may apply or move the court on with at least 16
20 court days prior notice to the other Party, for enforcement of the Settlement Agreement and
21 other relief as the court deems just and proper.

22 7. If the breach or default is adjudicated against MALAN as to Section 2.1 of the
23 Settlement Agreement, Judgment will be entered against MALAN as set forth and attached as
24 Exhibit A unless otherwise modified by the court as it deems just and necessary.

25 8. In addition, upon a finding by the court that Defendants are in breach or default
26 of any terms set forth in Section 2 of the Settlement Agreement, the Association will be
27 entitled to and may seek, as part of a Judgment, a permanent injunction order prohibiting
28 Defendants, or any other persons or entities on behalf of Defendants or its successors, from

1 performing Marijuana Activities or having armed guards within the Association. This order
2 will also require Defendants and their agents or successors from immediately and permanently
3 ceasing any and all "Marijuana Activities" as defined in Section 20 of the Association's
4 CC&Rs and/or as defined in the 2015 Amendment and will be prohibited from having any
5 armed guards within the Association.

6 9. The Association is entitled to, and may seek, as part of the Judgment, the
7 Association's reasonable attorney's fees and costs incurred to enforce the terms of this
8 Stipulation and Settlement Agreement including the attorney's fees and costs to prepare and
9 file the default notice, the notice of motion, any related documents or pleadings, and to attend
10 a hearing to file and enter Judgment. The Parties stipulate and agree that the amounts for these
11 attorney's fees and costs may be inserted by the Association or the court in the Judgment upon
12 the filing of this Stipulation in support of an ex parte application or motion to set aside
13 dismissal and enforce the Settlement Agreement. The Parties agree that if a Party enforces
14 Section 2.17 of the Settlement Agreement or this provision of the Stipulation and the court
15 requires payment of such attorney's fees and costs to enforce the Settlement Agreement, such
16 obligation is not to be considered a penalty.

17 10. Dismissal without Prejudice. The Parties agree and state that this action may be
18 dismissed without prejudice and with a reservation of power and jurisdiction of the court to set
19 aside said dismissal and order entry of judgment in the manner provided in this Stipulation and
20 Settlement Agreement and pursuant to Code of Civil Procedure Section 664.6. If any
21 enforcement is necessary or a dispute arises after entry of any dismissal, the court reserved
22 jurisdiction to reinstate this action nuc pro tunc as of the date of this Stipulation and Order so
23 that the court can issue orders as set forth herein.

24 11. Defendants waive findings of fact, conclusions of law, any right to appeal from
25 any Judgment entered pursuant to this Stipulation and Settlement Agreement, the right to
26 move for a new trial, and any notices of hearings except as set forth herein.

27 12. If any provision or term of this Stipulation is determined to be invalid, such
28 invalidity shall not affect other provisions or terms which can be given effect without the

1 invalid provisions or terms; and to this end the provisions and terms of this Stipulation shall be
2 severable.

3 13. The Parties also agree that in the event of any dispute in the case, or as to the
4 language or meaning of the terms of this Stipulation, the court shall have sole and exclusive
5 power to render any decision related to such dispute.

6 14. This Stipulation and Settlement Agreement shall be effective upon its execution
7 by all Parties.

8 15. The Parties represent and warrant that (i) they have read and understand the
9 terms of this Stipulation and the Settlement Agreement, and (ii) have entered into this
10 Stipulation and Settlement Agreement for reasons of their own and not based upon
11 representations of any other Party hereto.

12 16. By executing this Stipulation and Settlement Agreement, each of the Parties
13 represents that it has the right, legal capacity, power and authority to enter into this Stipulation
14 and to perform its obligations hereunder, without the consent, approval or authorization of any
15 person, entity, tribunal or other regulatory or governmental authority.

16 17. At all times material hereto the Parties have had an opportunity to consult with
17 legal counsel of their own choosing concerning their rights with respect to the form and
18 content of this Stipulation and Settlement Agreement and the advisability of executing the
19 same.

20 18. This Stipulation and Settlement Agreement shall be binding on, and inure to the
21 benefit of the Parties hereto, and where applicable, their respective parents, subsidiaries,
22 affiliates, divisions, officers, directors, owners, associates, predecessors, successors, heirs,
23 assigns, agents, partners, employees, insurers, and representatives.

24 19. This Stipulation and Settlement Agreement may be executed in counterparts
25 and all such counterparts when so executed shall together constitute the final Stipulation as if
26 one document had been signed by all of the Parties. This Stipulation and Settlement
27 Agreement may be executed by e-mail or facsimile copy and each signature thereto shall be
28 and constitute an original signature, again as if all Parties had executed a single original

1 document. No modification of any provision of this Stipulation and Settlement Agreement
2 shall be effective unless the same is in writing and signed by all Parties, and then such
3 modification shall be effective only in the specific instance or for the purpose for which given.

4 20. Each of the Parties to this Stipulation and Settlement Agreement agree to
5 execute and deliver to the other Parties such other documents, instruments, and writings
6 reasonably necessary to effectuate this Stipulation and shall undertake such other actions to
7 cause the consummation of the transactions contemplated by this Stipulation and Settlement
8 Agreement.

9
10 Dated: February ____, 2018

BALBOA AVE COOPERATIVE

11

12 _____
By: Ninus Malan, Its President

13

14 Dated: February ____, 2018

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16 _____
NINUS MALAN

17

18 Dated: February ____, 2018

SAN DIEGO UNITED HOLDINGS GROUP,
LLC

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21 _____
Ninus Malan, Its Managing Member

22

23 Dated: February ____, 2018

MONTGOMERY FIELD BUSINESS
CONDOMINIUMS ASSOCIATION, a
California Non-Profit Corporation

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26 By: _____
Daniel Burakowski, Board President

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Dated: February ____, 2018

MONTGOMERY FIELD BUSINESS
CONDOMINIUMS ASSOCIATION, a
California Non-Profit Corporation

By: _____

By: _____
Glen Strand, Vice-President

Dated: February ____, 2018

MONTGOMERY FIELD BUSINESS
CONDOMINIUMS ASSOCIATION, a
California Non-Profit Corporation

By: _____
Chris Williams, Secretary

Dated: _____

RAZUKI INVESTMENTS, LLC

By: _____
Title: _____

Dated: _____

SALAM RAZUKI

APPROVED AS TO FORM AND CONTENT:

Dated: February ____, 2018

EPSTEN, GRINNELL & HOWELL, APC

Mandy D. Hexom
Attorneys for Plaintiff,
MONTGOMERY FIELD BUSINESS
CONDOMINIUMS ASSOCIATION

Dated: February ____, 2018

AUSTIN LEGAL GROUP, APC

Gina Austin
Tamara Leetham
Attorneys for Defendants,
BALBOA AVE COOPERATIVE, NINUS
MALAN, and SAN DIEGO UNITED
HOLDINGS GROUP, LLC

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Dated: February ____, 2018

LAW OFFICE OF DOUGLAS JAFFE

Douglas Jaffe
Attorneys for Defendants,
RAZUKI INVESTMENTS, LLC, and SALAM
RAZUKI

IT IS SO ORDERED:

Dated:

JUDGE OF THE SUPERIOR COURT

EXHIBIT 5

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Rian W. Jones, Bar No. 118830
Mandy D. Hexom, Bar No. 216390
EPSTEN GRINNELL & HOWELL APC
10200 Willow Creek Road, Suite 100
San Diego, California 92131
(858) 527-0111/ Fax (858) 527-1531
rjones@epsten.com
mhexom@epsten.com

Attorneys for Plaintiff,
MONTGOMERY FIELD BUSINESS
CONDOMINIUMS ASSOCIATION

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

MONTGOMERY FIELD BUSINESS
CONDOMINIUMS ASSOCIATION, a
California Nonprofit Mutual Benefit
Corporation,

Plaintiff,

v.

BALBOA AVE COOPERATIVE, a
California corporation; SAN DIEGO
UNITED HOLDINGS GROUP, LLC, a
California limited liability company; NINUS
MALAN, an individual; RAZUKI
INVESTMENTS, LLC, a California limited
liability company; SALAM RAZUKI, an
individual; and DOES 1 through 25,
inclusive,

Defendants.

CASE NO. 37-2017-00019384-CU-CO-CTL

**[PROPOSED] JUDGMENT BY COURT ON
STIPULATION**

Case Assignment: Hon. Ronald L. Styn
Dept.: 72
Complaint Filed: May 26, 2017
Trial Date: March 9, 2018

[IMAGED FILE]

Plaintiff, MONTGOMERY FIELD BUSINESS CONDOMINIUMS ASSOCIATION
("Association") and Defendants, BALBOA AVE COOPERATIVE, SAN DIEGO UNITED
HOLDINGS GROUP, LLC, NINUS MALAN, RAZUKI INVESTMENTS, LLC, and
SALAM RAZUKI agreed that upon application or motion by a party (giving adequate notice
of at least 16 court days prior to a hearing) to enforce the Settlement Agreement pursuant to
Code of Civil Procedure section 664.6 and upon a finding of a default by the court, that
Judgment be entered in this case pursuant to the terms of the Stipulation for Court to Retain

1 Jurisdiction to Enforce Settlement Upon Default Pursuant to Code of Civil Procedure Section
2 664.6 and Entry of Judgment Upon Default; Proposed Order Thereon (“Stipulation and
3 Order”). The court signed the Stipulation which was previously filed and entered in this action.

4 IT IS ADJUDGED, ORDERED AND DECREED as follows:

5 1. The court determines and finds that _____ is in
6 default of the Settlement Agreement pursuant to a breach of Section _____ of
7 the Settlement Agreement.

8 2. The dismissal without prejudice entered against _____ on
9 _____ is vacated.

10 3. Judgment is entered by the court according to the Stipulation and Order as
11 follows, if applicable:

12 2.1 The Use Variance referenced in Section 2.2 of the Settlement
13 Agreement is hereby revoked and cancelled and Defendants, and each of them, should be
14 permanently enjoined and prohibited from having armed guards or from conducting marijuana
15 activities or operations that are in violation of the 2015 Amendment to Declaration of
16 Covenants, Conditions and Restrictions for Montgomery Field Business Condominiums
17 Association recorded as Document Number 2015-0093872 in the Official Records of the San
18 Diego County Recorder.

19 2.2 Defendant, NINUS MALAN must pay to Plaintiff Association the total
20 sum of \$142,572, minus any sums previously paid to the Association pursuant to Section 2.1
21 of the Settlement Agreement, for a total of \$_____. The total Judgment
22 amount NINUS MALAN must pay to Plaintiff is \$_____.

23 2.3 _____ must pay to the prevailing party, ____
24 _____ the total sum of \$_____ which represents
25 reasonable attorney’s fees and costs incurred by that party to enforce the Settlement
26 Agreement.

27 The foregoing is agreed to in form, if any such provision(s) above is applicable, as a
28 Judgment upon default of the Settlement Agreement by the following:

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Dated: February 13, 2018

BALBOA AVE COOPERATIVE



By: Ninus Malan, Its President

Dated: February 13, 2018


NINUS MALAN

Dated: February 13, 2018

SAN DIEGO UNITED HOLDINGS GROUP,
LLC


Ninus Malan, Its Managing Member

Dated: February _____, 2018

MONTGOMERY FIELD BUSINESS
CONDOMINIUMS ASSOCIATION, a
California Non-Profit Corporation

By: _____
Daniel Burakowski, Board President

Dated: February _____, 2018

MONTGOMERY FIELD BUSINESS
CONDOMINIUMS ASSOCIATION, a
California Non-Profit Corporation

By: _____

By: _____
Glen Strand, Vice-President

Dated: February _____, 2018

MONTGOMERY FIELD BUSINESS
CONDOMINIUMS ASSOCIATION, a
California Non-Profit Corporation

By: _____
Chris Williams, Secretary

Dated: _____

RAZUKI INVESTMENTS, LLC

By: _____
Title: _____

Dated: _____

SALAM RAZUKI

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Dated: February ____, 2018

BALBOA AVE COOPERATIVE

By: Ninus Malan, Its President

Dated: February ____, 2018

NINUS MALAN

Dated: February ____, 2018

SAN DIEGO UNITED HOLDINGS GROUP, LLC

Ninus Malan, Its Managing Member

Dated: February ____, 2018

MONTGOMERY FIELD BUSINESS CONDOMINIUMS ASSOCIATION, a California Non-Profit Corporation

By: Daniel Burakowski, Board President

Dated: February ____, 2018

MONTGOMERY FIELD BUSINESS CONDOMINIUMS ASSOCIATION, a California Non-Profit Corporation

By: _____

By: Glen Strand, Vice-President

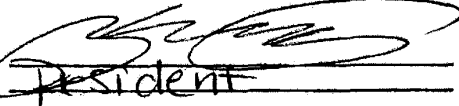
Dated: February ____, 2018

MONTGOMERY FIELD BUSINESS CONDOMINIUMS ASSOCIATION, a California Non-Profit Corporation

By: Chris Williams, Secretary

Dated: 02/13/18

RAZUKI INVESTMENTS, LLC

By: 
Title: President

Dated: 02/13/18


SALAM RAZUKI

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Dated: February ____, 2018

BALBOA AVE COOPERATIVE

By: _____
Ninus Malan, Its President

Dated: February ____, 2018

NINUS MALAN

Dated: February ____, 2018

SAN DIEGO UNITED HOLDINGS GROUP,
LLC

Ninus Malan, Its Managing Member

Dated: February ____, 2018

MONTGOMERY FIELD BUSINESS
CONDOMINIUMS ASSOCIATION, a
California Non-Profit Corporation

By: _____
Daniel Burakowski, Board President

Dated: February ____, 2018

MONTGOMERY FIELD BUSINESS
CONDOMINIUMS ASSOCIATION, a
California Non-Profit Corporation

By: _____

By: _____
Glen Strand, Vice-President

Dated: February ____, 2018

MONTGOMERY FIELD BUSINESS
CONDOMINIUMS ASSOCIATION, a
California Non-Profit Corporation

By: _____
Chris Williams, Secretary

Dated: _____

RAZUKI INVESTMENTS, LLC

By: _____
Title: _____

Dated: _____

SALAM RAZUKI

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APPROVED AS TO FORM AND CONTENT:

Dated: February ____, 2018 EPSTEN, GRINNELL & HOWELL, APC

Mandy D. Hexom
Attorneys for Plaintiff,
MONTGOMERY FIELD BUSINESS
CONDOMINIUMS ASSOCIATION

Dated: February 12, 2018 AUSTIN LEGAL GROUP, APC

Tamara Leetham

Gina Austin
Tamara Leetham
Attorneys for Defendants,
BALBOA AVE COOPERATIVE, NINUS
MALAN, and SAN DIEGO UNITED
HOLDINGS GROUP, LLC

Dated: February ____, 2018 LAW OFFICE OF DOUGLAS JAFFE

Douglas Jaffe
Attorneys for Defendants,
RAZUKI INVESTMENTS, LLC, and SALAM
RAZUKI

IT IS SO ORDERED:

Dated: _____
JUDGE OF THE SUPERIOR COURT

1 APPROVED AS TO FORM AND CONTENT:

2 Dated: February ____, 2018 EPSTEN, GRINNELL & HOWELL, APC

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4 _____
5 Mandy D. Hexom
6 Attorneys for Plaintiff,
7 MONTGOMERY FIELD BUSINESS
8 CONDOMINIUMS ASSOCIATION

9 Dated: February ____, 2018 AUSTIN LEGAL GROUP, APC

10 _____
11 Gina Austin
12 Tamara Leetham
13 Attorneys for Defendants,
14 BALBOA AVE COOPERATIVE, NINUS
15 MALAN, and SAN DIEGO UNITED
16 HOLDINGS GROUP, LLC

17 Dated: February ____, 2018 LAW OFFICE OF DOUGLAS JAFFE

18 _____
19 Douglas Jaffe
20 Attorneys for Defendants,
21 RAZUKI INVESTMENTS, LLC, and SALAM
22 RAZUKI

23 IT IS SO ORDERED:

24 Dated: _____
25 JUDGE OF THE SUPERIOR COURT

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EXHIBIT B

5255

Leetham, Tamara

From: calsur@aol.com
Sent: Wednesday, August 22, 2018 12:14 PM
To: ninusmalan@yahoo.com
Cc: rgriswold@griswoldlawsandiego.com; Leetham, Tamara; Austin, Gina; symbolicrealestate@gmail.com; chasgoria@gmail.com; juddthetaxman@gmail.com; dwatts@galupplaw.com
Subject: Re: Current Outstanding Debts

Thank you for the information Ninus. How would the 2 entities have paid these bills - and are you saying that the entities have no funds? I have about \$49,000 in my account after canceling the state tax check for \$40,000 (based on Sturgeon's initial order to not spend any more money). Also, I will have access to the Flip account with about \$26,000 in it - after I have my order. But I'm confused about where you would normally expect to get funds for obligations of the entities? I assume from the management companies? Hoping to meet with Judd soon to discuss cash flow issues and my questions.

Mike

In a message dated 8/22/2018 11:43:01 AM Pacific Standard Time, ninusmalan@yahoo.com writes:

Mike,

I hope your doing well. Below is a list of expenses that are outstanding and needing to be paid. There are more remaining and I will send another email with those breakdowns. Please feel free to contact me with any questions or help I may assist you with.

1. Techne for Balboa 5 Units CUP - \$19,493.25
2. San Diego Reader Outstanding Balance \$1,550.00
3. Inzone Insurance for Balboa Ave Cooperative \$679.18
4. Lions and Coventry Insurance for California Cannabis Group \$302.45
5. Liberty Mutual Insurance for San Diego United Holdings Group \$457.80
6. CDTFA Tax \$173,702.86
7. Loan from Ninus Malan Personal for August 2018 Balboa 5 Units Mortgage - \$9,952.36
8. Loan from Ninus Malan Personal for August 2018 Balboa 2 Units Mortgage - \$4,573.70
9. Loan from Ninus Malan Personal for August 2018 Mira Este 1st Mortgage - \$6,625.00
10. Loan from Ninus Malan Personal for August 2018 Roselle Mortgage - \$3,300.00
11. Loan from Ninus Malan Personal for August 2018 Mira Este 2nd Mortgage - \$4,915.75
12. Loan from Chris Hakim Personal for August 2018 Mira Este 1st Mortgage - \$6,625.00
13. Loan from Chris Hakim Personal for August 2018 Mira Este 2nd Mortgage - \$4,915.75
14. Loan from Chris Hakim Personal for August 2018 Roselle St Mortgage - \$3,300.00
15. Epsten, Grinnel and Howell for HOA Settlement Payment - \$6,171.47
16. July 2018 HOA Insurance Payment - \$3,520.65
17. August 2018 HOA Insurance Payment - \$3,520.65
18. Balboa Ave 5 Units HOA monthly standard fee July 2018 - \$900.00
19. Balboa Ave 5 Units HOA monthly standard fee August 2018 - \$900.00
20. Balboa Ave 2 Units HOA monthly standard fee July 2018 - \$360.00
21. Balboa Ave 2 Units HOA monthly standard fee August 2018 - \$360.00
22. Balboa Race Car Advertising Sponsorship - \$2,000.00

Best regards,

Ninus Malan

EXHIBIT C

5257

Leetham, Tamara

From: calsur@aol.com
Sent: Thursday, October 4, 2018 9:49 AM
To: ninusmalan@yahoo.com
Cc: Austin, Gina; Leetham, Tamara; juddthetaxman@gmail.com; rgriswold@griswoldlawsandiego.com; Steve@EliaLaw.com; mpw@btzforensics.com
Subject: Urgent Payments Needing to be Paid

Ninus,

As I believe I've mentioned before I am holding approximately \$19,000 in my Wells Fargo receiver account. I have used funds from this account recently for Receiver and Legal fees and the retainer for Brinig accountants. I am not willing to release those funds at this time as I would like to have a small reserve for unexpected receiver expenses that may arise. As you and Judd know I turned over the Flip Mgmt account to you with approximately \$26,500 in the account for your use.

While many of your listed expenses are legitimate in my opinion and do need to be paid, others will need explanation prior to approval. But before we even get into the invoice approval process we need to discuss why there are no funds available. Marilyn is still working on a detailed cash flow analysis so I do not have a handle on the actual total cash coming in versus going out for expenses. And of even more concern to me is that fact that Mira Este to my knowledge has not reported or documented any of the potential income we know they are generating - as your team has stated and documented in court. For September and October there should be over \$120K in income based on Synergy and new tenant Edipure - Judd, why do we still not have any information/accounting for these monies? Marilyn, please correct me if I'm wrong but do you have any information about current cash flows on Mira Este?

And a final concern that you must address immediately per the court's multiple orders is that the Receiver, Legal, and Brinig accounting expenses have the highest priority for payment - even over operating expenses. They are not listed on your email as outstanding payables? And yet Far West has been receiving their \$25,000 a month in payments consistently?

There is a process for me to acquire funds to contribute to the operations, but it would require a court order and an outside 3rd party lender secured by Receiver Certificates with hyper priority on the businesses and properties. I'm willing to explore that if you are telling me that there is no way to fund these items from the operations.

I await your response before taking action.

Michael Essary
Receiver

In a message dated 10/4/2018 8:10:20 AM Pacific Standard Time, ninusmalan@yahoo.com writes:

Mike,

Any update on the below payments?

Please advise,

Ninus Malan

Sent from my Verizon, Samsung Galaxy smartphone

----- Original message -----

From: calsur@aol.com

Date: 10/3/18 12:35 AM (GMT-08:00)

To: ninusmalan@yahoo.com

Cc: gaustin@austinlegalgroup.com, tamara@austinlegalgroup.com, juddthetaxman@gmail.com,
rgriswold@griswoldlawsandiego.com

Subject: Re: Urgent Payments Needing to be Paid

I am reviewing and will respond tomorrow Ninus.

Mike

In a message dated 10/2/2018 7:30:48 PM Pacific Standard Time, ninusmalan@yahoo.com writes:

Mike,

The following payment's are currently outstanding and needing to be paid asap. Please let me know if you will be paying them in the next few days. I will not be able to make any payments personally. I need to know if we can make any of these payments?

1. October 2018 Balboa 5 Units Mortgage - \$9,952.36 to Salas Financial
2. October 2018 Balboa 2 Units Mortgage - \$4,573.70 to Salas Financial
3. October 2018 Mira Este 2nd Mortgage - \$9,831.50
4. October 2018 Mira Este 1st Mortgage - \$13,250.00
5. Epsten, Grinnel and Howell for HOA Settlement Payment - \$6,171.47
6. Techne for Balboa 5 Units CUP - \$19,493.25
7. San Diego Reader Outstanding Balance \$2,750.00
8. Inzone Insurance for Balboa Ave Cooperative \$679.18
9. CDTFA Tax \$173,702.86 - No Payments Made Yet
10. HOA Sewer Bill Installment Payment - \$20,000.00
11. July 2018 HOA Insurance Payment - \$3,520.65
12. August 2018 HOA Insurance Payment - \$3,520.65
13. Balboa Ave 5 Units HOA monthly standard fee September 2018 - \$900.00
14. Balboa Ave 5 Units HOA monthly standard fee October 2018 - \$900.00
15. Balboa Ave 2 Units HOA monthly standard fee September 2018 - \$360.00
16. Balboa Ave 2 Units HOA monthly standard fee October 2018 - \$360.00
17. Loan from Ninus Malan Personal for August 2018 Balboa 5 Units Mortgage - \$9,952.36
18. Loan from Ninus Malan Personal for August 2018 Balboa 2 Units Mortgage - \$4,573.70
19. Loan from Ninus Malan Personal for August 2018 Mira Este 1st Mortgage - \$6,625.00
20. Loan from Ninus Malan Personal for August 2018 Roselle Mortgage - \$3,300.00
21. Loan from Ninus Malan Personal for August 2018 Mira Este 2nd Mortgage - \$4,915.75
22. Loan from Chris Hakim Personal for August 2018 Mira Este 1st Mortgage - \$6,625.00
23. Loan from Chris Hakim Personal for August 2018 Mira Este 2nd Mortgage - \$4,915.75
24. Loan from Chris Hakim Personal for August 2018 Roselle St Mortgage - \$3,300.00
25. September 2018 HOA Insurance Payment - \$3,520.65
26. October 2018 HOA Insurance Payment - \$3,520.65
27. Loan from Ninus Malan Personal for September 2018 Mira Este 1st Mortgage - \$6,625.00
28. Loan from Ninus Malan Personal for September 2018 Mira Este 2nd Mortgage - \$4,915.75
29. Loan from Chris Hakim Personal for September 2018 Mira Este 1st Mortgage - \$6,625.00
30. Loan from Chris Hakim Personal for September 2018 Mira Este 2nd Mortgage - \$4,915.75

Please Advise,

Ninus Malan

EXHIBIT D

5260

Leetham, Tamara

From: Leetham, Tamara
Sent: Tuesday, September 11, 2018 2:11 PM
To: calsur@aol.com
Cc: rgriswold@griswoldlawsandiego.com; Austin, Gina; Ninus Malan
Subject: Balboa: HOA Main Sewer Line Must Be Replace

Hi Mike,

Ninus called me earlier this afternoon to let me know the HOA's main sewer line collapsed and the HOA is requesting San Diego United replace it pursuant to the settlement agreement in the Montgomery Field law suit. I have copied the relevant language below (see Section 2.7.2). This will obviously be an upcoming expense although not immediately due and payable.

Please let me know if you have any questions.

2.7 Payment of Sewer Line Costs.

2.7.1 Defendants agree to hydro-jet the sewer line(s) associated with the SDUHG Units on or before April 1, 2018 and annually thereafter if the Association deems annual hydro-jet service is required or necessary to the SDUHG Units. If the sewer lines associated with the SDUHG Units or the Proposed Production Facility require repair, replacement or other ancillary work to be performed, Defendants shall reimburse the Association for any such costs upon receipt of a written demand by the Association within 60 days.

2.7.2 Between December 1, 2020 and March 1, 2021, Defendants agree to pay the cost to replace the Association's main sewer line ("Sewer Line Replacement"). The Parties agree that the Association will obtain three quotes from a licensed and insured plumber prior to obligating Defendants to the Sewer Line Replacement and present the lowest quote to Defendants. Reimbursement of the cost of the Sewer Line Replacement shall be due within 60 days upon receipt by Defendants of the lowest proposal received by Defendants from the Association.

Tamara M. Leetham, Esq. | Austin Legal Group, APC | tamara@austinlegalgroup.com
3990 Old Town Ave., Ste A-112, San Diego, CA 92110
Office Phone: 619-924-9600
Fax Number: 619-881-0045
www.austinlegalgroup.com

Confidentiality Notice:

This message is being sent on behalf of a lawyer. It is intended exclusively for the individual or entity to which it is addressed. This communication may contain information that is proprietary, privileged or confidential or otherwise legally exempt from disclosure. If you are not the named addressee, you are not authorized to read, print, retain, copy or disseminate this message or any part of it. If you have received this message in error, please notify the sender immediately by e-mail and delete all copies of the message.

EXHIBIT E

5262

Leetham, Tamara

From: calsur@aol.com
Sent: Wednesday, October 10, 2018 2:27 PM
To: juddthetaxman@gmail.com
Cc: jrba@cox.net; NinusMalan@Yahoo.com; Austin, Gina; heidi@goldenstategreens.com; mpw@btzforensics.com; rgriswold@griswoldlawsandiego.com; Leetham, Tamara; chasgoria@gmail.com
Subject: Balboa - Sales & Use Tax & City Tax Due

Judd,

Do not make any expenditures until I approve. We still have the significant issue of Ninus and you stating that we do not have enough cash to make all necessary payments - including the highest priority payments for the receivership expenses.

On an ongoing basis I will review and normally approve payroll costs for Balboa (with adequate documentation) since I don't believe that the employees should be shorted on their labor and time. However, as Red and I have stated in previous emails ALL other expenses are secondary to receivership expenses per the court's multiple orders.

While I certainly understand the urgency in paying the normal operating expenses you and Ninus keep presenting to me, I do NOT have any additional funds adequate to resolve those issues; so I am demanding that you make NO payments for any expenses without my approval. As I recently mentioned to Heidi on her timely Balboa cash reports there were 2 expenses that I do not have record of approving?

I understand that non-payment of many of these legitimate expenses are a problem - but unless the principals are willing to add money to the operations I will be seeking outside funding to ensure that the critical bills are paid as soon as possible.

Again - nothing should be paid with cash or through banks unless I approve. And I will not be approving most expenses in secondary priority except for the pre-referenced payroll costs.

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

Leetham, Tamara

From: calsur@aol.com
Sent: Wednesday, October 10, 2018 2:38 PM
To: ninusmalan@yahoo.com
Cc: juddthetaxman@gmail.com; Leetham, Tamara; Austin, Gina; dwatts@galuppolaw.com; 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

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EXHIBIT F

5266

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

7 Attorney For
8 **Court-Appointed Receiver Michael Essary**

9 SUPERIOR COURT OF CALIFORNIA
10 FOR THE COUNTY OF SAN DIEGO

11 SALAM RAZUKI, an individual,
12 Plaintiff,

13 v.

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

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

**RECEIVER MICHAEL ESSARY'S
SECOND RECEIVER'S REPORT**

Judge: Hon. Eddie C. Sturgeon
Dept: C-67
Date: November 16, 2018
Time: 1:30 p.m.

SECOND RECEIVER'S REPORT

1. I, Michael Essary, was appointed as the Receiver in the above-entitled matter by this Court on August 20, 2018. Pursuant to this Court's Appointment Order, I was ordered to take possession and control of the Marijuana Operations, which specifically includes the following

1 entities: San Diego United Holdings Group, LLC, Mira Este Properties, LLC, Balboa Ave
2 Cooperative, California Cannabis Group, Devilish Delights, Inc., and Flip Management, LLC.

3 2. This Court directed me to retain Brian Brinig of Brinig Taylor Zimmer, Inc. to conduct
4 a comprehensive forensic accounting audit of the Marijuana Operations, as well as of all named
5 parties in this matter as it relates to financial transactions between and among such parties related to
6 the issues in dispute. A true and correct copy of Mr. Brinig's report ("Brinig Report") is attached
7 hereto as **Exhibit A**. Mr. Brinig will attend the November 16, 2018 hearing in order to answer
8 questions from the Court and explain his report at the Court's request.

9 **BALBOA DISPENSARY & STORAGE UNIT**

10 3. San Diego United Holdings Group, LLC is the owner of 8863 Balboa Ave., Suite E,
11 San Diego, California 92123. This is the physical location of the retail cannabis dispensary that is
12 operating under the license held by Balboa Avenue Cooperative and managed by Far West
13 Management, LLC ("Far West"). San Diego United Holdings Group, LLC also owns 8861 Balboa
14 Ave. Suite B, San Diego, California 92123, which is used for storage by the dispensary operation.

15 4. Justus Henkus IV serves as the accountant for the Balboa Ave operations. Mr. Henkus
16 is also a part-owner of Far West.

17 5. I continue to enforce the agreed-upon expense payment procedure with Mr. Malan,
18 Mr. Henkus and Far West, whereby they submit invoices they would like to have paid and I
19 review/comment and approve/disapprove prior to payment.

20 6. One of the largest outstanding bills for the Balboa Ave operation is the State of
21 California sales taxes that were due on June 30, 2018. The outstanding amount owed is \$173,772.86
22 and the period covered by this tax bill is from July 1, 2017 through June 30, 2018.

23 7. The 2018 third quarter sales tax obligations were calculated by Far West and paid
24 prior to the October 31, 2018 deadline via check payment by the receivership estate. The total was
25 \$50,914.00 and the funds were provided to the receivership estate bank account from the Balboa
26 operations so that the receivership estate could issue a payment by check.

27 8. All state and local licenses and permits are currently in good standing and I remain
28

1 the primary contact on behalf of the Balboa operations when communicating with the state and local
2 agencies.

3 **BALBOA RENTALS**

4 9. One of the other properties owned by the San Diego United Holdings Group, LLC is
5 adjacent to, and in the same development as, the Balboa Ave dispensary. The address is 8859 Balboa
6 Avenue, Suites A–E, San Diego, California 92123. It was purchased by San Diego United Holdings
7 Group, LLC and I have been informed it is a potential future cannabis location. The original
8 owner/seller Mr. Peter Michelet remains as a tenant with no rent obligation and Mr. Michelet collects
9 rents from the other three tenants (total of \$5,500 per month). I have collected those rents for the last
10 two months and deposited them into the receivership estate bank account.

11 **MIRA ESTE PRODUCTION SITE**

12 10. Defendant Mira Este Properties, LLC is the owner of property located at 9212 Mira
13 Este Court, San Diego, California 92126. The Mira Este property is a cannabis production/extraction
14 site that was not operational at the time I was initially appointed in July 2018. Since then, it has begun
15 operating and is managed by Synergy Management Partners LLC (“Synergy”). Justus Henkus IV
16 provides accounting services for the Mira Este operations.

17 11. Per this Court’s Order, I coordinated Plaintiffs-In-Intervention SoCal Building
18 Ventures, LLC and San Diego Building Ventures, LLC’s retrieval of equipment from the Mira Este
19 property without incident. All parties and counsel cooperated.

20 12. A 3rd party cannabis producer, Edipure, is operating at the Mira Este property. Edipure
21 has a contract with California Cannabis Group (“CCG”), administered by Synergy, which results in
22 CCG receiving monthly 10% of Edipure’s sale revenue or \$30,000, whichever is higher. It is my
23 understanding that CCG, via Synergy, has collected \$90,000 thus far through this arrangement with
24 Edipure. Attached hereto as **Exhibit B** is a true and correct copy of the executed contract between
25 CCG and Edipure.

26 13. I continue to enforce the agreed-upon expense payment procedure with Mr. Malan,
27 Mr. Hakim, Mr. Henkus and Synergy, whereby they submit invoices they would like to have paid
28

1 and I review/comment and approve/disapprove prior to payment.

2 14. All state and local licenses and permits are currently in good standing and I remain
3 the primary contact on behalf of the Balboa operations when communicating with the state and local
4 agencies.

5 **GENERAL RECEIVERSHIP ACCOUNTING SUMMARY**

6 15. Attached hereto as **Exhibit C** is a true and correct copy of an updated Cash Ledger
7 reflecting activity and the balance of \$3,237.18 in my Wells Fargo receivership account. Attached
8 hereto as **Exhibit D** are true and correct copies of my currently-unpaid Receiver billings (unpaid for
9 September & October 2018: total \$26,069.50), currently-unpaid billings from my counsel,
10 Richardson Griswold (unpaid for October 2018: total \$5,516.55), and currently-unpaid billings from
11 accounting Brian Brinig (unpaid for October 2018: total \$24,462.50).

12 16. As ordered by this Court on September 26, 2018 in the Preliminary Injunction Order,
13 the fees and costs of the Receiver and Receiver's counsel are to be paid with funds of the Marijuana
14 Operations with priority over other expenses incurred (*See* Order, p. 3, §§ 8-9, signed September 26,
15 2018). As of the date of drafting this Report, my counsel, accountant Brinig and I have outstanding
16 invoices. I request this Court order the outstanding invoices be paid immediately from funds of the
17 Marijuana Operations.

18
19 Dated: November 13th 2018

Respectfully Submitted,

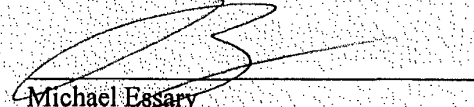
20
21 
22 Michael Essary
23 Court Appointed Receiver
24
25
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27
28

Exhibit A

5271

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

November 12, 2018

BY E-MAIL ONLY

Honorable Eddie C. Sturgeon
Judge of the Superior Court
Department C-67
330 West Broadway
San Diego, CA 92101

Mr. Michael Essary
Court-Appointed Receiver
Calsur Property Management
8304 Clairemont Mesa Blvd., St. 207
San Diego, CA 92111

Re: Razuki v. Malan, et al.
Case No.: 37-2018-00034229-CU-BC-CTL

Judge Sturgeon, Mr. Essary, Parties and Counsel:

I have been court appointed by the Honorable Eddie C. Sturgeon to provide a forensic accounting analysis of financial issues related to two business operations: the "Balboa Operations" and the "Mira Este Operation." This report presents my findings as of November 12, 2018. The parties continue to provide information that they believe is relevant to my analysis and I reserve the right to update and augment this report based on additional information provided to me.

BACKGROUND FACTS

A dispute exists between Mr. Salam Razuki (Plaintiff) and Mr. Ninus Malan (one of the Defendants) regarding their respective ownership interests in various business entities comprising two separate, licensed cannabis operations. In short,¹ Razuki claims that he and Malan are 75% / 25% owners of the entities involved in the Balboa Operations. Razuki also claims that he and Malan are 75% / 25% owners in any interest that Malan has in the Mira Este

¹ The parties have complex claims in this matter and my summary of those claims is not intended to be complete. My summary is only intended to introduce the forensic accounting analysis that I have undertaken.

Honorable Eddie C. Sturgeon
Mr. Michael Essary
November 12, 2018
Page 2

Operation. This report addresses the Balboa Operations separately from the Mira Este Operation.

SCOPE OF THE FORENSIC ACCOUNTING ASSIGNMENT

In this report, the following financial issues are addressed:

The Balboa Operations:

1. Razuki's contributions made into the Balboa Operations.
2. Distributions received by Razuki from the Balboa Operations.
3. Malan's contributions made into the Balboa Operations;
4. Distributions received by Malan from the Balboa Operations;
5. Contributions made by others into the Balboa Operations;
6. Distributions received by others from the Balboa Operations;
7. A summary of the financial operating activity of the Balboa Operations from inception to approximately the end of October 2018.

The Mira Este Operation:

1. Razuki's contributions made into the Mira Este Operation;
2. Distributions received by Razuki from the Mira Este Operation;
3. Malan's contributions made into the Mira Este Operation;
4. Distributions received by Malan from the Mira Este Operation;
5. Contributions made by Hakim into the Mira Este Operation;
6. Distributions received by Hakim from the Mira Este Operation;
7. Contributions made by others into the Mira Este Operation;
8. Distributions received by others from the Mira Este Operation;
9. A summary of the financial operating activity of the Mira Este Operation from inception to approximately the end of October 2018.

Other Contributions Claimed by the Parties:

1. Each party claims that he has made contributions to the business in the form of direct payments to the other party or payments of expenses related to the business entities. In Schedule 1, I have identified the respective "Other Possible Contributions" claimed by each party. Further investigation is necessary to verify the "Other Possible Contributions" in both the amounts and the propriety of allowing credit to the contributing party.

The summary of the analysis is set forth in Schedule 1 to this report and Schedules 2 through 5 provide more detailed analysis. My firm can provide very detailed schedules to the parties showing the composition of the amounts of contributions, distributions and expenses, but these detailed schedules are not included in this report.

BRINIG TAYLOR ZIMMER
INCORPORATED

Honorable Eddie C. Sturgeon
Mr. Michael Essary
November 12, 2018
Page 3

THE "BALBOA OPERATIONS"

The "Balboa Operations" are several business entities that combine to operate a retail cannabis dispensary from premises located at 8863 Balboa Avenue, Suite E, San Diego, California. The Balboa Operations are composed of the following entities:

Entities OWNED (OR CLAIMED TO BE OWNED) by Malan and Razuki:

1. **Balboa Avenue Cooperative** (a licensed, California nonprofit mutual benefit corporation that operates the cannabis dispensary, referred to as the "Balboa Dispensary" or the "Dispensary");
2. **San Diego United Holdings Group, LLC** (a California limited liability company that owns the premises of the Dispensary and six other individual units in the same commercial/industrial complex as the Dispensary);
3. **Flip Management, LLC** (a California limited liability company that has operated as a related management entity for the Dispensary);

Entities NOT OWNED by Malan and/or Razuki, but relevant to the discussion:

4. **San Diego Building Ventures** (a third-party management company that was formerly contracted to the Dispensary to provide management services; this entity is also referred to as SoCal Building Ventures, but it appears to be the same entity);
5. **Far West Management, LLC** (a management company that is presently contracted to the Dispensary to provide management services);

Ultimately, the Balboa Operations exist to run the Balboa Dispensary, a retail store that is licensed to sell cannabis products to the public. There are extensive regulations governing the operations of a cannabis business and reluctance (or possibly outright prohibition) on the part of federally-chartered banking institutions to grant banking privileges to cannabis-related businesses. Consequently, the Balboa Dispensary is an entirely cash business. As a result of the "cash only" operating situation, the Dispensary is related to other entities to which it transfers the majority of its revenue and through which it pays many of its expenses. The related entities are able to operate with checking accounts through normal banking institutions. The Balboa Dispensary also has a management contract with Far West Management, LLC, a company that provides management services and employee leasing services to the Balboa Dispensary.

Summary of Contributions and Distributions by Razuki and Malan to the Balboa Operations

Schedule 2 sets forth a summary of the contributions to and distributions from the Balboa Operations by Mr. Razuki and Mr. Malan from inception to the present. Schedule 2 also shows contributions from San Diego Business Ventures (former management company) and other transfers in and out of the Balboa Operations. The references on Schedule 2 identify the

BRINIG TAYLOR ZIMMER
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Honorable Eddie C. Sturgeon
 Mr. Michael Essary
 November 12, 2018
 Page 4

supporting schedules that present the details of the summary amounts on Schedule 2. The result of the analysis of the contributions and distributions related to the Balboa Operations is set forth in the following duplication of Schedule 2:

**SCHEDULE 2
 BALBOA OPERATIONS
 AMOUNTS CONTRIBUTED INTO AND DISTRIBUTED FROM**

		Contributions to and Distributions from				
	<i>Ref.</i>	Razuki	Malan	Hakim	S.D. Bldg. Vent.	Total
Contributions into:						
8859 Balboa A-E	<i>Sched 2.1</i>	\$ 527,312.99	\$ 53,524.85			\$ 580,837.84
8861 B & 8863 E	<i>Sched 2.2</i>	433,312.50	4,198.50			437,511.00
S.D. Building Ventures	<i>Sched 2.3</i>	-	-		\$ 1,555,892.34	1,555,892.34
S.D. United Holdings, LLC	<i>Sched 2.4</i>		107,031.45	12,500.00		119,531.45
Total Contributions Into Balboa Operations		\$ 960,625.49	\$ 164,754.80	\$ 12,500.00	\$ 1,555,892.34	\$ 2,693,772.63
(Distributions From)						
Daily Cash Sheets (Jan - Jun 2018)	<i>Sched 2.5</i>		(182,680.00)	(30,000.00)		(212,680.00)
Flip Management, LLC	<i>Sched 2.6</i>	(229.67)	(5,644.00)	(5,000.00)		(10,873.67)
S.D. United Holdings, LLC	<i>Sched 2.4</i>	(26,994.97)				(26,994.97)
Total Distributions From Balboa Operations		\$ (27,224.64)	\$ (188,324.00)	\$ (35,000.00)	\$ -	\$ (250,548.64)
Net Contributions (Distributions)		\$ 933,400.86	\$ (23,569.21)	\$ (22,500.00)	\$ 1,555,892.34	\$ 2,443,223.99

Summary of Financial Operating Activity of the Balboa Operations

The operations of the Balboa Dispensary are a consolidation of the revenues and expenses from several entities. Because of the practical restriction of banking facilities available to the Balboa Dispensary, it can only operate on a cash basis by itself. Consequently, any expenses that cannot be paid in cash (payroll, taxes, insurance, etc.) have to be paid by a related entity or an unrelated management company. It is therefore necessary to transfer cash revenues from the Balboa Dispensary to other entities for the payment of some of the Dispensary's expenses. Therefore, the complete picture of the operations of the Dispensary (revenues, expenses and net income) requires a consolidation of expenses paid by various entities. Schedule 3 to this report presents the Statement of Cash Received and Disbursed from Operations for the Balboa Operations from inception through the present date. It should be noted that Schedule 3 is compiled from the best accounting data available from the management sources that were in place during different periods of historical operation and the Schedule is prepared without audit.

Schedule 3 identifies a cumulative operating deficit of the Balboa Operations of (\$1,564,712). This deficit has been funded by contributions as identified in Schedule 2 to this report

**BRINIG TAYLOR ZIMMER
 INCORPORATED**

Honorable Eddie C. Sturgeon
Mr. Michael Essary
November 12, 2018
Page 5

THE "MIRA ESTE OPERATION"

The Mira Este Operation is completely separate from the Balboa Operations, except for some common ownership and some occasional funds transferring between the two groups of entities. The Mira Este Operation involves one additional investor, Mr. Chris Hakim. The Mira Este operation is composed of the following entities:

Entities OWNED by Malan and Hakim (AND IN WHICH RAZUKI CLAIMS AN INTEREST):

1. **California Cannabis Group** (a licensed, California nonprofit mutual benefit corporation that operates the facility referred to as the Mira Este location);
2. **Mira Este Properties, LLC** (an entity that owns the premises located at 9212 Mira Este Court, San Diego, California);

Entities NOT OWNED by Malan, Hakim and/or Razuki, but relevant to the discussion:

3. **Far West Management, LLC** (a management company that is presently contracted to the California Cannabis Group to provide management services);
4. **San Diego Building Ventures** (a third-party management company that was formerly contracted to California Cannabis Group to provide management services; also referred to as SoCal Building Ventures);
5. **Synergy Management Partners, LLC** (a management company that is presently contracted to the California Cannabis Group to provide management services.)

The Mira Este Operation is not a retail cannabis dispensary. It is a 16,000 square foot building located at 9212 Mira Este Court that is licensed to effectively be a landlord to various cannabis operations that are owned by unrelated third parties, considered to be tenants in this accounting analysis. Presently there is one manufacturing company – EdiPure – that is a tenant at the Mira Este facility. It is Mira Este's intention to have more tenants at its facility who pay rent to the non-profit, cannabis-licensed entity, California Cannabis Group. Because of complex cannabis regulations, the present and future tenants of Mira Este operate under the license of California Cannabis Group and California Cannabis Group is subject to the same banking restrictions as other cannabis operations.

Summary of Contributions and Distributions by Razuki, Malan and Hakim to the Mira Este Operation

Schedule 4 sets forth a summary of the contributions to and distributions from the Mira Este Operation by Mr. Razuki, Mr. Malan and Mr. Hakim from inception to the present time.

BRINIG TAYLOR ZIMMER
INCORPORATED

Honorable Eddie C. Sturgeon
 Mr. Michael Essary
 November 12, 2018
 Page 6

Schedule 4 also shows contributions from San Diego Business Ventures (former management company) and other transfers in and out of the Mira Este Operation. The references on Schedule 4 identify the supporting schedules that present the details of the summary amounts on Schedule 4. The result of the analysis of the contributions and distributions related to the Mira Este Operation is set forth in the following duplication of Schedule 4:

**SCHEDULE 4
 MIRA ESTE OPERATION
 AMOUNTS CONTRIBUTED INTO AND DISTRIBUTED FROM**

	Ref.	Contributions to and Distributions from				Total
		Razuki	Malan	Hakim	S.D. Bldg. Vent.	
Contributions into:						
Mira Este Property Purchase	Sched 4.1	\$ 542,455.94	\$ 65,490.00	\$ 420,000.00		\$ 1,027,945.94
From S.D. Building Ventures	Sched 4.2				\$ 534,628.50	\$ 534,628.50
Total Contributions Into		542,455.94	65,490.00	420,000.00	534,628.50	1,562,574.44
(Distributions From)						
Mira Este Refinance	Sched 4.1	(72,000.00)	(518,000.00)	(590,000.00)		(1,180,000.00)
Net Money disbursed	Sched 4.3	-	(152,877.00)	(70,926.10)		(223,803.10)
Total Distributions From		(72,000.00)	(670,877.00)	(660,926.10)	-	(1,403,803.10)
Net Contributions (Distributions)		\$ 470,455.94	\$ (605,387.00)	\$ (240,926.10)	\$ 534,628.50	\$ 158,771.34

Summary of Financial Operating Activity of the Mira Este Operation

The operations of the Mira Este facility are a consolidation of the revenues and expenses of Mira Este Properties, LLC and California Cannabis Group that were recorded by different management companies since the inception of activity. Again, because of the practical restriction of banking facilities to California Cannabis Group, it can only operate on a cash basis by itself. Consequently, any expenses that cannot be paid in cash (payroll, taxes, insurance, etc.) have to be paid by a related entity or an unrelated management company. To date, the only revenues of the combined entities have been three months' rent paid by EdiPure, the only tenant presently occupying the premises. The consolidation of California Cannabis Group's financial statements is presented on Schedule 5 to this report. The cumulative operating cash deficit of the Mira Este Operation is \$1,084,426.

OTHER POSSIBLE CLAIMED CONTRIBUTIONS

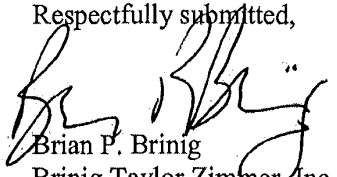
Each party claims that he has made contributions to the business in the form of direct payments to the other party or payments of expenses related to the business entities. In Schedule 1, I have identified the respective "Other Possible Contributions" claimed by each party. Further investigation is necessary to verify the "Other Possible Contributions" in both the amounts and the propriety of allowing credit to the contributing party.

**BRINIG TAYLOR ZIMMER
 INCORPORATED**

Honorable Eddie C. Sturgeon
Mr. Michael Essary
November 12, 2018
Page 7

I am issuing this report with the intention that the parties will have numerous comments and questions about the data summaries contained herein. Many documents have been provided to me at the last minute or other information provided with inadequate substantiation. I reserve the right to update and augment this report based on additional information provided to me.

Respectfully submitted,



Brian P. Brinig
Brinig Taylor Zimmer, Inc.

BRINIG TAYLOR ZIMMER
INCORPORATED

SCHEDULE 1
SUMMARY OF BALBOA COOPERATIVE OPERATIONS AND MIRA ESTE OPERATION

	Razuki	Malan	Hakim	SDBV	Operations	Total
Balboa Ave Cooperative Operations:						
Net Contributions	Schedule 2 \$ 960,625.49	\$ 164,754.80	\$ 12,500.00	\$ 1,555,892.34		\$ 2,693,772.63
Net Distributions	Schedule 2 (27,224.64)	(188,324.00)	(35,000.00)			(250,548.64)
Net Deficit from Operations	Schedule 3				\$ (1,564,712.25)	(1,564,712.25)
Mira Este Operation:						
Net Contributions	Schedule 4 542,455.94	65,490.00	420,000.00	534,628.50		1,562,574.44
Net Distributions	Schedule 4 (72,000.00)	(670,877.00)	(660,926.10)			(1,403,803.10)
Net Deficit from Operations	Schedule 5				\$ (1,084,425.77)	(1,084,425.77)
Total Before Other Possible Contributions	\$ 1,403,856.80	\$ (628,956.21)	\$ (263,426.10)	\$ 2,090,520.84	\$ (2,649,138.02)	\$ (47,142.69)
Other Possible Contributions						
Transfers to NM Investments	\$ 498,219.07					\$ 498,219.07
Sale of Dispensary Business	\$ 1,575,000.00					1,575,000.00
Operating Payments From Personal Accounts	\$ 159,164.87		\$ 205,187.74			364,352.61
Totals Including Other Possible Contributions	\$ 3,477,075.87	\$ (469,791.34)	\$ (58,238.36)	\$ 2,090,520.84	\$ (2,649,138.02)	\$ 2,390,428.99

SCHEDULE 2
BALBOA OPERATIONS
AMOUNTS CONTRIBUTED INTO AND DISTRIBUTED FROM

		Contributions to and Distributions from					
	<u>Ref.</u>	Razuki	Malan	Hakim	S.D. Bldg. Vent.	Total	
Contributions into:							
8859 Balboa A-E	<i>Sched 2.1</i>	\$ 527,312.99	\$ 53,524.85			\$ 580,837.84	
8861 B & 8863 E	<i>Sched 2.2</i>	433,312.50	4,198.50			437,511.00	
S.D. Building Ventures	<i>Sched 2.3</i>	-	-		\$ 1,555,892.34	1,555,892.34	
S.D. United Holdings, LLC	<i>Sched 2.4</i>		107,031.45	12,500.00		119,531.45	
Total Contributions Into Balboa Operations		\$ 960,625.49	\$ 164,754.80	\$ 12,500.00	\$ 1,555,892.34	\$ 2,693,772.63	
(Distributions From)							
Daily Cash Sheets (Jan - Jun 2018)	<i>Sched 2.5</i>		(182,680.00)	(30,000.00)		(212,680.00)	
Flip Management, LLC	<i>Sched 2.6</i>	(229.67)	(5,644.00)	(5,000.00)		(10,873.67)	
S.D. United Holdings, LLC	<i>Sched 2.4</i>	(26,994.97)				(26,994.97)	
Total Distributions From Balboa Operations		\$ (27,224.64)	\$ (188,324.00)	\$ (35,000.00)	\$ -	\$ (250,548.64)	
Net Contributions (Distributions)		\$ 933,400.86	\$ (23,569.21)	\$ (22,500.00)	\$ 1,555,892.34	\$ 2,443,223.99	

**SCHEDULE 2.1
BALBOA OPERATIONS
AMOUNTS CONTRIBUTED TO 8859 BALBOA**

Investment in 8859 Balboa Ave Units A-E

	<u>Total</u> <u>(Escrow Stmt.)</u>	<u>Razuki</u>	<u>Malan</u>
SDUH	\$ 25,000.00		\$ 25,000.00
SDUH	\$ 420,000.00 [A]	\$ 327,312.99	\$ 92,687.01
SDUH	\$ (64,162.16)		\$ (64,162.16)
Razuki	\$ 200,000.00	\$ 200,000.00	
	<hr/>	<hr/>	<hr/>
Subtotal	\$ 580,837.84	\$ 527,312.99	\$ 53,524.85
First Trust Deed	\$ 1,088,000.00	-----[to Schedule 2] -----	
Other Costs	\$ (68,837.84)		
Total Consideration	<u>\$ 1,600,000.00</u>		

[A] SDUH received \$327,312.99 from El Cajon Investment Group, LLC (Razuki) to fund this transfer. Razuki represents that El Cajon Investment is his company.

SCHEDULE 2.2
BALBOA OPERATIONS
AMOUNTS CONTRIBUTED TO 8861 B and 8863 E

Razuki originally purchased the properties in 2016

Sale to SDUH 3/2/2017 (Razuki sells to SDUH):

1st Trust Deed	\$ 475,000.00 [A]
2nd Trust Deed to Razuki Investments	\$ 275,000.00 [B]
Cash from SDUH	\$ 4,198.50 [C]
Other Costs	<u>\$ (4,198.50)</u>
Total Consideration	<u>\$ 750,000.00</u>

[A] Refinanced to \$500,000 in May 2017 through Salas Financial, borrowers are Razuki, American Lending & SDUH

[B] Razuki reconveys the 2nd trust deed to SDUH and forgives this debt (5/12/2017)

Summary of Financial Activity:

	<u>Razuki</u>	<u>Malan</u>
Contribution to Escrow		\$ 4,198.50
1st Trust Deed Paydowns:		
Two monthly payments by Razuki	\$ 8,312.50 [D]	
From Arroyo Hondo sale (Razuki)	50,000.00 [D]	
From Loch Lomond sale (Razuki)	50,000.00 [D]	
Relief of 2nd Trust Deed	<u>275,000.00 [D]</u>	
Subtotal	\$ 383,312.50	
Razuki purchase of Cond. Use Permit	<u>50,000.00 [E]</u>	
Total contribution	<u>\$ 433,312.50</u>	<u>\$ 4,198.50</u>

-----[to Schedule 2] -----

[C] Contribution by SDUH attributed to Malan

[D] Amount of transaction is documented

[E] Based on Razuki's representation only; no documentation yet provided.

SCHEDULE 2.3
BALBOA OPERATIONS
AMOUNTS CONTRIBUTED BY S.D. BUILDING VENTURES

	2017	2018	Total Contribution
Cash Contributed	\$ 739,300.00	\$ 1,748,276.84	\$ 2,487,576.84
Transfer to Mira Este	(177,658.00)	(612,806.00)	(790,464.00)
Transfer to Mira Este	(55,500.00)	(85,720.50)	(141,220.50)

Net Amount Contributed to Balboa Operations

\$ 1,555,892.34

[to Schedule 2]

SCHEDULE 2.4
BALBOA OPERATIONS
NET AMOUNTS CONTRIBUTED BY RAZUKI, MALAN & HAKIM

	2017	2018	Total	Recorded in Property Transactions	Net Contribution (Distribution)	Razuki	Malan	Hakim
Razuki Investment	\$ 327,317.99		\$ 327,317.99	\$ (327,317.99)	\$ -	\$ -		
Salan Razuki	\$ 25,000.00		\$ 25,000.00		\$ 25,000.00	\$ 25,000.00		
Chris Hakim		\$ 10,000.00	\$ 10,000.00		\$ 10,000.00		\$ 10,000.00	
Ninus Malan/Chris Hakim	\$ 285,545.82	\$ (111,236.41)	\$ 174,309.41		\$ 5,000.00	\$ 2,500.00	\$ 2,500.00	\$ 10,000.00
Ninus Malan	\$ (1,620.00)	\$ (16,163.00)	\$ (17,783.00)		\$ 174,309.41	\$ 174,309.41		
NM Investments	\$ (103,989.93)		\$ (103,989.93)		\$ (17,783.00)	\$ (17,783.00)		
SR/NM Property Investment					\$ (103,989.93)	\$ (51,994.97)	\$ (51,994.97)	
				Net Amounts Contributed (Distributed)		\$ (26,994.97)	\$ 107,031.45	\$ 12,500.00

-----[to Schedule 2]-----

SCHEDULE 2.5
BALBOA OPERATIONS
NET AMOUNTS DISTRIBUTED TO MALAN & HAKIM JAN. - JUNE, 2018

	Total	Malan	Hakim
Ninus Milan	\$ 152,680.00	\$ 152,680.00	
Ninus Milan/Chris Hakim	60,000.00	30,000.00	\$ 30,000.00
	\$ 212,680.00	\$ 182,680.00	\$ 30,000.00

-----[to Schedule 2]-----

SCHEDULE 2.6
BALBOA OPERATIONS
AMOUNTS DISTRIBUTED FROM FLIP MANAGEMENT, LLC

	2017	2018	Grand Total	Razuki	Milan	Hakim
Partner Investments (Distributions)						
Salam Razuki	\$ (229.67)	\$ (229.67)	\$ (229.67)	\$ (229.67)		
Chris Hakim		\$ (5,000.00)	\$ (5,000.00)			\$ (5,000.00)
Ninus Milan	\$ 8,000.00	\$ (13,644.00)	\$ (5,644.00)		\$ (5,644.00)	
				<u>\$ (229.67)</u>	<u>\$ (5,644.00)</u>	<u>\$ (5,000.00)</u>

-----[to Schedule 2] -----

SCHEDULE 3
BALBOA OPERATIONS
STATEMENT OF CASH RECEIVED AND DISBURSED FROM OPERATIONS
From Inception to the Present
Note 1

"Balboa Operations" - Balboa Cooperative, SD United Holdings, LLC and Flip Management, LLC

	Total 2017 [A]	Total Jan - June 2018 [B]	Total July - Oct 2018[C]
Sales	\$ (8,566.00)	1,729,846.86	\$ 624,760.94
Switch Reimb of ATM Draws	\$ 204,620.25	-	\$ 96,233.00
Balboa 8855 Rent	\$ 12,842.38	23,000.00	\$ 11,000.00
Unknown	\$ (415.50)	16,797.14	\$ 3,600.00
	<u>\$ 208,481.13</u>	<u>\$ 1,769,644.00</u>	<u>\$ 735,593.94</u>
Accounting	\$ (22,260.00)	(22,000.00)	\$ (5,450.00)
Advertising/Promotion	\$ (81,250.40)	(76,164.87)	\$ (61,492.49)
Alarm	\$ -	(787.54)	\$ (49.99)
Balboa Tenant Improvements	\$ (90,950.00)	(208,617.75)	\$ (73,600.00)
Bank Fee	\$ (1,333.06)	(1,223.27)	\$ 2,607.69
Chris Berman	\$ -	(93,000.00)	-
Cable	\$ (3,727.52)	(3,586.28)	\$ (359.92)
Cal City Management	\$ (150,000.00)	-	\$ -
Charitable Contribution	\$ -	(18,565.00)	\$ -
Computer	\$ -	(1,900.00)	\$ -
CUP - Balboa	\$ (7,244.00)	(7,461.00)	\$ -
HOA	\$ (9,440.92)	(42,530.58)	\$ -
Income Tax	\$ (800.00)	(4,359.18)	\$ -
Insurance	\$ (8,445.29)	(32,095.45)	\$ (8,543.86)
Inventories	\$ (37,329.95)	(839,333.01)	\$ (378,186.13)
Legal Fees	\$ (107,063.42)	(115,606.18)	\$ (296,388.94)
Loan Payments	\$ (100,307.75)	(88,181.60)	\$ (24,478.42)
Management/Consultant	\$ (75,788.10)	(116,500.00)	\$ (125,404.68)
Misc	\$ (5,272.66)	(1,488.51)	\$ (5,471.19)
Outside Services	\$ -	-	\$ (7,941.65)
Payroll	\$ (1,121.04)	(98,777.55)	\$ (381.85)
Payroll Fees	\$ (890.65)	(2,320.90)	\$ (118,112.24)
Payroll Tax	\$ (345.00)	(36,216.97)	\$ (7,752.96)
Phone	\$ -	(474.00)	\$ -
Point of Sale System	\$ -	(140.00)	\$ -
Printing	\$ (758.55)	-	\$ -
Property Tax	\$ -	(8,555.70)	\$ -
Reimbursements	\$ -	(1,699.29)	\$ -
Rent	\$ -	(21,200.00)	\$ (6,000.00)
Repairs & Maintenance	\$ -	-	\$ (26,181.20)
Sales Tax	\$ (32,829.03)	(218.00)	\$ -
Security	\$ (11,612.00)	(81,479.70)	\$ (76,495.18)
SoCal Employee Rent	\$ -	(22,672.45)	\$ (4,500.00)
SoCal Manager	\$ (30,000.00)	(30,000.00)	\$ (20,000.00)
Software	\$ -	(10,139.10)	\$ -
Storage	\$ -	(1,400.00)	\$ (700.00)
Supplies	\$ (11,080.55)	(8,196.66)	\$ (4,739.21)
Tax	\$ -	(31,751.05)	\$ (7,489.78)
Travel	\$ (1,346.85)	(10.00)	\$ -
Unknown	\$ (151,806.13)	(29,611.34)	\$ (9,147.79)
Utilities	\$ (3,598.46)	(3,715.48)	\$ (3,591.79)
Total Expenses	<u>(946,601.33)</u>	<u>(2,061,978.41)</u>	<u>(1,269,851.58)</u>
Net Operating Income/(Loss)	<u>(738,120.20)</u>	<u>(292,334.41)</u>	<u>(534,257.64)</u>
Net Operating Deficit		<u>\$ (1,564,712.25)</u>	

[1] This cash received and cash disbursed summary is prepared from the best records available from different managing entities during the relevant periods of time. The summaries are not audited; they are a compilation of the available receipts and disbursements data.

[A] Computed from Flip Management, San Diego Building Ventures and San Diego United Holdings

[B] Computed from Flip Managements, San Diego United Holdings, San Diego Building Ventures and the Dispensary Daily Cash Summaries.

[C] Computed from Flip Management, San Diego Building Ventures and the Financial Statements provided by Far West Management

SCHEDULE 4
MIRA ESTE OPERATION
AMOUNTS CONTRIBUTED INTO AND DISTRIBUTED FROM

		Contributions to and Distributions from					
	<u>Ref.</u>	Razuki	Malan	Hakim	S.D. Bldg. Vent.	Total	
Contributions into:							
Mira Este Property Purchase	<i>Sched 4.1</i>	\$ 542,455.94	\$ 65,490.00	\$ 420,000.00		\$ 1,027,945.94	
From S.D. Building Ventures	<i>Sched 4.2</i>		\$ 534,628.50			\$ 534,628.50	
Total Contributions Into		542,455.94	65,490.00	420,000.00	534,628.50	1,562,574.44	
(Distributions From)							
Mira Este Refinance	<i>Sched 4.1</i>	(72,000.00)	(518,000.00)	(590,000.00)		(1,180,000.00)	
Net Money disbursed	<i>Sched 4.3</i>	-	(152,877.00)	(70,926.10)		(223,803.10)	
Total Distributions From		(72,000.00)	(670,877.00)	(660,926.10)	-	(1,403,803.10)	
Net Contributions (Distributions)		\$ 470,455.94	\$ (605,387.00)	\$ (240,926.10)	\$ 534,628.50	\$ 158,771.34	

SCHEDULE 4.1
MIRA ESTE OPERATION
AMOUNTS CONTRIBUTED (AND WITHDRAWN) - PROPERTY PURCHASE AND REFINANCE

Investment in Mira Este
Payments/(Refunds) For Escrow

	<u>Original Purchase</u>	<u>Razuki</u>	<u>Malan</u>	<u>Hakim</u>
Razuki	\$ 254,780.94	\$ 254,780.94		
Malan	65,490.00		\$ 65,490.00	
Hakim	420,000.00			\$ 420,000.00
ME Properties	<u>(1,482.00)</u>			
Subtotal	738,788.94			
First Trust Deed	1,987,500.00			
Other Costs	<u>(101,288.94)</u>			
Total Consideration	<u>\$ 2,625,000.00</u>			

	<u>Refinancing</u>			
	<u>2nd TD (\$600,000)</u>			
Withdrawn	\$ (72,000.00)	\$ (72,000.00)		
Withdrawn	\$ (72,000.00)			\$ (72,000.00)
ME Properties	\$ (1,380.00)			
Roselle transfer	<u>\$ (415,000.00)</u>			
	\$ (560,380.00)			
Other costs	<u>\$ (39,620.00)</u>			
	<u>\$ (600,000.00)</u>			
Loan paydowns:				
Razuki	\$ 39,000.00	\$ 39,000.00		
Razuki	<u>\$ 248,675.00</u>	<u>\$ 248,675.00</u>		
	<u>\$ 287,675.00</u>			

	<u>2nd TD (\$1,100,000)</u>			
Withdrawn	\$ (518,000.00)		\$ (518,000.00)	
Withdrawn	\$ (518,000.00)			\$ (518,000.00)
Costs	<u>\$ (136.04)</u>			
Total Withdrawn	\$ (1,036,136.04)			
Other costs	<u>\$ (63,863.96)</u>			
	<u>\$ (1,100,000.00)</u>			
Total Outstanding Loan	<u>\$ 3,687,500.00</u>	<u>\$ 470,455.94</u>	<u>\$ (452,510.00)</u>	<u>\$ (170,000.00)</u>

	<u>Contributed</u>	<u>Withdrawn</u>	<u>Net</u>
Razuki	\$ 542,455.94	\$ (72,000.00)	\$ 470,455.94
Malan	\$ 65,490.00	\$ (518,000.00)	\$ (452,510.00)
Hakim	\$ 420,000.00	\$ (590,000.00)	\$ (170,000.00)
	<u>\$ 1,027,945.94</u>	<u>\$ (1,180,000.00)</u>	<u>\$ (152,054.06)</u>

-----[to Schedule 4]-----

SCHEDULE 4.2
MIRA ESTE OPERATION
AMOUNTS CONTRIBUTED BY S.D. BUILDING VENTURES

	2017	2018	Total Contribution
Transfer to Mira Este	\$ 177,658.00	\$ 612,806.00	\$ 790,464.00
Transfer to Mira Este	\$	\$ 64,000.00	\$ 64,000.00
Paid on behalf of Mira Este		77,220.50	\$ 77,220.50
Equipment Returned to SDBV			<u>\$ (397,056.00)</u>
Net Amount Contributed to Mira Este Operations			<u>\$ 534,628.50</u>

[to Schedule 4]

SCHEDULE 4.3
MIRA ESTES OPERATION
NET AMOUNTS DISTRIBUTED FROM

	Malan	Hakim	Total
2016		\$ 11,000.00	\$ 11,000.00
2017	\$ (26,500.00)	\$ 62,050.00	\$ 35,550.00
2018	<u>\$ (126,377.00)</u>	<u>\$ (143,976.10)</u>	<u>\$ (270,353.10)</u>
	<u>\$ (152,877.00)</u>	<u>\$ (70,926.10)</u>	<u>\$ (223,803.10)</u>

-----[to Schedule 4] -----

SCHEDULE 5
MIRA ESTE OPERATION
STATEMENT OF CASH RECEIVED AND DISBURSED FROM OPERATIONS
From Inception to the Present
Note 1

Summary of Mira Este Operations

	Mira Este 2016 [A]	Mira Este 2017 [A]	Mira Este 2018 (Thru June) [A]	Mira Este 2018 July-Oct [B]
Operating Receipts & Disbursements				
Sublease Income				\$ 90,000.00
Mira Este Loan Payment	\$ (44,245.00)	\$ (240,415.10)	\$ (240,736.51)	\$ (92,327.50)
Legal Fees		\$ (35,796.00)	\$ (20,000.00)	\$ (64,161.00)
TRH (CUP - Mira)		\$ (10,000.00)	\$ (56,479.50)	\$ -
Mira Este Improvements		\$ (46,358.00)		\$ -
Unknown		\$ (860.00)	\$ (40,000.00)	\$ -
Property Tax		\$ (24,917.35)	\$ (15,369.46)	\$ -
Conditional Use Permit-ME		\$ (23,399.00)	\$ (10,815.50)	\$ -
Cash		\$ (23,500.00)		\$ -
Security				\$ (22,848.00)
Cleaning & Maintenance				\$ (14,958.95)
Sales Tax		\$ (12,471.07)	\$ (123.00)	\$ (1,047.17)
Insurance		\$ (3,895.34)	\$ (1,262.00)	\$ (7,675.57)
Utilities		\$ (4,795.71)	\$ (2,059.77)	\$ (2,879.50)
Outside Services				\$ (6,094.00)
Office Supplies & Software				\$ (3,397.63)
License & Permits				\$ (3,224.90)
Income Tax		\$ (1,652.19)	\$ (800.00)	\$ -
Salaries & Wages				\$ (2,282.48)
Accounting		\$ (450.00)	\$ (1,450.00)	\$ -
Bank Fee	\$ (162.43)	\$ (529.00)	\$ (320.00)	\$ -
Misc			\$ -	\$ (667.14)
Total Expenses	\$ (44,407.43)	\$ (429,038.76)	\$ (389,415.74)	\$ (221,563.84)
Net Operations	\$ (44,407.43)	\$ (429,038.76)	\$ (389,415.74)	\$ (221,563.84)
		<u>\$ (1,084,425.77)</u>		

[1] This cash received and cash disbursed summary is prepared from the best records available from different managing entities during the relevant periods of time. The summaries are not audited; they are a compilation of the available receipts and disbursements data.

[A] Computed from Mira Este Bank Activity

[B] Computed from Mira Este Bank Activity and California Cannabis Group Profit and Loss provided by Far West Management

Exhibit B

CONFIDENTIAL

August 15, 2018

Mr. Scott Bergin
Mr. David Goodman
EPMM Management, LLC

RE: Production and Marketing Agreement to operate a cannabis manufacturing facility in that certain real property known as and located at 9212 Mira Este Court, San Diego, CA (the "Property")

Dear Mssrs. Goodman and Bergin:

This binding letter agreement (the "Agreement") memorializes the material terms of a yet to be drafted the Production and Marketing agreement between California Cannabis Group, LLC ("CCG") and EPMM Management, LLC ("EPMM").

California Cannabis Group, LLC ("CCG") is the owner of a Business Tax Certificate that allows the operation of cannabis manufacturing and distribution facility on the Property until approximately November 2019. CCG is also the applicant for a Conditional Use Permit that will allow for a cannabis manufacturing and distribution facility on the Property for a minimum of 5 years. Mira Este Properties, LLC is the owner of the Property.

CCG is desirous of engaging EPMM to produce cannabis products under its EdiPure brand on the Premises using non-combustible materials and methods.

The parties are entering into this Agreement to set forth (*inter alia*) (i) what activity may occur on the Property until a definitive agreement has been entered into, (ii) how financial matters will be handled during the Interim Period (as defined below) and (iii) how the affairs of the cannabis businesses will otherwise be governed during the period commencing on the date hereof and ending on the date on which a definitive agreement has been executed and delivered to all parties thereto.

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For good and valuable consideration, CCG and EPMM hereby agree as follows:

1. Prior to the execution of the Definitive Agreement, during the Interim Period, the parties agree as follows:

(i) EPMM shall pay to CCG \$30,000 per month or 10% of monthly Gross Revenue whichever is higher ("Production Fee"). As used in this Agreement, "Gross Revenue" means total revenue from the sale and/or license of cannabis products by EPMM without regard to expenses or offsets. The Production Fee shall be paid to CCG as follows:

- a. \$30,000 on the first day of each month.
- b. Prior to the 15th day of each month, EPMM shall provide to CCG a reconciliation of the prior month's sales and any additional Production Fee payments due for the prior month, if any.
- c. EPMM shall be entitled to all remaining Gross Revenue.

(ii) EPMM shall pay to CCG \$45,000 on the first day of each month as an estimated tax payment towards the Cannabis Excise Tax due to the State of California ("Excise Tax"). The Excise Tax shall be paid to the State of California by CCG. EPMM shall pay to CCG any additional Excise Tax due by the 15th day of the following month.

(iii) During the Interim Period EPMM shall be responsible for all costs in connection with its production of cannabis products including but not limited to the cost of cannabis and other ingredients, equipment purchase and maintenance, personnel costs, overhead, insurance, testing, and City and State regulatory fees and taxes arising from its operations. To the extent that any of the costs are required to be paid by CCG, EPMM shall reimburse CCG within 5 business days of written notice by CCG to EPMM.

(iv) CCG, with the assistance of EPMM, shall as soon as practicable, transfer through its licensed distributor any allowable cannabis products stored in quarantine at the Vista Prime distribution facility located at 7895 Convoy Ct., San Diego, CA to the quarantine area within the Property ("Transferred Cannabis Product"). The quarantine area on the Property shall be an area identified by CCG.

(v) EPMM shall secure testing of the Transferred Cannabis Product through a California licensed testing facility.

(vi) EPMM shall utilize best efforts in distributing and selling the Transferred Cannabis Product that successfully passes testing from a California licensed testing facility to California licensed retail outlets.

(vii) As soon as allowable by the City of San Diego, the Bureau of Cannabis Control and the California Department of Public Health, CCG shall provide to EPMM a designated area consisting of approximately 4,000 sf in which to produce the cannabis products.

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(viii) From and after the date hereof, EPMM and CCG shall diligently and in good faith execute and deliver the Definitive Agreement. It is expected that the Definitive Agreement will be executed within twenty (20) days from the date hereof.

(ix) During the Interim Period, each of the parties shall timely furnish and/or make available to the other parties all materials and other material information (both written and oral) with respect to the identified transactions and shall otherwise keep each other regularly apprised as to all material aspects thereof.

(x) Upon execution and delivery of the Definitive Agreement, this Agreement shall be superseded thereby and shall be of no further force or effect.

(xi) No party may, directly or indirectly, (i) assign any of its rights or delegate any of its duties under this Agreement or (ii) sell, transfer, assign or encumber any of its interests in this Agreement.

(xii) Nothing expressed or referred to in this Agreement will be construed to give any person other than the parties to this Agreement any legal or equitable right, remedy or claim under or with respect to this Agreement or any provision of this Agreement. The rights and remedies herein provided are cumulative, may be exercised singly or concurrently, and are not exclusive of any rights or remedies provided by law. The individuals signing this Agreement have the authority to bind the respective party. This Agreement (i) shall be governed by and construed in accordance with the laws of the State of California; (ii) may be executed by facsimile or portable document format (PDF) with the same effectiveness as if an original signed copy was delivered; (iii) may be executed in counterparts; and (iv) sets forth the entire understanding of the parties with respect to the subject matter hereof.

(xiii) All notices, requests, demands and other communications hereunder shall be in writing and shall be deemed to have been given: (i) when delivered personally; (ii) the next Business Day, if sent by a nationally-recognized overnight delivery service (unless the records of the delivery service indicate otherwise); or (iii) three (3) Business Days after deposit in the United States mail, certified and with proper postage prepaid to the address set forth above.

2. EPMM hereby represents and warrants to CCG as of the date of this Agreement as follows:

(i) EPMM is not under investigation by any state or federal authority for violation of any laws or regulations.

(ii) EPMM has not entered into any contract, understanding, commitment or any other agreement, whether or not conditional, written or oral, for the assignment of, transfer of,

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lien of, or any other agreement regarding the assignment, transfer or encumbering of the Transferred Cannabis Product.

(iii) No one claiming to have dealt with EPMM is entitled to receive from any party hereto any finder's fee, brokerage, or other commission in connection with the Transferred Cannabis Product or this Agreement.

3. This Agreement shall be immediately terminable in CCG's sole and absolute discretion if any of the following events occur:

(i) EPMM fails to provide the Production Fee or Excise Tax to CCG on the day that it is due.

(ii) Any of the Representations and Warranties in Paragraph 2 above are invalid or untrue.

(iii) EPMM fails to provide any documentation requested by CCG within 2 business days of written request.

(iv) Any action by any EPMM representative causing CCG to be out of compliance with State or local rules or regulations.

4. This Agreement may also be terminated by mutual written consent of both parties.

5. **Confidential Information.** The parties acknowledge that they may receive information regarding the other party in the form of trade secrets, formulas, proprietary business practices, or other information that is deemed confidential by such other party, the release of which may be damaging to such other party or to persons with whom such party does business. Each party shall hold in strict confidence any information it receives regarding the other party that is identified as being confidential and may not disclose it to any person, except for disclosures: (i) compelled by law; (ii) to advisers or representatives of such recipient party, but only if they have agreed to be bound by the provisions of this Section; and (iii) of information that party also has received from an independent source that such recipient party reasonably believes it obtained without breach of any obligation of confidentiality.

6. **Prior Agreements.** The Parties acknowledge that the CCG 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"). EPMM acknowledges and understands that the Litigation could affect the parties' ability to perform under this Agreement or ability to receive timely payment for services, should the court or other parties to the

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Litigation take certain actions. EPMM hereby agrees to waive any non-performance of this Agreement resulting from the Litigation; provided, however, the parties agree to take any and all reasonable measures to effectuate the terms of this Agreement

[SIGNATURE PAGE FOLLOWS]

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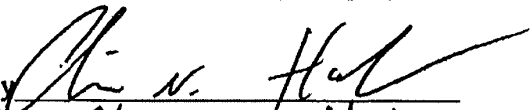
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If the foregoing accurately represents our agreement, please sign below in the space provided.

Very truly yours,

California Cannabis Group, LLC
a California limited liability company

By 
Name: Chris N. Hakim
Title: Director/officer

Agreed to and accepted:

EPMM Management, LLC
a California limited liability company

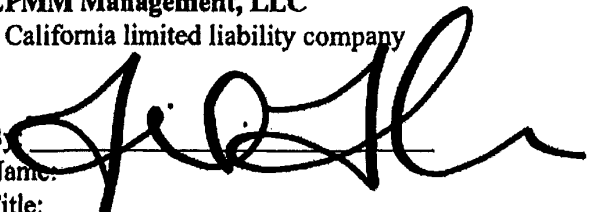
By 
Name:
Title:



Exhibit C

Razuki vs Malan
Receivership - Cash Ledger

	<u>Date</u>	<u>Expense</u>	<u>Deposit</u>	<u>Balance</u>	<u>Description</u>	<u>Cleared</u>
1	7/18/2018		\$4,480.00	\$4,480.00	ATM cash from Balboa dispensary takeover	x
2	7/18/2018		\$31.69	\$4,511.69	Loose cash from Balboa dispensary takeover	x
3	7/19/2018		\$170,600.00	\$175,111.69	SoCal payment of fees/rents owed prior to receivership	x
4	7/19/2018	\$15.00		\$175,096.69	Bank wire charge for deposit	x
5	7/20/2018	\$584.19		\$174,512.50	Check #100 - Borjon - payroll to 7/15/18	x
6	7/20/2018	\$495.42		\$174,017.08	Check #101 - Bullock - payroll to 7/15/18	x
7	7/20/2018	\$392.26		\$173,624.82	Check #102 - Clarke - payroll to 7/15/18	x
8	7/20/2018	\$632.21		\$172,992.61	Check #103 - Da Silva - payroll to 7/15/18	x
9	7/20/2018	\$1,050.63		\$171,941.98	Check #104 - Davis - payroll to 7/15/18	x
10	7/20/2018	\$710.16		\$171,231.82	Check #105 - Holler - payroll to 7/15/18	x
11	7/20/2018	\$333.30		\$170,898.52	Check #106 - Moran - payroll to 7/15/18	x
12	7/20/2018	\$786.79		\$170,111.73	Check #107 - Ortega - payroll to 7/15/18	x
13	7/20/2018	\$8,000.00		\$162,111.73	Cash withdrawal for replacement \$20's for Balboa ATM	x
14	7/23/2018	\$1,652.59		\$160,459.14	Check #108 - West Coast S&S - Security/Computer vendor past due invoice	x
15	7/24/2018	\$3,400.00		\$157,059.14	Check #109 - Archstone Intl - Security for Mira Este invoice	x
16	7/24/2018	\$503.47	\$1,259.38	\$158,318.52	Cash deposited from Balboa - found lodged in safe drop slot	x
17	7/25/2018	\$11,968.95		\$157,815.05	Check #110 - Mike Essary/Calsur - Labor and materials for Mira Este takeover workers	x
18	7/25/2018			\$145,846.10	Check #111 - West Coast S&S - New security/computer video equip Mira Este	x
19	7/26/2018		\$17,765.01	\$163,611.11	Bank of America proceeds from 2 SD United accounts	x
20	7/26/2018		\$910.00	\$164,521.11	Cash deposited from Balboa - Reimbursement for check to Pax Vendor	x
21	7/26/2018	\$909.95		\$163,611.16	Check #112 - Pax Labs - Pax devices for inventory	x
22	7/26/2018	\$100.00		\$163,511.16	Check #113 - Bond Services - Receiver bond annual premium	x
23	7/26/2018	\$677.73		\$162,833.43	Check #114 - A-1 Express Locksmith - Balboa deadbolt install/secure	x
24	7/26/2018	\$0.00		\$162,833.43	Check #115 - Void check for ATM deposit change over	x
25	7/27/2018	\$10,000.00		\$152,833.43	Check #116 - MMLG, LLC - Retainers for Cannabis consultant Balboa/Mira Este	x
26	7/30/2018	\$17,028.00		\$135,805.43	Michael Essary, Receiver - Receiver fees/expenses progress payment	x
27	7/30/2018	\$6,511.00		\$129,294.43	Check #117 - JHY Partners - Consulting on entities/finances/unpaid invoices	x
28	7/30/2018	\$7,375.00		\$121,919.43	Check #118 - JHY Partners - previous outstanding invoices for entity acct/consulting	x
29	7/30/2018	\$12,829.66		\$109,089.77	Check #119 - City of SD - Cannabis local tax	x
30	7/30/2018	\$7,165.95		\$101,923.82	Check #120 - Griswold Law - Receiver's attorney progress billing	x
31	7/30/2018	\$12,000.00		\$89,923.82	Check #121 - Dan Spillane - Mira Este consultants mgmt fees	x
32	7/30/2018	\$15,629.00		\$74,294.82	Check #122 - JHY Partners - various outstanding billings and services	x
33	7/30/2018	\$18,500.00		\$55,794.82	Check #123A - ABP Consulting - Contractual fees for consultants and expenses	x
34	8/1/2018		\$12,829.66	\$68,624.48	Cash deposited from Balboa - Reimbursement for check to San Diego Cannabis Tax	x
35	8/1/2018	\$500.00		\$68,124.48	Cash withdrawal for Balboa employees last day payroll - to James Manager	x
36	8/2/2018	\$1,553.45		\$66,571.03	Check #123B - Clarke - payroll	x
37	8/2/2018	\$2,276.61		\$64,294.42	Check #124 - Holler - payroll	x
38	8/2/2018	\$1,272.07		\$63,022.35	Check #125 - Borjon - payroll	x

Razuki vs Malan
Receivership - Cash Ledger

	<u>Date</u>	<u>Expense</u>	<u>Deposit</u>	<u>Balance</u>	<u>Description</u>	<u>Cleared</u>
39	8/2/2018	\$1,413.18		\$61,609.17	Check #126 - Ortega - payroll	x
40	8/2/2018	\$1,089.21		\$60,519.96	Check #127 - Bullock - payroll	x
41	8/2/2018	\$1,662.88		\$58,857.08	Check #128 - Davis - payroll	x
42	8/2/2018	\$1,605.54		\$57,251.54	Check #129 - De Silva - payroll	x
43	8/2/2018	\$1,147.03		\$56,104.51	Check #130 - Moran - payroll	x
44	8/6/2018	\$812.50		\$55,292.01	Michael Essary, Receiver - Receiver fees/expenses balance of progress payment	x
45	8/7/2018	\$0.00		\$55,292.01	Check # 131 - SDTFA - Partial State sales tax \$40,000 Voided	x
46	8/13/2018	\$9,651.00		\$45,641.01	Michael Essary, Receiver - Receiver fees/expenses progress payment	x
47	9/1/2018	\$7,658.00		\$37,983.01	Michael Essary, Receiver - Receiver fees/expenses final August 2018 payment	x
48	9/2/2018	\$12,400.78		\$25,582.23	Check #140 - Griswold Law - Receiver's attorney progress billing	x
49	9/4/2018	\$59.10		\$25,523.13	Check printing charge	x
50	9/18/2018	\$10,000.00		\$15,523.13	Check #141 - Retainer fee for Brinig forensic accountants	x
51	10/15/2018		\$11,000.00	\$26,523.13	Deposit September & October 2018 Rents for 5 additional Balboa Ave units	x
52	10/25/2018	\$10,072.50		\$16,450.63	Check #142 - Brinig billing for September 2018 less retainer of \$10,000	x
54	10/19/2018	\$13,213.45		\$3,237.18	Check #152 - Griswold Law Receiver's Attorney September 2018 billing	x
55	10/26/2018		\$19,000.00	\$22,237.18	Cash deposited from Balboa operations for State tax payment	x
56	10/29/2018		\$19,000.00	\$41,237.18	Cash deposited from Balboa operations for State tax payment	x
57	10/31/2018		\$12,914.00	\$54,151.18	Cash deposited from Balboa operations for State tax payment	x
58	10/31/2018	\$50,914.00		\$3,237.18	Check #153 State of CA 3rd quarter sales tax for Balboa	x

Exhibit D

Razuki vs Malan
Receiver Billing Summary
Hourly Rate: \$250

<u>Date</u>	<u>Hours</u>	<u>Charge</u>	<u>Description</u>
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 - reconcile. 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 CUP 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	

Razuki vs Malan
 Receiver Billing Summary
 Hourly Rate: \$250

<u>Date</u>	<u>Hours</u>	<u>Charge</u>	<u>Description</u>
10/1/2018	0.5	\$ 125.00	Emails with Gina and Michaela about analysts and new laws. Emails to review options with Griswold.
10/2/2018	1.5	\$ 375.00	Prepare Sept invoice for payment by operations - send to Judd. Emails with Griswold, Gina, Michaela, John, about regulatory requests/new cannabis law and contact needed from me. Email with Michaela letter to analyst on Balboa. Review of docs sent by John - forward to Marilyn. Emails from Maura and Brinig about Razuki interview re-schedule. Emails with Michaela about more regulatory contacts/emails needed. Emails with Griswold about a modified POA from Gina - and with Gina. Emails with Marilyn on missing items for her audit, specifically Mira Este. Emails with Judd about W9 for payment of Sept fees.
10/3/2018	1	\$ 250.00	Emails and responses to Licensing authorities on status of temp licenses and also questions about SBSB1459. Emails with Griswold about Ninus funding email. Emails with Heidi about Balboa report and changes in email format. Emails with Marilyn and Griswold about Razuki interview. Emails with Judd about invoice approval - review.
10/4/2018	1.25	\$ 312.50	Emails to Griswold and Ninus and all parties about cash flow issues. Emails with Marilyn about Salam interview and need for Mira Este and Balboa additional information. Review and responses to Griswold and Tamara emails on cash flow issue.
10/5/2018	2.25	\$ 562.50	Review and respond to Gina email on Mira Este CUP, Griswold emails, Heidi email reports, Agency analysts and requests for more information, and Marilyn updates and reports. Also reports from Judd on banking and accounting for Mira Este. Emails to Marilyn with questions about documents from Razuki and questions about Hakim. Questions to Marilyn about bank statements provided by Judd. Email to Gina with analyst requirements letter. Email to Griswold about signed order for distribution to banks and Balboa tenants. Review of Marilyn comments and implement request for Hakim interview. Review signed order from Griswold and forward to office for service on Balboa tenant Peter to demand September and October rents. Respond to Michaela email. Call from Maura about cash flow email with questions on audit status. Additional emails with Marilyn about Ninus meeting and cash flow email. Emails with Marilyn and Griswold about Hakim and Mira Este interview with Judd. Discussion with Griswold about further actions and conversation with plaintiff about questions.
10/6/2018	0.25	\$ 62.50	Review Balboa cash report from Heidi. Emails from Michaela regarding agency needs for licenses. Emails with Griswold and Marilyn about scheduling Hakim meeting/interview.
10/8/2018	1.25	\$ 312.50	Messages with Maura and Griswold about cash issues. Conference call with them for discussion on my concerns and position related to a receiver loan and court action. More texts and emails with Griswold with follow up to parties.
10/9/2018	0.25	\$ 62.50	Review news article about lawsuit and Balboa business sent by John. Forward to Griswold.

Razuki vs Malan
Receiver Billing Summary
Hourly Rate: \$250

<u>Date</u>	<u>Hours</u>	<u>Charge</u>	<u>Description</u>
10/10/2018	3	\$ 750.00	Review and respond to emails from Marilyn and Griswold about reports and Mira Este meeting. Email response to Ninus request for Balboa bill for internet. Emails from Gina about agency requirements - check status online with owner account. Review of Marilyn emails about Razuki documents sent and reply with questions. Review and respond to Heidi email about cash flows and non-approved expenses. Respond to Judd regarding more requests for cash and demand to pay no more expenses unless approved by me. Emails to Judd and Heidi about expenses and approval process. Multiple emails to parties about expenses and licensing requirements and the Austin Group responses/position. Emails with Griswold about Gina responses and rebuttal of receiver authority. Email from Ninus about delinquent mortgages and respond. Responses from Gina and Ninus - respond.
10/11/2018	0.5	\$ 125.00	Review and reply to Gina and Michaela emails about login and LiveScans. Log in and photo copy filed document pages for me, Ninus and Hakim. Send to Gina and Michaela with questions about local login.
10/12/2018	1.75	\$ 437.50	Review Ninus and Heidi emails about invoices and respond with my issues. Review revised billing for Gina. Emails from Gina and Red regarding procedures. Multiple emails from Judd and Adam? Reports on Mira Este, review and comment to Griswold and Marilyn. Emails from Griswold in response to Gina. Emails from Maura and our responses. Emails with Griswold and Aaron about licenses. Conversation with Maura about need for funds and setting up a conf call.
		\$ 30.00	Parking fee for Brinig meeting on 9/18/18
10/15/2018	4.75	\$ 1,187.50	Emails to potential investors for receiver loan. Call to Nick Lieberman about details for the loan and explain the process for hyper priority. Send Nick addresses of properties to use as collateral. Deposit September and October rents from Peter for 5 Balboa rental units. Emails with Nick about investor conference call to explain loan details. Conference call with Griswold, Sal, Maura and Aaron discussing upcoming ex parte hearing. Conversation with Aaron about agency compliance inspections. Review email/docs from Michaela and follow instructions for email to Heather at BCC with docs. Review Gina and Michaela emails about agencies and login information. Review email and schedule of deposit for Mira Este from Marilyn to Ninus. Conference call with Nick and Miramar Financial. Call with Nick about process. Discussion with Griswold about call and actions. Review Heidi email and Judd's for approval of expenses - approve.
10/16/2018	1.75	\$ 437.50	Ex parte hearing for case consolidation. Discussion with Gina and Ninus at court about funding. Review of hard money lender LOI and review of Nick's comments. Provide feedback. Email Griswold Sept billings and provide overview of hearing. Griswold email about LOI and response. Email to Gina and Ninus about LOI. Judd email and approval of security expense. Approval of invoice for Heidi at Balboa.
10/16/2018		\$ 15.00	Parking fee for court hearing

Razuki vs Malan
Receiver Billing Summary
 Hourly Rate: \$250

<u>Date</u>	<u>Hours</u>	<u>Charge</u>	<u>Description</u>
10/17/2018	1.25	\$ 312.50	Emails with Griswold and Marilyn about Hakim interview scheduled. Email to parties for confirmation. Texts to Ninus about LOI. Emails with Nick about LOI comments. Email with Judd and Marilyn about interview. Emails with Nick and Lender about final LOI version. Email to Griswold to circulate LOI to parties. Emails from Griswold to new counsel for Far West and Synergy about interview and representation. Emails with parties about interview and issues/agenda. Email from Michaela about license renewal.
10/18/2018	2.25	\$ 562.50	Review Judd payables email, question to Griswold about approval. Review Gina summarized billing. Review Heidi email and attachments, approve expenses except FW mgmt fee. Adam and Gina responses to my email to Heidi. Respond to Judd and others about invoice approval. Review more emails about Balboa and payables priority. Review Gorla email with Griswold about canceling interview with Hakim today. Discussion with Griswold about interview and responses to Far West and parties about payments. Email about meeting from FW attorney. Discussion with Elia and Maura about settlement and receiver involvement/termination. Discussion about LOI for funding from 3rd party. Print out last signed order for interview. Send out email to parties with funding LOI attached. Emails from Griswold and Gina about LOI - respond. Review 9/7/18 order and highlight areas which defendants/vendors are violating.
10/18/2018	3.25	\$ 812.50	Meeting with Brinig group and then interview with Hakim, Judd, Jerry and counsel. Judd attorney email to Griswold. Email from Balboa audit agent with exceptions needed.
10/18/2018		\$ 24.00	Parking fee for Brinig meeting
10/19/2018	0.75	\$ 187.50	Review Jerry email with expenses listed for approval and respond. Review additional invoices from Jerry and respond with questions. Call Jerry per his email and leave message. Review Heidi report and expenses and approve.
10/22/2018	1.25	\$ 312.50	Review emails from Balboa employees about missed sick pay - forward to John for approval before paying. Respond to employees. Phone call with Maura and James about upcoming hearing and interview last week with Hakim and vendors. Forward Word version of previous court order. Conversation with Maura about status of hearing and settlement. Discussion with John about invoices for 2 unpaid employees. Emails with Brinig and Griswold about hearing and our meeting. Report by Heidi - review and approve. Review and respond to Jasmine email and demand for document/information production - copy team.
10/23/2018	1.5	\$ 375.00	Texts with Ninus about HOA payment approval. Review Heidi report. Emails and invoice from Jerry. Email and proposal from Gina. Review budget and then Marilyn's spreadsheet to compare. Emails from Nick and proposed lender about conflict. Contact with Marilyn about budget. Discussion with Maura and James about upcoming hearing and reports. Review Gorla email and correspondence.

Razuki vs Malan
Receiver Billing Summary
 Hourly Rate: \$250

<u>Date</u>	<u>Hours</u>	<u>Charge</u>	<u>Description</u>
10/24/2018	4.25	\$ 1,062.50	Respond to Gina emails. Set up conf call with Brian and Marilyn to discuss budget. Email from Maura about ex parte. Email from Griswold about his status and hearing on Thursday. Phone conference with Brian and Marilyn about budget, missing reports, and structure of email response from Brinig. Email about Treez invoices. Send Brinig email from Gorla about Mira Este motion. Call with Maura about Gina filing and content. Forward emails about budget to Maura for comment. Review Brinig email and approve for distribution about Balboa budget request. John discussion about hearing and motions. Discussion with Maura about Mira Este filing and issues with Synergy. Review of Plaintiff docs and review of emails and responses related to their false allegations. Discussion with Maura about untrue statements and forward supporting emails. Review of Plaintiffs filings and send comments to Maura. Review and respond to Brinig email with copies of parties filings. Review and reply to Heidi email about approval for an invoice I didn't receive.
10/25/2018	5.5	\$ 1,375.00	Emails from Judd and Gina. Court hearing, discussion with parties after court. Meeting with Brian, Marilyn and Griswold. Approve invoices for Ninus and request backup. Email response to Judd's email. Call CA Tax Auditor about Balboa delinquency - number from Gina. Send Receiver docs to Tax Auditor. Emails from Judd and Gina and Maura. Emails from Marilyn - update Receiver cash ledger for her use. Emails and conversation with Cyndee Tax Auditor about account, payments, authorizations. Emails from Judd - approve payroll for Balboa but not FWO fee. Respond to Judd's email about State tax and payment refusal of cash. Respond to Cyndee email containing forms to fill out.
10/25/2018		\$ 30.00	Parking for court and Brinig meeting
10/26/2018	3	\$ 750.00	Review Judd email about tax payment process. Heidi report email and coordinate cash transfer. Emails with Judd about Local tax payment. Emails with Jerry about bill approvals and future reporting procedures. Call with Brinig team about Mira Este and daily cash sheet uses. Texts with Heidi approving vendor billing and coordinating meeting at dispensary. Meet with Heidi at Balboa, discuss approval procedures and possible use of a debit card, pick up cash for State tax payment. Deposit cash in WF receiver account. Emails from Griswold - were in spam - review and reply. Review proposed order from Griswold and comment. Emails with Griswold and Marilyn about Brinig report format and timing.
10/27/2018	1	\$ 250.00	Emails from Ninus and responses about bills and approval. Emails to Griswold and Marilyn. Email from Gina about order and respond. Review emails for prior approval of cable invoice. Emails from Gina to Griswold, my responses and objections.

Razuki vs Malan
Receiver Billing Summary
 Hourly Rate: \$250

<u>Date</u>	<u>Hours</u>	<u>Charge</u>	<u>Description</u>
10/29/2018	2.75	\$ 687.50	<p>Email from Heidi and response. Email to Jerry about payroll approval/documentation. Emails from Griswold and Matt about order. Review Griswold email with submitted order and dec. Pay Griswold Sept billings. Review of State requirement for electronic communications and depositing cash - call Cyndee and leave message. Gorla email about order. Calls with Cyndee about account info. Prepare authorizations and send to Cyndee via email. Emails with Matt about approval process for payroll on Mira Este. Texts with Heidi about cash deposit. Email from Matt. Elia email about order. Emails with Matt and Jerry and Marilyn about Mira Este payroll documentation. Meet Heidi at Balboa and pick up cash for deposit into receiver account - for payment of 3rd quarter State taxes. Deposit into bank and send receipt to Heidi. Review State tax backup from Heidi. Email to Jasmine about meeting to clear outstanding audit issues on Balboa. Emails with Gina about Jasmine call Tuesday 9:30am. Judd email for exise tax payment approval for Mira Este - waiting for return to approve. Emails to Griswold and Brinig team about unacceptable accounting procedures we're experiencing from Far West. Email from Michaela about license and send email to agency asking for update. Emails about phone call with Jasmine, including Gina.</p>
10/30/2018	1.75	\$ 437.50	<p>Email from Judd about tax filing for CCG - contact Cyndee for confirmation of information. Contact Jasmine to confirm call in info for 9:30 conference call. Review report from Heidi. Respond to Quyen about license status. Conference call with Jasmine and Gina about items needed for audit. Email to John about tax returns needed. Discussion with John about info available and old employee payment data. Review and approve Mira Este tax payment from Judd. Approve bill from Ninus for City of SD - answer Marilyn's questions. Send Marilyn copy of State tax support for 3rd quarter payment. Review Marilyn's responses. Email from Cyndee with corrected account number - send Texts with Heidi and Cindy about cash/banking/State tax check arrangements. Email with Gina about Jasmine info. Emails about package sent to Mira Este? Arrange to get final cash from Heidi for State tax payment, deposit in receiver account and give check to Heidi to remit to State. Email from Gina and Griswold with Larry about CCG definitive agreement. Emails with Griswold and Marilyn about Epidure contract at Mira Este. Email from Judd about success filing for CCG.</p>
10/31/2018	1.75	\$ 437.50	<p>Response to Heidi about need for Ninus owner submittal.</p>
Total		\$ 12,661.50	

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	\$13,213.45
Last Payment Received	
Previous Balance	\$0.00
Current Charges	\$5,516.55
Total Due	\$5,516.55

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: November 01, 2018

Invoice Number: 11501

Invoice Amount: \$5,516.55

Matter: Razuki v. Malan: Receivership

Attorney's Fees

10/2/2018	Review/reply to multiple emails with Client re status of Brinig analysis, status of rcvshp budget	R.C.G.	.30	\$90.00
10/4/2018	Review/reply to emails re status of forensic audit	R.C.G.	.30	\$90.00
10/5/2018	Consult with Client re status of forensic audit, review missing docs for Brinig	R.C.G.	.40	\$120.00
10/8/2018	Consult with Client re funding options for ongoing operations, financial reporting	R.C.G.	.60	\$180.00
10/8/2018	TC from counsel for Plaintiff re status of funding for ongoing operations	R.C.G.	.40	\$120.00
10/8/2018	Draft doc demands to parties re forensic audit	R.C.G.	.40	\$120.00
10/9/2018	Review notice of hearing re consolidation; Consult with client re purpose of hearings	R.C.G.	.30	\$90.00
10/11/2018	Review/reply to multiple emails from counsel and consultants re status of rcvshp	R.C.G.	.60	\$180.00
10/11/2018	File and Serve the Notice of Entry of Order	K.C.	.50	\$62.50
10/11/2018	Draft Notice of Entry of Order re Confirming Receiver	J.E.	.60	\$108.00
10/12/2018	TC from counsel for Hakim re status of rcvshp	R.C.G.	.30	\$90.00
10/15/2018	Consult with Client re funding, status of operations, management, doc production to Brinig	R.C.G.	.80	\$240.00
10/15/2018	Review Malan ex parte papers	R.C.G.	1.10	\$330.00
10/16/2018	Review receivership lender LOI; consult with client re terms	R.C.G.	.60	\$180.00
10/16/2018	Review outstanding receivership expenses; draft correspondence to counsel re payment	R.C.G.	.30	\$90.00
10/17/2018	Correspondence with new counsel for Synergy & Far West re status of case	R.C.G.	.30	\$90.00
10/17/2018	Draft correspondence to counsel re agenda for Mira Este Brinig meeting	R.C.G.	.30	\$90.00
10/18/2018	Review Far West demands; draft response email to all counsel	R.C.G.	.30	\$90.00

10/18/2018	TC from counsel for Hakim re Brinig meeting; consult with client re Brinig meeting	R.C.G.	.30	\$90.00
10/18/2018	TC from counsel for Malan re Far West mgt	R.C.G.	.20	\$60.00
10/18/2018	Brinig Meeting with Mira Este, Hakim, Synergy, Judd (telephonic)	R.C.G.	1.30	\$390.00
10/24/2018	Review parties' filings, oppositions re 10/25 ex parte hearings	R.C.G.	1.90	\$570.00
10/25/2018	Prepare for ex parte hearing	R.C.G.	1.10	\$330.00
10/25/2018	Travel to/from and Attend Ex Parte hearing	R.C.G.	1.70	\$510.00
10/25/2018	Meeting with Brinig re forensic audit report status	R.C.G.	.70	\$210.00
10/25/2018	File and Serve the Notice of Entry of Order	K.C.	.40	\$50.00
10/25/2018	Draft proposed order re 10/25 hearing	R.C.G.	.40	\$120.00
10/25/2018	Draft Notice of Entry of Order re 9/28/18 Order. Finalize and prepare for filing and service.	J.E.	.80	\$144.00
10/29/2018	Draft declaration re proposed order	R.C.G.	.40	\$120.00
10/29/2018	Review/reply to counsel emails re language of proposed order	R.C.G.	.30	\$90.00
10/29/2018	File and Serve the Declaration and Proposed Order	K.C.	.60	\$75.00
10/31/2018	Review Malan Notice of Appeal	R.C.G.	.20	\$60.00
10/31/2018	Review/reply to emails from counsel re potential contract negotiation with sub-producer	R.C.G.	.30	\$90.00
SUBTOTAL:			19.00	\$5,269.50

Costs

10/1/2018	OneLegal - courtesy copy delivery fee for the Proposed Order			\$30.00
10/4/2018	OneLegal - e-filing and eservice fee for the Declaration and Proposed Order			\$19.95
10/16/2018	OneLegal - e-filing and eservice fee for the Notice of Entry of Order			\$19.95
10/22/2018	OneLegal - e-filing and eservice fee for the Proposed Order			\$19.95
10/25/2018	OneLegal - e-filing and eservice fee for the Notice of Entry of Order			\$19.95
10/25/2018	COST: SD Superior Court Parking			\$30.00
10/29/2018	OneLegal - eservice fee for the Declaration and Proposed Order			\$10.00
10/30/2018	OneLegal - physical filing and courtesy copy fee for the Declaration and Proposed Order			\$97.25
SUBTOTAL:				\$247.05

TOTAL: \$5,516.55
PREVIOUS BALANCE DUE: \$0.00
CURRENT BALANCE DUE AND OWING: \$5,516.55

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
 November 01, 2018
 ACCOUNT NO: 180910-00M
 INVOICE NO. 172133

RAZUKI V. MALAN, ET AL.

		HOURS	
10/01/2018			
MPW	Economic Analysis	2.75	687.50
DJD	Data Entry re: Check names and memos - Bank of America	2.40	300.00
10/02/2018			
MPW	Economic Analysis	2.75	687.50
10/03/2018			
BPB	Economic Analysis	0.50	212.50
BPB	Client Case Meeting w/Mr. Razuki	2.80	1,190.00
MPW	Economic Analysis	4.75	1,187.50
10/04/2018			
MPW	Economic Analysis	3.00	750.00
10/05/2018			
DJD	Data Entry re: TP Bank entry (12/16-11/17 & 7/18)	2.80	350.00
10/08/2018			
MPW	Economic Analysis	0.25	62.50
10/09/2018			
MPW	Economic Analysis	0.50	125.00
10/10/2018			
BPB	Review of various emails	0.20	85.00
10/11/2018			
BPB	Attention To File	0.10	42.50
MPW	Economic Analysis	3.50	875.00
10/15/2018			
MPW	Economic Analysis	3.25	812.50

Mr. Michael Essary

RAZUKI V. MALAN, ET AL.

Page: 2
November 01, 2018
ACCOUNT NO: 180910-00M
INVOICE NO. 172133

		HOURS	
10/16/2018			
MPW	Economic Analysis	2.75	687.50
10/17/2018			
BPB	Economic Analysis - Review status	0.50	212.50
MPW	Economic Analysis	2.75	687.50
MPW	Economic Analysis w/BPB	0.50	125.00
10/18/2018			
BPB	Client Case Meeting	2.00	850.00
MPW	Economic Analysis	5.00	1,250.00
10/22/2018			
BPB	Economic Analysis w/MPW	1.00	425.00
BPB	E-Mail to Henbes	0.20	85.00
BPB	Economic Analysis	0.70	297.50
MPW	Economic Analysis	2.50	625.00
MPW	Economic Analysis w/BPB	1.00	250.00
10/23/2018			
BPB	Economic Analysis	0.80	340.00
MPW	Economic Analysis	1.75	437.50
10/24/2018			
BPB	Economic Analysis w/MPW	0.70	297.50
BPB	Economic Analysis	1.80	765.00
BPB	E-Mail	0.30	127.50
BPB	Trial Preparation	3.20	1,360.00
BPB	Review of all pleadings/filings	1.00	425.00
MPW	Economic Analysis w/BPB	0.70	175.00
MPW	Economic Analysis	5.60	1,400.00
10/25/2018			
BPB	Expert Witness Testimony	1.00	425.00
BPB	Trial Preparation	1.00	425.00
BPB	Client Case Meeting - w/Receiver & Counsel	0.30	127.50
MPW	Economic Analysis	6.50	1,625.00

Mr. Michael Essary

RAZUKI V. MALAN, ET AL.

Page: 3
November 01, 2018
ACCOUNT NO: 180910-00M
INVOICE NO. 172133

		HOURS	
10/26/2018			
BPB	Economic Analysis w/MPW	0.30	127.50
BPB	Tel Conf w/M. Essary	0.20	85.00
MPW	Economic Analysis	0.50	125.00
10/29/2018			
MPW	Economic Analysis	0.50	125.00
10/30/2018			
BPB	Review of correspondence	0.10	42.50
BPB	Economic Analysis w/MPW	0.80	340.00
MPW	Economic Analysis	3.50	875.00
MPW	Economic Analysis w/BPB	0.80	200.00
10/31/2018			
MPW	Economic Analysis	7.00	1,750.00
FOR CURRENT SERVICES RENDERED		<u>86.80</u>	<u>24,462.50</u>

RECAPITULATION		
<u>HOURS</u>	<u>HOURLY RATE</u>	<u>TOTAL</u>
5.20	\$125.00	\$650.00
62.10	250.00	15,525.00
19.50	425.00	8,287.50

TOTAL CURRENT WORK		24,462.50
PREVIOUS BALANCE		\$10,072.50
10/25/2018	PAYMENT CHECK #0142 PAID BY: MICHAEL ESSARY	-10,072.50
BALANCE DUE		<u>\$24,462.50</u>

WE ACCEPT ALL MAJOR CREDIT CARDS * TAX I.D.: 33-0001473
BRINIG TAYLOR ZIMMER, INC.

5317

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 *November 13, 2018*, I served the documents described as **RECEIVER MICHAEL**
7 **ESSARY'S SECOND RECEIVER'S REPORT** on each interested party, as follows:

8 **SEE ATTACHED SERVICE LIST**

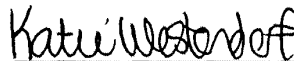
9
10 (VIA MAIL) I placed a true and correct copy(ies) of the foregoing document in a sealed
11 envelope(s) addressed to each interested party as set forth above. I caused each such envelope, with
12 postage thereon fully prepaid, to be deposited with the United States Postal Service. I am readily
13 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 *November 13, 2018*, in Solana Beach, California.

23 
24

Katie Westendorf

SERVICE LIST

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Counsel for Plaintiff Salam Razuki
Steven A. Elia, Esq.
Maura Griffin, Esq.
LAW OFFICES OF STEVEN A. ELIA, APC
2221 Camino Del Rio South, Suite 207
San Diego, CA 92108
Email: steve@elialaw.com; MG@mauragriffinlaw.com

Counsel for Defendant Ninus Malan
Steven Blake, Esq.
Daniel Watts, Esq.
GALUPPO & BLAKE, APLC
2792 Gateway Road, Suite 102
Carlsbad, CA 92009
Email: sblake@galuppolaw.com; dwatts@galuppolaw.com

Gina M. Austin, Esq.
Tamara M. Leetham, Esq.
AUSTIN LEGAL GROUP, APC
3990 Old Town Avenue, Suite A-112
San Diego, CA 92110
Email: gaustin@austinlegalgroup.com; tamara@austinlegalgroup.com

Counsel for Defendant Chris Hakim
Charles F. Gorla, Esq.
GORIA, WEBER & JARVIS
1011 Camino del Rio South, #210
San Diego, CA 92108
Email: chasgoria@gmail.com

Counsel for SoCal Building Ventures, LLC
Robert Fuller, Esq.
Salvatore Zimmitti, Esq.
NELSON HARDIMAN LLP
1100 Glendon Avenue, Suite 1400
Los Angeles, CA 90024
Email: rfuller@nelsonhardiman.com; szimmitti@nelsonhardiman.com

EXHIBIT G

5320

1 Steven A. Elia (State Bar No. 217200)
Maura Griffin (State Bar No. 264461)
2 James Joseph (State Bar No. 309883)
LAW OFFICES OF STEVEN A. ELIA, APC
3 2221 Camino Del Rio South, Suite 207
San Diego, California 92108
4 Telephone: (619) 444-2244
Facsimile: (619) 440-2233
5 Email: steve@elialaw.com
maura@elialaw.com
6 james@elialaw.com

7 Attorneys for Plaintiff
SALAM RAZUKI
8

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

11 SALAM RAZUKI, an individual,
12 Plaintiff,
13 v.
14 NINUS MALAN, an individual; CHRIS
15 HAKIM, an individual; MONARCH
16 MANAGEMENT CONSULTING, INC. a
17 California corporation; SAN DIEGO
18 UNITED HOLDING 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
28 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
**SUPPLEMENTAL DECLARATION OF
SALAM RAZUKI DATED AUGUST 12,
2018 IN SUPPORT OF PLAINTIFF'S
OPPOSITION TO DEFENDANT'S EX
PARTE APPLICATION TO VACATE
THE APPOINTMENT OF THE
RECEIVER AND TRO**

1 I, Salam Razuki, declare as follows:

2 1. I am the Plaintiff in the above-entitled action. I am over the age of eighteen and
3 otherwise competent to make the statements contained herein based on personal knowledge or
4 information and belief as noted. If called as a witness, I would testify competently thereto.

5 2. This declaration is made in support of Plaintiff's Opposition to Defendant Ninus Malan
6 ("Malan")'s Ex Parte Application to Vacate the Appointment of the Receiver and TRO.

7 3. This declaration is intended to show exactly how I was responsible for financing the
8 business and properties associated with Malan's and my Marijuana Operation. I estimate I have
9 provided *five to six million* dollars in terms of financing and capital to the marijuana operations while
10 Malan has only provided a nominal amount.

11 **Background regarding My Relationship with Malan**

12 4. Malan and I agreed to be partners in several businesses in order to facilitate the
13 ownership and operation of the Marijuana Operations. Initially, based on an oral agreement, we
14 agreed that I would be the financier of the Marijuana Operations and would be entitled to
15 reimbursement for my capital investment and 75% of the profits of the Marijuana Operations. We
16 further agreed that Malan would manage the Marijuana Operations and be entitled to the remaining
17 25% of the profits. This oral agreement was ultimately memorialized in a fully written settlement
18 agreement executed on November 9, 2017 (the "Settlement Agreement") whereby Malan and I agreed
19 to transfer all of our interests in certain partnership assets (the "Partnership Assets") to a newly
20 formed entity, RM Properties Holdings, LLC ("RM Holdings") of which I was, and is, a 75% member
21 and Malan was, and is, a 25% member. Attached as **Exhibit 1** is a true and correct copy of the
22 Settlement Agreement. We never executed any written amendments or modifications to this
23 agreement.

24 5. The fully executed eight (8) page Settlement Agreement contained two pages of
25 Recitals (which were expressly made part of the Settlement Agreement) that describe in detail the
26 business relationship between me and Malan. The Partnership Assets are defined in the Settlement
27 Agreement, as follows:

Partnership Assets Held in Malan's Name	Partnership Assets Held in Plaintiff's Name
San Diego United Holdings Group, LLC ("SD United")-100%	Sunrise Property Investments, LLC ("Sunrise")-20%

1 Flip Management, LLC ("Flip")-100% 2 Mira Este Properties, LLC ("Mira Este")-50% 3 Roselle Properties, LLC ("Roselle")-50%	Super 5 Consulting Group, LLC ("Super 5")-27%
--	--

6. Defendant Chris Hakim ("Hakim") holds title to the remaining fifty percent (50%) membership interest in and to Mira Este and Roselle.

7. The Settlement Agreement specifically states in Section 1.2 that regardless of how the Partnership Assets are held, Plaintiff has a 75% interest in them, as follows:

"RAZUKI and MALAN have an understanding such that regardless of which Party of entity holds title and ownership to the Partnership Assets, RAZUKI is entitled to a seventy-five percent (75%) interest in the capital, profits, and losses of each Partnership Asset and MALAN is entitled to a twenty-five percent (25%) interest, and no Party is entitled to receive any profits whatsoever until, and unless that Parties have first been repaid their investment in full (hereinafter referred to as the "Partnership Agreement")."

8. The Settlement Agreement states in pertinent part, as follows: "The Parties shall use their best efforts to effectuate the transfer of the Partnership Assets to [RM Holdings] within thirty (30) days, and shall execute any and all further documents as may be necessary to carry out the same."

9. Malan subsequently failed to transfer his interests in the Partnership Assets to RM Holdings in default of the Settlement Agreement under the guise of asserting that a timely transfer of the Partnership Assets would negatively impact negotiations of three separate management agreements (collectively referred to herein as the "Management Agreements") with SoCal Building Ventures, LLC ("SoCal Building"), a reputable operator of marijuana businesses including dispensaries and manufacturing operations. Attached as Exhibits 2, 3, and 4 are true and correct copies of the Management Agreements.

10. Three of the six companies which are Partnership Assets under the Settlement Agreement and held in the name of Malan (either wholly or partially) are limited liability companies that own real property are as follows:

- (i) SD United which owns 8861 Balboa Avenue, Suite B, 8863 Balboa Avenue, Suite E and 8859 Balboa Avenue, Suites A-E, San Diego, CA 92123 (collectively referred to as the "Balboa Properties");
- (ii) Mira Este which owns 9212 Mira Este Court, San Diego, CA 92126 (the "Mira Este

1 Property”); and,

2 (iii) Roselle which owns 10685 Roselle Street, San Diego, CA 92121 (the “Roselle
3 Property”).

4 11. Two parcels of the Balboa Properties are currently properly licensed for a marijuana
5 dispensary which is in operation (the “Balboa Dispensary”) and the other parcels of the Balboa
6 Properties are currently in the licensing process for manufacturing marijuana products. The Mira Este
7 Property is currently in the process of being licensed for a marijuana manufacturing and distribution
8 center and is close to being approved. The Roselle Property is also intended to be licensed for a
9 marijuana business, however, it is not operating right now.

10 12. Not only did Malan fail to abide by the terms of the Settlement Agreement, but he and
11 Hakim entered into three Management Agreements for the Balboa, Mira Este and Roselle marijuana
12 operations after making material misrepresentations to Plaintiff regarding the terms and the parties to
13 the agreements.

14 13. Furthermore, Malan and I specifically agreed that Flip Management, LLC (“Flip”),
15 which is a Partnership Asset under the Settlement Agreement, would receive the monthly management
16 fees from the operators of the Marijuana Operations. Instead, Malan and Hakim caused the
17 Management Agreements to provide that monthly management fees be paid to Monarch Management
18 Consulting, LLC (“Monarch”), a company owned equally by Malan and Hakim.

19 14. The Management Agreements contained an option to purchase fifty (50%) percent of
20 the Marijuana Operations for a total option fee of \$225,000 (*i.e.* \$75,000 per location), of which SoCal
21 Building has paid \$150,000 to date.

22 15. Each of the Balboa Properties, the Mira Este Property and the Roselle Property are, or
23 are in the process of being, properly licensed and permitted for the operation of marijuana businesses.
24 The only marijuana business actually in operation to date is the Balboa Dispensary.

25 16. The Management Agreements provide for SoCal’s payment of various tenant
26 improvements, rent, minimum monthly guarantees and purchase option fees. Although I have an
27 equitable interest in the subject real properties, as well as Flip, and SoCal Building has paid
28 substantial sums under the Management Agreements, to date I have not received any monies from the
Partnership. In fact, Malan has consistently represented to me that no funds in excess of those needed

1 to pay for tenant improvements and/or mortgage payments for the various properties have been
2 received from SoCal because the Marijuana Operations are not doing well financially.

3 17. Upon the Receiver's takeover of the Balboa Dispensary, an unsigned copy of a new
4 Management Services Agreement between Balboa Ave. Cooperative and Far West Management, LLC
5 ("Far West Management Agreement") was found at the business. Attached as **Exhibit 5** is a true and
6 correct copy of this management agreement

7 18. The Far West Management Agreement reflects an effective date of July 10, 2018, the
8 same date that SoCal Building was locked out of the Balboa Dispensary, and provides that Far West
9 Management, LLC ("Far West"), as "Manager," will manage the day-to-day operations of the Balboa
10 Dispensary. The scope of the Far West Management Agreement is the same or substantially similar to
11 the scope of the Managements Agreements with SoCal Building. The agreement, which is for a term
12 of sixty (60) days pursuant to Section 2.1, specifically states, as follows:

13 **Section 1.7: Long-Term Agreement.** The Parties acknowledge and
14 agree that it is the Parties' intent to, during the Term of this Agreement,
15 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."

16 19. Based on information and belief, Far West did take over operations of the Balboa
17 Dispensary on or about July 10, 2018 and began operating the dispensary under the name "Golden
18 State Greens" until July 17, 2018 when the Receiver took over possession and control of the
19 dispensary pursuant to the July 17, 2018 Order.

20 20. I am further informed and believe that Far West also ran the Balboa Dispensary after
21 the Receiver returned possession and control of the receivership assets after the July 31, 2018 hearing.

22 **Stonecrest Matter**

23 21. Around 2014, I was involved a marijuana operation located at 4284 Market St., San
24 Diego, CA 92102. I was the property owner where the dispensary operated. The City of San Diego
25 brought a lawsuit against me and the dispensary, alleging the dispensary was illegal. The case was
26 *City of San Diego v. Stonecrest Plaza, LLC, et al.* (Case No. 37-2014-00009664-CU-MC-CTL).

27 22. In December of 2014, the parties entered into a settlement agreement (the "Stonecrest
28 Settlement"). Attached as **Exhibit 6** is a true and correct copy of the Stonecrest Settlement.

1 23. Pursuant to the settlement agreement, I was enjoined from “[k]eeping, maintaining,
2 operating, or allowing the operation of any “*unpermitted* use” at any property in the City of San
3 Diego. Additionally, I was enjoined from “[k]eeping or maintaining any violations of the San Diego
4 Municipal Code at . . . any other property in the City of San Diego.” (See Exhibit 6 at ¶10(a)-(b).)

5 24. Because of this settlement agreement, I was concerned with having my name on any
6 title associated with a marijuana operation. This is why Malan would put his name on title for the
7 LLCs related to our marijuana operations. I always assumed he would honor the oral agreement and
8 Settlement Agreement that would entitle me to 75% ownership of all the Partnership Assets.

9 **Sunrise and Super 5 Ownership**

10 25. On November 8, 2017, I obtained a 20% interest in Sunrise and a 27% interest in Super
11 5. Attached as **Exhibits 7 and 8** are true and correct copies of the membership interest certificates
12 reflecting my ownership in these two entities.

13 26. I also executed the (i) Transfer and Assignment of LLC Interest Agreement In Super 5
14 Consulting Group, LLC dated November 8, 2018; (ii) Minutes of the Meeting of the Members of
15 Super 5 Consulting Group, LLC dated November 8, 2018; (iii) Transfer and Assignment of LLC
16 Interest Agreement In Sunrise Property Investments, LLC dated November 8, 2018; and, (iv) Minutes
17 of the Meeting of the Members of Sunrise Property Investments, LLC dated November 8, 2018. I did
18 not include these documents in this filing to protect the privacy rights of the other members of these
19 entities.

20 **8861 and 8863 Balboa Properties**

21 27. On or around October 18, 2016, Razuki Investments, LLC (“RI”) purchased the real
22 property located at 8861 Balboa Ave. Ste B., San Diego, CA 92123 and 8863 Balboa Ave. Ste E, San
23 Diego, CA 92123 (the “8861/8863 Properties”).

24 28. RI is a limited liability company that is solely owned and capitalized by me.

25 29. RI secured financing for this purchase from TGP Opportunity Fund I LLC and TGP
26 Opportunity Fund I LLC secured a \$475,000 deed of trust on the property (the “TGP DoT”). RI paid
27 \$275,000 in cash as a down payment as well.

28 30. The 8861/8863 Properties were part of the Montgomery Field Business Condominiums
Association (HOA). Initially, the HOA did not permit a dispensary to operate at the 8861/8863

1 Properties and threatened to report any and all code violations to the City of San Diego.

2 31. In order to avoid potentially violating the injunction pursuant to the Stonecrest
3 Settlement, I agreed to transfer the 8861/8863 Properties from RI to SD United.

4 32. On or around March 20, 2017, RI transferred ownership of the 8861/8863 Properties to
5 SD United. SD United took the 8861/8863 Properties subject to the TGP DoT and granted a second
6 deed of trust to RI for \$275,000.

7 33. After the transfer, TGP Opportunity Fund I LLC threatened to declare a default and
8 foreclose on the 8861/8863 Properties because RI did not obtain its permission before transferring
9 ownership. Therefore, in order to avoid this threat of default, I decided to refinance the 8861/8863
10 Properties.

11 34. I approached Joseph Salas, the owner of Salas Financial to arrange the loan. Mr. Salas
12 and I have worked together for over 20 years and successfully completed many deals.

13 35. Salas Financial was willing to refinance the 8861/8863 Properties and lend money to
14 SD United, RI, and American lending and Holdings, LLC ("ALH"). ALH is a limited liability
15 company that is owned and managed by Malan. The terms of the loan were:

- 16 a. SD United would grant a first position deed of trust on the 8861/8863 Properties.
- 17 b. ALH would grant a second deed of trust on a property located at 14515 Arroyo Hondo,
18 San Diego, CA 92127. At the time, RI held a second position deed of trust on the
19 14515 Arroyo Hondo property for \$700,000. Attached as **Exhibit 9** is a true and
20 correct copy of this deed of trust. In order to close this deal, RI was required to
21 reconvey this \$700,000 deed of trust.
- 22 c. RI would grant a second position deed of trust on a property located at 1341 Loch
23 Lomond Dr., Cardiff, CA 92007.
- 24 d. RI would reconvey its \$275,000 deed of trust on the 8861/8863 Properties.

25 36. Attached as **Exhibit 10** is a true and correct copy of the deed of trust regarding the
26 above mentioned properties.

27 37. Attached as **Exhibit 11** is a true and correct copy of the reconveyance of RI's \$275,000
28 deed of trust.

38 38. Salas Financial required this significant amount of collateral because the 8861/8863

1 Properties would be used for a marijuana dispensary, which was a very risky investment at the time.

2 39. Malan was not required to make any down payment in order to secure this refinancing
3 loan.

4 40. After we meet all the conditions and secured the properties for the refinancing loan,
5 Salas Financial was able to provide \$500,000 to buy out the TPG DoT on or around May 15, 2017.

6 **8859 Balboa Properties**

7 41. On or around June 2, 2017, SD United purchased 8859 Balboa Ave., Ste A through E,
8 San Diego, CA 92123 (the "8859 Properties"). The 8859 Properties would be used to expand the
9 marijuana operations.

10 42. The purchase price for the 8859 Properties was \$1.6 million. Approximately
11 \$1,088,000 of the purchase price would be obtained through a loan from Salas Financial. The
12 remaining portion and associated fees/costs (totaling approximately \$645,000) would be deposited in
13 escrow.

14 43. In order to secure the \$1,088,000 loan, SD united granted a first position deed of trust
15 on the 8859 Properties. Additionally, Malan and I were required to sign a personal guarantee for the
16 loan (the "8859 Guarantee").

17 44. Of the approximately \$645,000 required for escrow, \$200,000 was wired from RI's
18 Bank of America account. Attached as **Exhibit 12** is a true and correct copy of the Funds Transfer
19 Request Authorization from Bank of America. Attached as **Exhibit 13** is a true and correct copy of
20 the receipt from Escrow for the \$200,000 wire transfer.

21 45. The remaining \$445,000 came from a loan I arranged with Joe Banos. Mr. Banos
22 owns a business and leases a store location from me. I told Mr. Banos that I wanted to borrow money
23 from him in order to fund my marijuana business. In exchange for a renegotiated lease for his
24 business and personal guarantee from me, Mr. Banos agreed to lend me \$750,000. Attached as
25 **Exhibit 14** is a true and correct copy of the personal guarantee I signed. Since the inception of the
26 loan with Mr. Banos, I have made payments to Mr. Banos's company pursuant to the terms of the
27 loan.

28 46. The majority of the money acquired from Mr. Banos was sent directly to Malan in
order to fund the marijuana operations. I am informed and believe that Malan told Mr. Banos to wire

1 the loan money to NM Investments Corp (“NMI”). NMI is a corporation that is owned by Malan.

2 47. I am informed and believe that NMI then transferred \$445,000 to SD United so that SD
3 United could make the necessary escrow deposit to close on the purchase of 8859 Properties.

4 48. After obtaining the necessary down payment and financing, the transfer of the 8859
5 Properties was completed on June 6, 2017.

6 49. On or around August 7, 2018, Salas Financial contacted me and said they did not have
7 a copy of the signed 8859 Guarantee. They asked me to come into Salas Financial’s office and resign
8 the 8859 Guarantee.

9 50. On August 8, 2018, I went into their office and signed the 8859 Guarantee. Attached
10 as **Exhibit 15** is a true and correct copy of the 8859 Guarantee.

11 51. I am informed and believe that Salas Financial also contacted Malan to resign the 8859
12 Guarantee. However, I do not believe Malan has resigned the 8859 Guarantee yet.

12 **Dispute with HOA**

13 52. On or around May 26, 2017, the HOA filed a lawsuit *Montgomery Field Business*
14 *Condominiums Association vs. Balboa Ave Cooperative* (Case No. 37-2017-00019384-CU-CO-CTL).
15 The HOA brought the lawsuit to enforce its Covenants, Conditions, and Restrictions that prohibit any
16 Marijuana Operations at the Balboa Properties.

17 53. RI and I were two named defendants in this lawsuit. I was heavily involved in the
18 litigation and secured my own independent counsel (separate from Malan) to represent my interests.

19 54. Eventually, the parties involved reached a settlement agreement that permitted the
20 Marijuana Operations at the Balboa Properties. RI and I signed the settlement agreement and are
21 bound to its terms.

22 **Mira Este Property**

23 55. In 2016, I wanted to expand the marijuana operations and intended to purchase the
24 Mira Este Property. This location would not be a retail location but would be a manufacturing
25 location.

26 56. In order to purchase the Mira Este Property, I would have to obtain approximately
27 \$2,600,000.

28 57. I contacted John Lloyd of The Loan Company (“TLC”) to obtain financing for this

1 purchase. Mr. Lloyd was concerned that this was too large of an investment for just one person. He
2 then introduced me to Hakim to secure sufficient capital for the purchase.

3 58. Before closing escrow on the purchase of the Mira Este Property, I secured a Business
4 Tax Certificate ("BTC") for the property. The BTC cost approximately \$200,000.

5 59. When escrow closed, I deposited \$254,780.94 from myself, RI, and Pau's Place, LLC,
6 another entity that is solely owned and managed by me. Attached as **Exhibit 16** is a true and correct
7 copy of the escrow closing statement for the Mira Este Property and proof of deposits from myself,
8 RI, and Pau's Place, LLC.

9 60. Hakim deposited \$420,000 into escrow. Hakim agreed to cover more of the escrow
10 deposit because I covered the BTC.

11 61. Malan did not deposit anything.

12 62. After depositing approximately \$670,000 as a down payment in escrow, we obtained
13 financing from TLC for the remaining \$1,900,000 for the purchase price.

14 63. TLC secured a first position deed of trust on the Mira Este Property for approximately
15 \$1,900,000.

16 64. Hakim, Malan and I also signed a personal guarantee for this loan.

17 65. After obtaining the necessary down payments and financing the transfer of the Mira
18 Este Property was completed on August 26, 2018.

19 Roselle Property

20 66. After purchasing the Mira Este Property, I planned to also purchase the Roselle
21 Property as a future cultivation location for our marijuana operations.

22 67. In order to open escrow, I made an earnest payment of \$25,000 as a showing of good
23 faith on the deal.

24 68. The purchase price for the Roselle Property was \$1,500,000.

25 69. The seller was willing to execute a carryback loan for \$950,000 of the purchase price.

26 70. I then approached TLC to secure financing for the remaining portion of the purchase
27 price and associated costs/fees (totaling to \$600,000). To obtain this financing, TLC required:

28 a. A second position deed of trust on the Mira Este Property

b. A second position deed of trust on three properties I owned (2544 Violet St., San

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Diego, CA 92105; 2546 Violet St., San Diego, CA 92105; and 2319 Westwood St., San Diego, CA 92139).

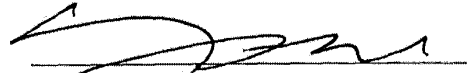
c. A second position deed of trust on one property owned by Hakim.

71. Malan did not collateralize the loan with any of his property or contribute any other capital.

72. When negotiating the purchase price of the Roselle Property, I was initially named the buyer on the contract. Attached as **Exhibit 17** is a true and correct copy of the purchase contract with my name listed as the buyer. Before executing the purchase, I assigned my rights as buyer to Roselle Properties, LLC.

73. After securing the financing, the transfer of the Roselle Property was completed on October 19, 2016.



1 I declare under penalty of perjury under the laws of the State of California that the foregoing is
2 true and correct. This Declaration was executed on August 12, 2018, at San Diego, California.

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5 Salam Razuki

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EXHIBIT H

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	First Fidelity Escrow 12636 High Bluff Drive, #400 San Diego CA 92130 Phone: (858) 724-2146 Fax: (858) 724-2148 Escrow Officer: Monica Busch	 FF01569-MB
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Seller's Settlement Statement - Final

Property: 14515 Arroyo Hondo San Diego, CA 92127	Closed Date: 8/4/2017
Seller: Ninus Malan, Authorized Signer of American Lending and Holdings LLC	Disbursement Date: 8/4/2017 Escrow Number: FF01569-MB

	<u>Debits</u>	<u>Credits</u>
Purchase Price		
Purchase Price		\$1,291,500.00
Payoff 1 (Total Payoff: \$958,011.36)		
Principal to The Loan Company of San Diego	\$950,000.00	
Interest from 7/1/2017 thru 8/7/2017 @208.2200/day	\$7,912.36	
Statement Fee to The Loan Company of San Diego	\$30.00	
Reconveyance Fee to The Loan Company of San Diego	\$45.00	
Recording Fee to The Loan Company of San Diego	\$24.00	
Payoff 2 (Total Payoff: \$50,510.00)		
Principal to SALAS FINANCIAL	\$50,000.00	
Statement Fee to SALAS FINANCIAL	\$30.00	
Fax Fee to SALAS FINANCIAL	\$40.00	
Reconveyance Fee to SALAS FINANCIAL	\$45.00	
Wire Fee to SALAS FINANCIAL	\$20.00	
Recording Fee to SALAS FINANCIAL	\$125.00	
partial release 6/15/17 to 8/07/2017	\$250.00	
Sales Commission		
Listing Commission to Keller Williams Realty	\$19,537.50	
Prorations		
HOA Dues 330.0000/mo for 08/04/17 to 09/01/17		\$297.00
County Taxes (Unpaid) 8995.7800/6 mos for 07/01/17 thru 08/04/17	\$1,649.23	
Title Charges		
Owner's Coverage to TITLE365	\$2,799.00	
Sub-Escrow Fee	\$62.50	
Add'l Title Charge -- > indemnity hold	\$10,000.00	
Recording Fees / Transfer Taxes		
County Transfer Taxes	\$1,420.65	
Additional Settlement Fees		
Pest Inspection to KENNEDY PEST CONTROL	\$895.00	
Home Warranty to OLD REPUBLIC HOME PROTECTION COMPANY	\$500.00	
Property Disclosure Reports to myNHD.com	\$74.95	
seller bills to JACK CONSTRUCTION	\$5,600.00	
seller bills for screen door to MIRA MESA GLASS & SCREEN	\$275.00	
seller bills (TILE) Lender would not allow credit back for this to PASQUALE CIONE	\$517.91	
REMAINDER OF LANDSCAPING BILL to GIL HERNANDEZ	\$1,125.00	
SELLER TO REIMBURSE LIST AGENT to LUXE DISCOVERY	\$15,000.00	
RELEASE TO SELLER to American Lending and Holdings LLC	\$10,000.00	
PAD to American Lending and Holdings LLC	\$1,000.00	
HOA Document Fee to (POC 360.00)		
HOA Dues (Seller) to WALTERS MANAGEMENT CO; BALANCE \$210,LATE FEE \$30 KEY FEE \$120; FOB FEE \$40; JULY	\$1,400.00	

ASSESSMENT \$330 & JULY LATE FEE \$30/ AUG DUES		
HOA Transfer Fee to WALTERS MANAGEMENT CO	\$150.00	
Proceeds or Balance Due		
Cash From/To Seller	\$211,268.90	
Balance Due		\$0.00
	Totals:	
	<u>\$1,291,797.00</u>	<u>\$1,291,797.00</u>

Save this Statement for Income Tax purposes.

EXHIBIT I

5336

MANAGEMENT SERVICES AND OPTION AGREEMENT

This MANAGEMENT SERVICES AND OPTION AGREEMENT (the "Agreement") is made, entered into and effective as of January 2, 2018 (the "Effective Date") by and among **SoCal Building Ventures, LLC** ("Manager" and "Optionee" as context requires), and **Balboa Ave Cooperative**, a California nonprofit mutual benefit corporation, and **San Diego United Holdings Group, LLC**, a California limited liability company (collectively, the "Company" and "Optionor" as context requires), **Monarch Management Consulting, Inc.**, a California corporation (individually referred to herein as "Monarch"), **Chris Hakim**, an individual, and **Ninus Malan**, an individual (together, the "Old Operators") (collectively, the "Parties").

RECITALS

WHEREAS,


A. Company is a California mutual benefit corporation (which may also be referred to herein as the "Nonprofit") which operates a medical marijuana dispensary for the benefit of its members (the "Operations"), and is in need of business consulting, accounting, administrative, technological, managerial, human resources, financial, intellectual property, and related services in order to provide services to its patients. The Company operates its dispensary at 8863 Balboa Avenue, Suite E., San Diego CA 92123 and 8861 Balboa Avenue, Suite B, San Diego, CA 92123 (collectively, the "Facility"), for which a CUP has been submitted with the City of San Diego for such purposes. San Diego United Holdings Group, LLC owns the Facility in fee simple, as well five (5) other parcels within the HOA where the Facility is located. The Facility needs to receive HOA approval before commencing Operations at the site.

B. Manager is engaged in the business of providing administrative and management services to health care entities and has the capacity to manage and administer the operations of Company and to furnish Company with appropriate managerial, administrative, financial, and technological support (the "Administrative Services"). Manager may assign its obligations hereunder to an affiliate, San Diego Building Ventures, LLC, which shall also be "Manager" hereunder as if an initial party hereto.

C. Company desires management assistance in the Operations. To accomplish this goal, Company desires to engage Manager to provide Administrative Services as are necessary and appropriate for the day-to-day administration and management of the Operations, and Manager desires to provide Administrative Services to Company, all upon the terms and subject to the conditions set forth in this Agreement.

D. Manager is also seeking an option to acquire a 50% ownership interest in the Facility, and Company is willing to grant such an option as provided herein.

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NOW, THEREFORE, in consideration of the mutual promises contained herein and for other good and valuable consideration, the receipt and sufficiency of which are acknowledged by the Parties, the Parties agree as follows:

TERMS OF AGREEMENT

1. ENGAGEMENT

1.1. Engagement of Manager. Company hereby engages Manager to provide the Administrative Services for the Operations on the terms and conditions described herein, and Manager accepts such engagement. Manager shall be the sole and exclusive provider of the administrative, management, and other services to be provided to or on behalf of Company for the Operations as more particularly outlined herein. Manager in its sole discretion shall determine which services shall be provided to Company from time-to-time so long as the Administrative Services are provided in compliance with this Agreement. For purposes of this Agreement, "Administrative Services" shall not include any management services relating to ownership of the Facility by San Diego United Holdings Group, LLC unless and until Manager exercises the option to purchase 50% of the Facility as more particularly outlined in this Agreement.

1.1.1. No Warranty or Representations. Company acknowledges that Manager has not made and will not make any express or implied warranties or representations that the Administrative Services provided by Manager will result in any particular amount or level of income to the Company. Specifically, Manager has not represented that its Administrative Services will result in higher revenues, lower expenses, greater profits, or growth in the number of clients receiving services or purchasing goods at the Facility.

1.2. Agency. Company hereby appoints Manager as Company's true and lawful agent throughout the Term of this Agreement, and Manager hereby accepts such appointment.

1.3. Power of Attorney. In connection with billing, collection, banking, and related services incident to or under the Administrative Services to be provided hereunder, Company, in accordance with applicable law, hereby grants to Manager a limited power of attorney and appoints Manager as Company's true and lawful agent and attorney-in-fact consistent with Manager's duties under this Agreement, and Manager hereby accepts such special power of attorney and appointment, for the following purposes:

- i. To submit bills in Company's name and on Company's behalf, including all claims for reimbursement or indemnification from, health plans, all other third party payors, and its patients and customers for all services provided to patients and customers.
- ii. To collect and deposit all amounts received, including all cash received, patient co-payments, cost reimbursements, co-insurance and deductibles, and accounts receivable, into the "Manager's Account," which shall be and at all

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times remain in Company's name through accrual on Company's accounting records.

- iii. To make demand with respect to, settle, and compromise such claims and to coordinate with collections agencies in the name of Company or Manager.
- iv. To take possession of and endorse in the name of Company on any note, check, money order, insurance payment or any other instrument received.
- v. To effectuate the payment of Company expenses, including to the Manager for the Management Fee as it becomes due.
- vi. To sign checks, drafts, bank notes or other instruments on behalf of Company and to make withdrawals from the Manager's Account for other payments specified in this Agreement and as determined appropriate by the Manager.

1.4. Documentation to Bank. Upon request of Manager, Company shall execute and deliver to the financial institution wherein the Manager's Account is maintained, such additional documents or instruments as may be necessary to evidence or effect the limited power of attorney granted to Manager. Company will not take any action that interferes with the transfer of funds to or from Manager's Account, nor will Company or its agents remove, withdraw or authorize the removal or withdrawal of any funds from the Manager's Account for any purpose. Manager agrees to hold all funds in the Manager's Account in accordance with California agency law.

1.5. Expiration of Power of Attorney. The power of attorney shall expire on the date that this Agreement is terminated. Upon termination or expiration of this Agreement, Manager further agrees to execute any and all documentation confirming the termination of this limited power of attorney.

1.6. Manager Payment to Company on Effective Date. From and after the Effective Date, Manager shall lend Company up to the sum of \$150,000 for working capital. Such amount shall be a short term working line of credit to facilitate purchase of new inventory and operational costs. Manager shall thereafter take possession of the Facility, the Operations, and FF&E. Further, upon the Effective date Manager shall pay the Company \$125,000 for the FF&E, which amount shall also serve as a credit against the purchase price if Manager exercises its option under Section 8 below. Manager shall lend Company an additional ~~\$83,000~~ ^{\$14,000} for reimbursement for old inventory, which shall be payable by Company to Old Operators. Lastly, upon the Effective Date hereof, Manager shall pay the Old Operators \$66,000 for reimbursement of legal and mitigation costs. Except for the \$15,000 monthly payments referenced in Section 5.2 and the monthly Balboa-Guaranteed Payments, all loans discussed in this Section 1.6 shall have priority for repayment from available funds more particularly referenced in Article 5 below.

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2. DUTIES AND RESPONSIBILITIES OF MANAGER

2.1. General Responsibilities. During the Term of this Agreement Manager shall, in a manner determined at the Manager's sole discretion, provide such services as are necessary and appropriate for the day-to-day administration and management of Company's business in a manner consistent with good business practice, including without limitation: Human Resources, Information Technology, Equipment and Supplies, Banking, Accounting and Finance, Insurance Procurement, Risk Management, Contract Negotiation, Marketing, Management of Patient Records, and Licensing of Intellectual Property, Trade Names and Trademarks, as all are more specifically set forth below.

2.1.1. Personnel. Manager has full right, obligation, and authority to hire and retain personnel and other persons or entities needed to perform the Administrative Services for Manager under this Agreement. All personnel will be employees, agents, or independent contractors of the Company, and all costs (including payroll and withholding taxes and expenses, any employment insurance costs, health insurance expenses and insurance, and other customary expenses) associated with such personnel shall be paid by Manager from Company funds managed by Manager, or by Manager if such funds are insufficient.

2.1.2. Manager Personnel. Manager may employ or contract with and provide all necessary personnel ("Manager Personnel") it reasonably needs to provide the Administrative Services hereunder. Such personnel shall be under the direction, supervision, and control of Manager, and shall be employees of Manager. Manager shall be responsible for setting and paying the compensation and providing the fringe benefits of all Manager Personnel. Company shall be not responsible in any way for Manager Personnel, and Manager indemnifies, defends, and holds Company harmless from any such liability.

2.1.3. Training. Manager shall provide reasonable training to personnel in all aspects of the Operations material to the role of such personnel, including but not limited to administrative, financial, and equipment maintenance matters.

2.1.4. Insurance. Manager shall assist Company in Company's purchase of necessary insurance coverage, with the cost of such insurance paid from Company's funds managed by Manager.

2.1.5. Accounting. Manager shall establish and administer accounting procedures and controls and systems for the development, preparation, and keeping of records and books of accounting related to the business and financial affairs of Company. Such books and records shall at all times be accessible and available to Company and the Old Operators.

2.1.6. Tax Matters. Manager shall oversee the preparation of the annual report and tax information returns required to be filed by Company. All of Company's tax obligations shall be paid by Manager out of Company's funds managed by Manager. Manager shall provide such information, compilations, and other relevant information to Company on a timely basis in order to file all returns with the taxing agencies. Company shall also make such reserves and set asides for taxes as directed by Manager throughout the year.

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2.1.7. Reports and Information. Manager shall furnish Company in a timely fashion quarterly or more frequent operating reports and other business reports as reasonably requested by Company, including without limitation (i) copies of bank statements and checks relating to Company's bank accounts and (ii) all other financial information and financial statements relating to Operations.

2.1.8. Budgets. Manager shall prepare for review and approval by Company, all capital and annual operating budgets as needed, and such approval shall not be unreasonably withheld.

2.1.9. Expenditures. Manager shall manage all cash receipts and disbursements of Company, including the payment on behalf of Company for any of the items set forth in this Article 2, such as taxes, assessments, licensing fees, and other fees of any nature whatsoever in connection with the operation of the Operations as the same become due and payable, unless payment thereof is being contested in good faith by Company.

2.1.10. Contract Negotiations. Manager shall advise Company with respect to and negotiate, either directly or on Company's behalf, as appropriate and permitted by applicable law, such contractual arrangements with third Parties as are reasonably necessary and appropriate for Company's Operations.

2.1.11. Billing and Collection. On behalf of and for the account of Company, Manager shall establish and maintain credit and billing and collection policies and procedures, and shall exercise reasonable efforts to bill and collect in a timely manner all professional and other fees for all billable services provided by Company.

2.1.12. All Other Matters Reasonably Needed for Operations. The Manager shall perform all tasks required for the good governance and operation of the Operations, including making reasonable repairs, at Company's expense, for any facility used in the Operations as may be required under any lease or mortgage that encumbers the property, or to protect public safety.

2.1.13. Company Approval of Various Actions Relating to Operations. The parties agree Manager has authority to make decisions relating to the day-to-day business operations of the Operations and execute on behalf of Operations all instruments and documents needed in the course of the customary and ordinary operation of Operations, including the payment of ordinary expenses incurred during Operations and other related payments. Manager shall also coordinate any public statements or press interactions.

2.2. Responsibilities as Agent. In connection with the appointment of Manager as Agent of Company under Section 2.1 above, Manager shall further undertake the following:

2.2.1. Billing. Manager shall bill, in Company's name and on Company's behalf, any claims for reimbursement, cost offset, or indemnification from members or

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customers, insurance companies and plans, all state or federally funded benefit plans, and all other third party payors or fiscal intermediaries.

2.2.2. Collections. Manager shall collect and receive on Company's behalf, all accounts receivable generated by such billings and claims for reimbursement, to take possession of, and deposit into the Manager's Account (accruing such deposits on the general ledger of Company) any cash, notes, checks, money orders, insurance payments, and any other instruments received in payment of accounts receivable, to administer such accounts including, but not limited to, extending the time or payment of any such accounts for cash, credit or otherwise; discharging or releasing the obligors of any such accounts; assigning or selling at a discount such accounts to collection agencies; or taking other measures to require the payment of any such accounts.

2.2.3. Banking. The Parties shall cooperate in opening such bank accounts as shall be required for prudent administration of the Operations, including a Manager's Account, opened by and under the control and domain of Manager for the deposit of collections and the disbursement of expenses and other purposes as set forth herein, and (ii) such other accounts as Manager determines in its sole discretion are reasonable and necessary. Manager shall sign checks, drafts, bank notes or other instruments on behalf of Company, and make withdrawals from Manager's Account for payments specified in this Agreement. Manager, in its sole discretion, may make a pledge or assignment of Company's accounts to support financing instruments.

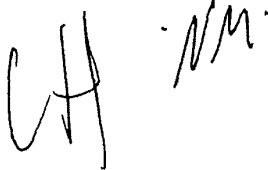
2.2.4. Litigation Management. Manager shall, in consultation with Company, (a) manage and direct the defense of all claims, actions, proceedings or investigations against Company or any of its officers, directors, employees or agents in their capacity as such, and (b) manage and direct the initiation and prosecution of all claims, actions, proceedings or investigations brought by Company against any person other than Manager.

2.2.5. Marketing, Advertising, and Public Relations Programs. Manager shall propose, with Company's consultation, marketing and advertising programs to be implemented by Company to effectively notify the community of the services offered by Company. Manager shall advise and implement such marketing and advertising programs, including, but not limited to, analyzing the effectiveness of such programs, preparing marketing and advertising materials, negotiating marketing and advertising contracts on Company's behalf, and obtaining services necessary to produce and present such marketing and advertising programs. Manager and Company agree that all marketing and advertising programs shall be conducted in compliance with all applicable standards of ethics, laws, and regulations.

2.2.6. Information Technology and Computer Systems. Manager shall set up workstations and other information technology required for the Operations.

2.2.7. Supplies. Manager shall order and purchase all supplies in connection with the Administrative Services and the Operations, including all necessary forms, supplies and postage, provided that all such supplies acquired shall be reasonably necessary in connection with the Operations.

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2.2.8. Retention Payments. Manager shall make payments to Monarch in the aggregate of \$35,000 per month (the "Balboa-Guaranteed Payment") which shall be due on the 15th of each month starting on January 15, 2018. The Balboa-Guaranteed Payment shall be increased by 12.5% on December 1, 2018, and increased again by 12.5% on December 1, 2019. Monarch shall be responsible for all income and other taxes due relating to the monthly Balboa-Guaranteed Payment paid to Monarch. Further provided, the Balboa-Guaranteed Payment shall continue to be paid to Monarch from and after Manager's exercise of the Option, and by execution of this Agreement the Company consents to all such payments to Monarch.

3. RELATIONSHIP OF THE PARTIES

3.1. Relationship of the Parties. Nothing contained herein shall be construed as creating a partnership, trustee, fiduciary joint venture, or employment relationship between Manager and Company. In performing all services required hereunder, Manager shall be in the relation of an independent contractor to Company, providing Administrative Services to the Operations operated by Company.

4. RESPONSIBILITIES OF COMPANY

4.1. General Responsibilities of Company. Company shall own and operate the Operations during the Term of this Agreement, with Manager managing the day-to-day Operations as provided herein. At all times during this Agreement, the Manager and Company shall coordinate to obtain and maintain in full force and effect all available and necessary licenses, approvals, permits and/or certificates (collectively "Approvals") required under any and all local and state laws allowing the Company to engage in the Operations at the Facility, and the Company's performance of its respective obligations pursuant to this Agreement. Company agrees to promptly deliver to Manager any notice of denial or revocation of any such Approvals within three (3) calendar days of receipt by the Company. From and after the Effective Date, Company and Manager shall coordinate and insure, at Company's expense, that the Operations are in compliance with all Approvals issued by any and all local or state government regarding the Company's legal standing and ability to engage in the Operations at the Facility, including but not limited to all requirements of any insurance or underwriters or any other body which may exercise similar functions. Company agrees to promptly deliver to Manager any notice of violation of any said Approvals within three (3) calendar days of receipt by the Company.

4.2. Exclusivity. During the term of this Agreement, Manager shall serve as Company's sole and exclusive manager and provider of the Administrative Services, and Company shall not engage any other person or entity to furnish Company with any sites for conduct of its Operations, any policies or procedures for conduct of the Operations, or any of the financial or other services provided hereunder by Manager. Manager may assign its rights hereunder to manage the operations (but not under the Option) to San Diego Building Ventures, LLC, or such other entity formed for such purpose by Manager, and Company and Old Operators acknowledge its approval of such assignment.

4.3. Representations and Warranties of Company.

398374.2



7

4.3.1. Company represents and warrants to Manager as follows:

4.3.2. Company is duly organized, validly existing and in good standing under the laws of California. The Company represents and warrants that, to Company's knowledge, it holds or is pursuing all required Approvals, which for purposes of this Agreement means collectively all applicable California San Diego City and San Diego County licenses, approvals, permits, authorizations, registrations and the like required by any governmental organization or unit having jurisdiction over Company or the Facility necessary to permit the Company to own and operate the Facility as a cannabis retail store.

4.3.3. The Company has full power, authority and legal right to execute, perform and timely observe all of the provisions of this Agreement. The Company's execution, delivery and performance of this Agreement have been duly authorized.

4.3.4. This Agreement constitutes a valid and binding obligation of the Company and does not and will not constitute a breach of or default under the [charter documents, membership agreements or bylaws] of Company or the terms, conditions, or provisions of any law, order, rule, regulation, judgment, decree, agreement, or instrument to which Company is a party or by which it or any of its assets is bound or affected.

4.3.5. Company shall, at its own expense, keep in full force and effect its legal existence; and Company shall make commercially reasonable efforts to obtain, as and when required for the performance of its obligations under this Agreement, and to maintain the Approvals required for it timely to observe all of the terms and conditions of this Agreement.

4.3.6. Company is the sole owner of the real property on which the Facility is located and is the sole owner of the improvements comprising the Facility and all real and personal property located therein. The Company has full power, authority and legal right to own such real and personal property.

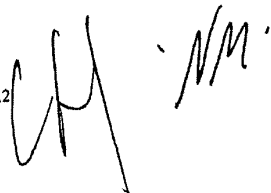
4.3.7. There is no litigation or proceeding pending or threatened against Company that could reasonably be expected to adversely affect the validity of this Agreement or the ability of Company to comply with its obligations under this Agreement.

4.3.8. The Company nor any of its agents or subsidiaries has received any notice of revocation, modification, denial or legal or administrative proceedings relating to the denial, revocation or modification of any local or state approvals, which, singly or in the aggregate, would prohibit the Company's Operations at the Facility.

5. FINANCIAL ARRANGEMENTS

5.1. All net income, revenue, cash flow, and other distributions from Operations will be held by Manager as a Management Fee, subject to Manager's further obligations to make payments and pay rent and expenses as otherwise provided herein.

398374.2



5.2. Starting on December 1, 2017, Manager shall make monthly payments of \$15,000 to Balboa Ave Cooperative.

5.3. Both before and after the closing of Manager's exercise of the Option, such monthly payments by Manager shall include (i) the monthly Balboa-Guaranteed Payments payable to Monarch, (ii) the \$15,000 monthly payments to Balboa Ave Cooperative prior to the Option as referenced in Section 5.2, and after the Option to San Diego United Holdings Group, LLC as monthly rent payments to the then-title holder of the Facility, (iii) reimbursement to any party as a preferential payment the reimbursement of sums spent for tenant improvements, and (iv) Manager's Operations expenses. Prior to the closing of Manager's exercise of the Option, one third (1/3) of any remaining net income is to be paid to Company (it being understood and agreed that the Balboa-Guaranteed Payments are credited toward this payment of 1/3 of remaining net income sharing.) All such payments constitute a material part of Manager's obligations under this Agreement.

5.4 Notwithstanding anything else herein, the Old Operators and Manager will split the costs of CUP and other mitigations 50/50, and once the Option is exercised, the Manager (or its assignee) and the Old Operators will own the property and cash flows from Manager on a 50/50 basis.

6. TERM AND TERMINATION

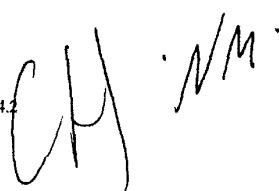
6.1. Term. Subject to the provisions contained in this Agreement, this Agreement shall commence as of the Effective Date and continue in full force and effect for a period of twenty (20) years.

6.2. Termination. Except as provided herein, this Agreement is not terminable by any Party and may only be not-renewed at the option of the Manager at the expiration of the term hereunder through the provision of ninety (90) days' advance written notice. This Agreement may be terminated through mutual consent of Manager and Company. This Agreement may also be terminated at the option of the Manager if the Operations fail to obtain either (i) any HOA or other local approvals, or (ii) the required California State permissions and licenses, in each case to allow the operation of a retail, non-medical cannabis business. This Agreement may be terminated at the option of the Company upon the failure by Manager to make any payments as are required herein, and such failure has gone uncured for twenty-five (25) days following notice to Manager by Company and/or the Old Operators.

7. RECORDS AND RECORD KEEPING

7.1. Access to Information. Company hereby authorize and grants to Manager full and complete access to all information, instruments, and documents relating to Company which may be reasonably requested by Manager to perform its obligations hereunder, and shall disclose and make available to representatives of Manager for review and photocopying all relevant books, agreements, papers, and records of Company. Manager shall further timely provide Company with all books and records generated from Operations. This shall be a continuing

398374.2



9

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obligation of the Parties following the termination of this Agreement to the extent needed to implement the terms contained herein.

8. OPTION TO PURCHASE

8.1 Grant of Option. Company hereby grants Manager an option to acquire a 50% interest in the Facility, as well as a 50% interest in all applicable permits and rights thereto, that constitutes the land, buildings and improvements owned by the Company at and for the Facility location ("Option"). The Option is granted for and in consideration of Manager's payment of a non-refundable Option fee towards the Option Exercise Price of Seventy Five Thousand Dollars (\$75,000.00), which \$75,000 shall be paid to Old Operators on March 15, 2018, regardless of whether Option has been exercised.

8.2 Option Exercise Price. The Option for this 50% interest shall be exercised by the Manager sending notice of exercise to the Company. Thereafter, before the Closing Date, Manager shall deposit into Escrow the following amounts (each an independent "Option Exercise Price") depending upon the date of the notice of exercise as follows:

<u>Date of Option Exercise:</u>	<u>Option Exercise Price of 50% Interest in Facility:</u>
December 31, 2017 (or prior)	\$2,700,000 (50% of \$5,400,000 Facility valuation)
March 31, 2018 (or prior)	\$2,850,000 (50% of \$5,700,000 Facility valuation)
June 30, 2018 (or prior)	\$3,000,000 (50% of \$6,000,000 Facility valuation)

8.3 Closing of Escrow. Escrow shall close on the Date of the Option Exercise, at the mutual direction of the Parties, with a qualified escrow company located in San Diego County. The Parties shall cooperate and execute such documents as are required to transfer the 50% interest in the land, building, and improvements to the Manager at the time of Closing. San Diego United Holdings Group, LLC owns other real property in addition to the Facility also located within the HOA where the Facility is located. As such, the Parties agree to cooperate in holding title to the Facility separate from the other real property owned by San Diego United Holdings Group, LLC consistent with the terms of this Agreement.

8.4 Expiration of Option. If Manager does not exercise the Option prior to July 1, 2018, all of Manager's rights to exercise the Option shall expire. The expiration of the Option shall not affect or alter the non-Option related terms of this Agreement.

8.5 Manager's Operating Agreement – Old Operator's Ownership in Manager. It is the intent of the Parties to, upon exercise of the option hereunder at Section 8.1, grant Old Operators, or their designee, a 33% ownership interest in the Series applicable to the Balboa

398374.2

10

Facility in San Diego Building Ventures, LLC, a Delaware Series Limited Liability Company upon . Such ownership interest shall become effective as of the closing of the Option, and the Parties shall incorporate into that Operating Agreement Series such terms as are reflected in that certain LOI dated October 17, 2017 among the Parties with respect to Managers of the Series and related issues set forth therein. The terms of the Operating Agreement for San Diego Building Ventures, LLC shall govern the operations of the Balboa Facility and the Manager upon the closing of the Option. The Parties shall cooperate on the final structural decisions and documentation consistent with the terms contained in the LOI. From and after the closing of Manager's exercise of the Option, this new management company shall further take over all of the Manager's duties and responsibilities as outlined in this Agreement.

8.6 Addition of up to Five Units in Commercial Park. As stated herein, there are five (5) other units in the HOA commercial park owned by San Diego United Holdings Group, LLC not covered by this Agreement and this Option. The "Facility" referenced in Recital A above is the only real property subject to this Agreement. Manager is considering the purchase of an additional four (4) units not owned by San Diego United Holdings Group, LLC in the HOA commercial park. . Further, in the event Manager desires to purchase one or more of these other five (5) units already owned by San Diego United Holdings Group, LLC , the parties agree to negotiate the purchase a 50% interest in one or more of these other units in addition to the Option Exercise Price referenced in Section 8.2 above, and held by Manager 50% with the Company.

8.7 HOA Resolution. Notwithstanding anything else contained in this Agreement, no obligation, passage of time, date, or other matter with respect to the Option shall become effective until the dispute with the Montgomery Field Business Condominiums Association (the 'HOA Matter,' which shall include Case No. 37-2017-00019384-CU-CO-CTL pending in the Superior Court of San Diego, the dispute underlying said action, and all related matters) is resolved to the satisfaction of Manager. In that regard each of the dates set forth in Section 8.2 above are tolled until the 30th, 90th, and 150th day, respectively, following the resolution of the HOA Matter, to Manager's satisfaction. The expiration date of the Option in section 8.4, above, is similarly tolled.

9. GENERAL

9.1. Conversion. At the option of Manager and in consultation with the Old Operators, any Nonprofit may be converted into a for-profit entity and owned as the Parties may otherwise agree, and as is required for compliance with law.

9.2. Indemnification.

9.2.1. Indemnification by Company. Company hereby agree to indemnify, defend, and hold harmless Manager, its officers, directors, owners, members, employees, agents, affiliates, and subcontractors, from and against any and all claims, damages, demands, diminution in value, losses, liabilities, actions, lawsuits and other proceedings, judgments, fines, assessments, penalties, awards, costs, and expenses (including reasonable attorneys' fees) related to third party claims, whether or not covered by insurance, arising from or relating to any willful misconduct relating to the breach of this Agreement by Company. The provisions of this Section

398374.2

11

shall survive termination or expiration of this Agreement. Company shall immediately notify Manager of any lawsuits or actions, or any threat thereof, that are known or become known to Company that might adversely affect any interest of Company or Manager whatsoever.

9.2.2. Indemnification by Manager. Manager hereby agrees to indemnify, defend, and hold harmless Company, their respective officers, directors, shareholders, employees and agents from and against any and all claims, damages, demands, diminution in value, losses, liabilities, actions, lawsuits and other proceedings, judgments, fines, assessments, penalties, and awards, costs, and expenses (including reasonable attorneys' fees), whether or not covered by insurance, arising from or relating to (a) any material breach of this Agreement by Manager, (b) any acts or omissions by Manager and its employees to the extent that such is not paid or covered by the proceeds of insurance, and (c) all other Operations conduct at the Facility as part of Manager providing Administrative Services to the Company. The provisions of this Section shall survive termination or expiration of this Agreement. Notwithstanding the foregoing, Manager shall not indemnify Company for the acts or omissions of any physicians, or others employed or engaged by Company. Manager shall immediately notify Company of any lawsuits or actions, or any threat thereof, that are known or become known to Manager that might adversely affect any interest of Manager or Company whatsoever.

9.3. Dispute Resolution. In the event that any disagreement, dispute or claim arises among the Parties hereto with respect to the enforcement or interpretation of this Agreement or any specific terms and provisions hereof or with respect to whether an alleged breach or default hereof has or has not occurred (collectively, a "Dispute"), such Dispute shall be settled in accordance with the following procedures:

9.3.1. Meet and Confer. In the event of a Dispute among the Parties hereto, a Party may give written notice to all other Parties setting forth the nature of such Dispute (the "Dispute Notice"). The Parties shall meet and confer in San Diego County to discuss the Dispute in good faith within five (5) days following the other Parties' receipt of the Dispute Notice in an attempt to resolve the Dispute. All representatives shall meet at such date(s) and time(s) as are mutually convenient to the representatives of each participant within the "Meet and Confer Period" (as defined herein below).

9.3.2. Mediation. If the Parties are unable to resolve the Dispute within ten (10) days following the date of receipt of the Dispute Notice by the other parties (the "Meet and Confer Period"), then the parties shall attempt in good faith to settle the Dispute through nonbinding mediation under the Rules of Practice and Procedures (the "Rules") of ADR Services, Inc. ("ADR Services") in San Diego County within thirty (30) days of delivery of the initial Dispute Notice. A single disinterested third-party mediator shall be selected by ADR Services in accordance with its then current Rules. The Parties to the Dispute shall share the expenses of the mediator and the other costs of mediation on a pro rata basis.

9.3.3. Arbitration. Any Dispute which cannot be resolved by the Parties as outlined above, such Dispute shall be resolved by final and binding arbitration (the "Arbitration"). The Arbitration shall be initiated and administered by and in accordance with the then current Rules of ADR Services. The Arbitration shall be held in San Diego County, unless

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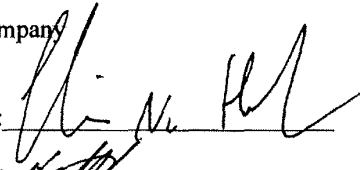


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the parties mutually agree to have such proceeding in some other locale; the exact time and location shall be decided by the arbitrator(s) selected in accordance with the then current Rules of ADR Services. The arbitrator(s) shall apply California substantive law, or federal substantive law where state law is preempted. The arbitrator(s) selected shall have the power to enforce the rights, remedies, duties, liabilities, and obligations of discovery by the imposition of the same terms, conditions, and penalties as can be imposed in like circumstances in a civil action by a court of competent jurisdiction of the State of California. The arbitrator(s) shall have the power to grant all legal and equitable remedies provided by California law and award compensatory damages provided by California law, except that punitive damages shall not be awarded. The arbitrator(s) shall prepare in writing and provide to the Parties an award including factual findings and the legal reasons on which the award is based. The arbitration award may be enforced through an action thereon brought in the Superior Court for the State of California in San Diego County. The prevailing party in any Arbitration hereunder shall be awarded reasonable attorneys' fees, expert and nonexpert witness costs and any other expenses incurred directly or indirectly with said Arbitration, including without limitation the fees and expenses of the arbitrator(s).

THIS ELECTION OF AN ALTERNATIVE DISPUTE PROCESS IS AN AFFIRMATIVE WAIVER OF THE PARTIES' RIGHTS TO A JURY TRIAL UNDER CALIFORNIA LAW, Cal. C. Civ. Pro. Sec 631. BY SIGNING BELOW, EACH PARTY IS EXPLICITLY WAIVING JURY TRIAL AND AUTHORIZING ANY AND ALL PARTIES TO FILE THIS WAIVER WITH ANY COURT AS THE WAIVER REQUIRED UNDER Cal. C. Civ. Proc. Sec. 631(f)(2):

JURY TRIAL WAIVED:

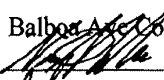
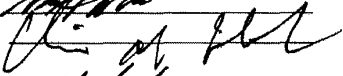
Company _____ Manager _____
By:  By: 


9.4. Entire Agreement; Amendment. This Agreement constitutes the entire agreement among the Parties related to the subject matter hereof and supersedes all prior agreements, understandings, and letters of intent relating to the subject matter hereof. This Agreement may be amended or supplemented only by a writing executed by all Parties. The Recitals of this Agreement are incorporated herein by this reference.

9.5. Notices. All notices, requests, demands or consents hereunder shall be in writing and shall be deemed given and received when delivered, if delivered in person, or four (4) days after being mailed by certified or registered mail, postage prepaid, return receipt requested, or one (1) day after being sent by overnight courier such as Federal Express, to and by the Parties at the following addresses, or at such other addresses as the Parties may designate by written notice in the manner set forth herein:

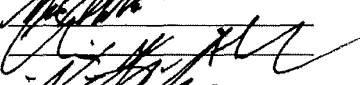
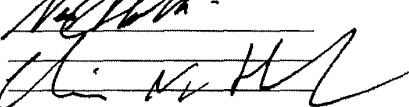
If to Manager: SoCal Building Ventures, LLC

If to Company: Balboa Auto Cooperative

San Diego United Holdings Group, LLC

If to Old Operators:

9.6. Counterparts. This Agreement may be executed in any number of counterparts, each of which shall be an original, but all of which, when taken together, will constitute one and the same instrument.

9.7. Governing Law. This Agreement shall be construed and governed in accordance with the laws of the State of California, without reference to conflict of law principles.

9.8. Assignment. Unless expressly set forth to the contrary hereinabove, this Agreement shall not be assignable by any Party hereto without the express written consent of the other Parties; provided, however, Old Operators may assign their holding interest to Monarch or another legal entity owned by the Old Operators, and SoCal Building Ventures, LLC may assign all or a portion of its rights and obligations to San Diego Building Ventures, LLC.

9.9. Waiver. Waiver of any agreement or obligation set forth in this Agreement by either Party shall not prevent that party from later insisting upon full performance of such agreement or obligation and no course of dealing, partial exercise or any delay or failure on the part of any Party hereto in exercising any right, power, privilege, or remedy under this Agreement or any related agreement or instrument shall impair or restrict any such right, power, privilege or remedy or be construed as a waiver therefor. No waiver shall be valid against any Party unless made in writing and signed by the Party against whom enforcement of such waiver is sought.

9.10. Binding Effect. Subject to the provisions set forth in this Agreement, this Agreement shall be binding upon and inure to the benefit of the Parties hereto and upon their respective successors and assigns.

9.11. Waiver of Rule of Construction. Each Party has had the opportunity to consult with its own legal counsel in connection with the review, drafting, and negotiation of this Agreement. Accordingly, the rule of construction that any ambiguity in this Agreement shall be construed against the drafting party shall not apply.

9.12. Severability. If anyone or more of the provisions of this Agreement is adjudged to any extent invalid, unenforceable, or contrary to law by a court of competent jurisdiction, each and all of the remaining provisions of this Agreement will not be affected thereby and shall be valid and enforceable to the fullest extent permitted by law.

9.13. Force Majeure. Any Party shall be excused for failures and delays in performance of its respective obligations under this Agreement due to any cause beyond the control and without the fault of such party, including without limitation, any act of God, war, terrorism, bio-terrorism, riot or insurrection, law or regulation, strike, flood, earthquake, water shortage, fire, explosion or inability due to any of the aforementioned causes to obtain necessary labor, materials or facilities. This provision shall not release such Party from using its best efforts to avoid or remove such cause and such Party shall continue performance hereunder with the utmost dispatch whenever such causes are removed. Upon claiming any such excuse or delay for non-performance, such Party shall give prompt written notice thereof to the other Party, provided that failure to give such notice shall not in any way limit the operation of this provision.

9.14. Authorization for Agreement. The execution and performance of this Agreement by Company and Manager have been duly authorized by all necessary laws, resolutions, and corporate or partnership action, and this Agreement constitutes the valid and enforceable obligations of Company and Manager in accordance with its terms.

9.15. Duty to Cooperate. The Parties acknowledge that the Parties' mutual cooperation is critical to the ability of Manager and Company to perform successfully and efficiently its duties hereunder. Accordingly, each party agrees to cooperate fully with the other in formulating and implementing goals and objectives which are in Company's best interests.

9.16. Proprietary and Confidential Information. The Parties agree with regard to Confidential Information that Manager may be given or obtain as a result of Manager's performance under this Agreement, or vice versa, such Confidential Information is secret, confidential and proprietary, and shall be utilized only for those purposes of this Agreement or as otherwise directed or agreed to in writing. The term "Confidential Information" means any information or knowledge concerning or in any way related to the practices, pricing, activities, strategies, business plans, financial plans, trade secrets, relationships and methodology of Operations of the business, performance of the Administrative Services, or other matter relating to the business. The Parties shall take appropriate action to ensure that all employees permitted access to Confidential Information are aware of its confidential and proprietary nature and the restrictions placed on its use. The Parties shall not reproduce or copy the Confidential Information of the Company, or any part thereof, in any manner other than is necessary to perform under this Agreement, and no Party shall disclose or otherwise make the Confidential Information available to any other person, corporation, or other entity, except to the other Party, or as otherwise required by law.

398374.2



9.16.1. All Confidential Information constitutes a valuable, confidential, special and unique asset. The Parties recognize that the disclosure of Confidential Information may give rise to irreparable injury or damage that are difficult to calculate, and which cannot be adequately compensated by monetary damages. Accordingly, in the event of any violation or threatened violation of the confidentiality provisions of this Agreement, a non-violating Party shall be entitled to an injunction restraining such violation.

9.17. Additional Assurances. The provisions of this Agreement shall be self-operative and shall not require further agreement by the Parties; provided, however, at the request of either Party, the other Party shall execute such additional instruments and take such additional acts as are reasonable and as the requesting Party may deem necessary to effectuate this Agreement.

9.18. Consents, Approvals, and Exercise of Discretion. Whenever this requires any consent or approval to be given by either Party, or either Party must or may exercise discretion, and except where specifically set forth to the contrary, the Parties agree that such consent or approval shall not be unreasonably withheld or delayed, and that such discretion shall be reasonably exercised.

9.19. Third Party Beneficiaries. Except as otherwise provided herein, this Agreement shall not confer any rights or remedies upon any person other than Manager and Owner and their respective successors and permitted assigns.

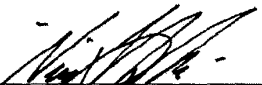
[signature page follows]

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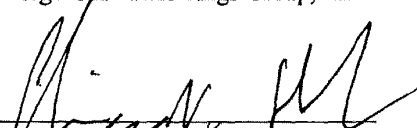
IN WITNESS WHEREOF, the Parties agree to the foregoing terms of agreement through the execution below by their respective, duly authorized representatives as of the Effective Date.

"COMPANY"

Balboa Ave Cooperative

By:  _____
Its:

San Diego United Holdings Group, LLC


By:  _____
Its:

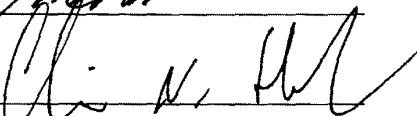
"MANAGER"

SoCal Building Ventures, LLC

By: _____
Its:

"OLD OPERATORS"

By:  _____

By:  _____

Monarch Management Consulting, Inc.

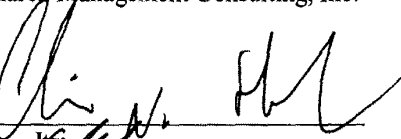

By:  _____
Its: 

EXHIBIT J

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Robert E. Fuller (SBN 171770)
rfuller@nelsonhardiman.com
Zachary E. Rothenberg (SBN 215404)
zrothenberg@nelsonhardiman.com
Salvatore J. Zimmitti (SBN 245678)
szimmitti@nelsonhardiman.com
NELSON HARDIMAN LLP
11835 West Olympic Boulevard, Suite 900
Los Angeles, CA 90064
Telephone: (310) 203-2800
Facsimile: (310) 203-2727

Attorneys for Plaintiffs-in-Intervention
SoCal Building Ventures, LLC and San Diego
Building Ventures, LLC

SUPERIOR COURT OF THE STATE OF CALIFORNIA
FOR THE COUNTY OF SAN DIEGO - CENTRAL DIVISION

SALAM RAZUKI, an individual, ,
Plaintiff,

v.

NINUS MALAN, et al.,
Defendants.

CASE NO.: 37-2018-00034229-CU-BC-CTL
Assigned to: Hon. Eddie E. Sturgeon

**DECLARATION OF JIM TOWNSEND IN
SUPPORT OF PLAINTIFFS-IN-
INTERVENTION'S SUPPLEMENTAL
OPPOSITION TO EX PARTE APPLICATION
TO VACATE RECEIVERSHIP ORDER**

*[Filed concurrently with Plaintiffs-In-
Intervention's Supplemental Opposition To Ex
Parte Application To Vacate Receivership Order;
Declaration of John H. Yaeger; Declaration of
James Holler; Declaration of Dean Bornstein;
Declaration of Chris Berman; Declaration of
Daniel J. Spillane IV; and Declaration of
Salvatore Zimmitti]*

Action Filed: July 10, 2018

AND RELATED COMPLAINT-IN-
INTERVENTION

DATE: August 14, 2018
TIME: 8:30 a.m.
DEPT: C-67

**DECLARATION OF JIM TOWNSEND IN SUPPORT OF PLAINTIFF-IN-INTERVENTION'S
SUPPLEMENTAL OPPOSITION TO DEFENDANT MALAN'S EX PARTE APPLICATION**

NELSON HARDIMAN LLP
11835 WEST OLYMPIC BOULEVARD, SUITE 909
LOS ANGELES, CALIFORNIA 90064

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DECLARATION OF JIM TOWNSEND

I, Jim Townsend, declare as follows:

1. I am the Managing Member of SoCal Building Ventures, LLC ("SoCal"), Plaintiff-in-Intervention in this action. I make this declaration in support of SoCal's Supplemental Opposition to Ex Parte Application to Vacate Receivership Order. I have personal knowledge of the facts set forth herein, and if called upon to testify thereto, I could and would competently do so under oath.

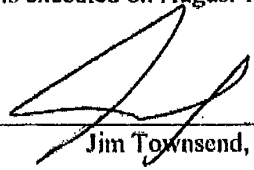
2. As SoCal's Managing Member, I am familiar with and am involved with purchasing and paying for equipment for the facilities which SoCal manages, including the Balboa and Mira Este Facilities. In connection with my duties, I also gather and analyze financial data, make payments, and prepare accountings in connection with SoCal's operations.

3. I created an inventory of SoCal's equipment that is currently located at the Mira Este Facility and under the control of Defendants in this case. I also assembled proof of payment by SoCal for this equipment. A true and correct copy of this equipment list and proof, current as of August 10, 2018, is attached hereto as Exhibit A.

4. The total value of SoCal's equipment at the Mira Este facility as of August 10, 2018, that I am currently aware of, is \$410,206.

5. I also created an accounting to date of the payments made by SoCal for the Balboa and Mira Este Facilities from 2017 through July 2018, which total \$2,731,811.03. A true and correct copy of this accounting to date, with proof, is attached hereto as Exhibit B.

I declare under penalty of perjury under the laws of the State of California that the foregoing is true and correct, and that this declaration is executed on August 11, 2018, at Westlake Village, California.



Jim Townsend, Declarant

DECLARATION OF JIM TOWNSEND

497102.1

San Diego Equipment & Inventory at Mira Este

	Mira Este Lab Setup		Invoice/PO Number
12/11/2017	Delta Separation	\$ (67,000.00)	1119
12/14/2017	KIM Industries - cartridges	\$ (107,275.00)	Agreement 12/14
2/7/2018	Jacksam Processor	\$ (17,600.00)	
2/12/2018	Delta Separation	\$ (66,147.00)	
3/9/2018	Jacksam Processor	\$ (8,500.00)	
4/18/2018	Electrical	\$ (4,010.00)	
4/25/2018	Equipment Order - Lab Society	\$ (40,000.00)	3320/3324/3325
4/30/2018	Equipment Order - Lab Society	\$ (25,000.00)	3488
5/15/2018	American AV - Electric	\$ (4,010.00)	
6/5/2018	West Coast Sight - cameras and access	\$ (13,100.00)	1192
6/14/2018	Christen Camera Security - Check	\$ (1,755.00)	1059
6/28/2018	Westcoast Sigh & Sound - Check	\$ (6,659.00)	1183
6/28/2018	Miles Electric - Check	\$ (10,900.00)	
7/10/2018	Lab trader	\$ (13,150.00)	629.6799
7/10/2018	Sadler Freezers	\$ (25,100.00)	
		\$ (410,206.00)	

Delta Separations LLC
3200 Dutton Ave. Unit # 321
Santa Rosa, CA 95407 US
(707) 222-6066
sales@deltaseparations.com



ADDRESS
San Diego Building Ventures LLC
9212 Mira Este Court
San Diego, CA 92126

SHIP TO
San Diego Building Ventures LLC
9212 Mira Este Court
San Diego, CA 92126

ESTIMATE 1119

DATE 12/08/2017

SALES REP
Nathan Radabaugh

ACTIVITY	QTY	RATE	AMOUNT
C.U.P. 15	2	55,000.00	110,000.00T
Filter Rack	1	6,000.00	6,000.00T
Keg Transfer Kit	6	600.00	3,600.00T
Keg, 15.5 Gallons, 4" Tri Clamp	12	250.00	3,000.00T

Thank you very much for your decision to go with Delta Separations. To begin the process, a 50% deposit is required. After we receive the deposit, we will send you over the sales contract and updated invoice.

SUBTOTAL 122,600.00
TAX (8.625%) 10,574.25

Bank Information:
JP Morgan Chase Bank NA, 1111 Polaris Parkway, Columbus,
OH 43240
SFIFT/BIC Code: CHASUS33
Routing Transit Number: 021000021
Beneficiary Account Number: 775657096

Thank you
Nathan Radabaugh
Director of Sales/Marketing

TOTAL \$133,174.25

Accepted By

Accepted Date

5358

Delta Separations LLC
3200 Dutton Ave. Unit # 321
Santa Rosa, CA 95407 US
(707) 222-6066
craftscience@deltaseparations.com



BILL TO
Adam Lustig
Higher Vision

INVOICE 1057

DATE 02/15/2018 TERMS Net 30

DUE DATE 03/17/2018

P.O. NUMBER

SALES REP

ACTIVITY	QTY	RATE	AMOUNT
Freight Shipping and Crate	1	1,280.00	1,280.00

Thank you for considering Delta Separations for your business.

Bank Information (Wire not ACH):
JP Morgan Chase Bank NA, 1111 Polaris Parkway, Columbus,
OH 43240
SFIFT/BIC Code: CHASUS33
Routing Transit Number: 021000021
Beneficiary Account Number: 775657096

IMPORTANT: Add this Estimate # to the memo line of any
payments.

Please let me know if you have any questions.
-Martin

TOTAL DUE \$1,280.00

5359

EXCLUSIVE SUPPLY AGREEMENT

This Exclusive Supply Agreement (this "Agreement") is entered into as of December 14, 2017 (the "Effective Date") by and between CMP Wellness, LLC (d/b/a Medepen), a California limited liability company having its principal place of business at 15711 Condon Ave Suite A5, Lawndale, CA 90260 ("Seller") and, San Diego Building Ventures LLC, a California Limited Liability Company having its principal place of business at 32123 Lindero Canyon Rd, Suite 210, San Diego, CA 91361 ("Buyer") (each a "Party" and, collectively, the "Parties").

AGREEMENT

1. Supply.

(a) On the terms and conditions set forth herein, Buyer agrees to purchase the products set forth on Schedule 1 attached hereto (each product on Schedule 1, a "Product" and collectively, the "Products"). Schedule 1 may be updated from time to time by Seller to include new Products. To the extent Buyer submits purchase orders for any Product, any pre-printed terms or other terms other than the Product SKUs, quantities and delivery dates contained therein are hereby expressly rejected. Buyer agrees that any change in state, local, or federal laws affecting Buyer's principle business will not alter its obligations under or the terms of this Agreement.

2. Delivery.

(a) Unless otherwise agreed in writing by the Parties, Seller shall make all deliveries to Buyer's facility located at 9212 Mira Este Court, San Diego, CA 92126 or such other location that is mutually agreed upon (the "Delivery Point") using Seller's standard methods for packaging and shipping such Products. Buyer shall be responsible for the unloading of all deliveries. Seller shall notify Buyer of any lead times necessary for the delivery of any Products.

(b) Risk of loss and title to any delivered Products shall pass to Buyer upon Seller making them available for unloading by Buyer at the Delivery Point. Buyer shall make all payments for Products (including the costs of freight and other transportation costs) at the Delivery Point prior to unloading Product in United States Dollars.

3. Price.

(a) The pricing and committed purchase volumes for Products are set forth on Schedule 1. All such prices are exclusive of all freight which shall be the responsibility of Buyer.

4. Limited Warranty.

(a) SELLER MAKES NO WARRANTY WHATSOEVER WITH RESPECT TO THE PRODUCTS, INCLUDING ANY (a) WARRANTY OF MERCHANTABILITY; (b) WARRANTY OF FITNESS FOR A PARTICULAR PURPOSE; (c) WARRANTY OF TITLE; OR (d) WARRANTY AGAINST INFRINGEMENT OF INTELLECTUAL PROPERTY RIGHTS OF A THIRD PARTY; WHETHER EXPRESS OR IMPLIED BY LAW, COURSE OF DEALING, COURSE OF PERFORMANCE, USAGE OF TRADE OR OTHERWISE.

J.T.

5. Limitation of Liability.

(a) IN NO EVENT SHALL SELLER BE LIABLE FOR ANY CONSEQUENTIAL, INDIRECT, INCIDENTAL, SPECIAL, EXEMPLARY, OR PUNITIVE DAMAGES, LOST PROFITS OR REVENUES OR DIMINUTION IN VALUE, ARISING OUT OF OR RELATING TO ANY BREACH OF THESE TERMS, WHETHER OR NOT THE POSSIBILITY OF SUCH DAMAGES HAS BEEN DISCLOSED IN ADVANCE BY BUYER OR COULD HAVE BEEN REASONABLY FORESEEN BY BUYER, REGARDLESS OF THE LEGAL OR EQUITABLE THEORY (CONTRACT, TORT OR OTHERWISE) UPON WHICH THE CLAIM IS BASED, AND NOTWITHSTANDING THE FAILURE OF ANY AGREED OR OTHER REMEDY OF ITS ESSENTIAL PURPOSE.

(b) IN NO EVENT SHALL SELLER'S AGGREGATE LIABILITY ARISING OUT OF OR RELATED TO THIS AGREEMENT, WHETHER ARISING OUT OF OR RELATED TO BREACH OF CONTRACT, TORT (INCLUDING NEGLIGENCE) OR OTHERWISE, EXCEED THE TOTAL OF THE AMOUNTS PAID TO SELLER FOR THE PRODUCTS SOLD HEREUNDER IN THE SIX MONTHS PRECEDING THE CLAIM.

6. Termination: The initial term of this Agreement is 24 months from the Effective Date. This agreement will automatically renew for subsequent one year periods unless a Party provides written notice at least 30 days prior to the end of the current term of its election not renew this Agreement. Upon the expiration or termination of this Agreement for any reason, Buyer shall purchase any remaining Products held by Seller in its warehouses or subject to a pending Subsequent Stocking Order within thirty days.

7. Waiver. Any waiver of any provision herein must be in writing. No failure to exercise, or delay in exercising, any rights, remedy, power or privilege arising from this Agreement operates or may be construed as a waiver thereof. No single or partial exercise of any right, remedy, power or privilege hereunder precludes any other or further exercise thereof or the exercise of any other right, remedy, power or privilege.

8. Confidential Information. All non-public, confidential or proprietary information of Seller, including, but not limited to, samples, customer lists, pricing, discounts or rebates, disclosed by Seller to Buyer, whether disclosed orally or disclosed or accessed in written, electronic or other form or media, and whether or not marked, designated or otherwise identified as "confidential," in connection with this Agreement is confidential, solely for the use of performing this Agreement and may not be disclosed or copied unless authorized in advance by Seller in writing. Upon Seller's request, Buyer shall promptly return all documents and other materials received from Seller. Seller shall be entitled to injunctive relief for any violation of this Section.

9. Force Majeure. The Seller shall not be liable or responsible to Buyer, nor be deemed to have defaulted or breached this Agreement, for any failure or delay in fulfilling or performing any term of this Agreement when and to the extent such failure or delay is caused by or results from acts or circumstances beyond the reasonable control of Seller including, without limitation, acts of God, flood, fire, governmental actions, war, invasion or hostilities, terrorist threats or acts, civil unrest, national emergency, epidemic, lock-outs, strikes or other labor disputes, or restraints or delays affecting carriers or inability or delay in obtaining supplies of adequate or suitable materials.

(JP)

The Seller shall not be liable or responsible to Buyer, nor be deemed to have defaulted or breached this Agreement, in the event the Products are seized by US Customs and Border Protection or any other government agency.

10. Assignment. Buyer shall not assign any of its rights or delegate any of its obligations under this Agreement without the prior written consent of Seller. Any purported assignment or delegation in violation of this Section is null and void.

11. Relationship of the Parties. The relationship between the parties is that of independent contractors, neither party shall have authority to contract for or bind the other party in any manner whatsoever. This Agreement is for the sole benefit of the parties hereto and their respective successors and permitted assigns and nothing herein, express or implied, is intended to or shall confer upon any other person or entity any legal or equitable right.

12. Governing Law. All matters arising out of or relating to this Agreement is governed by and construed in accordance with the internal laws of the State of California.

13. Severability. If any term or provision of this Agreement is invalid, illegal or unenforceable, such invalidity, illegality or unenforceability shall not affect any other term or provision of this Agreement.

14. Survival. Provisions of this Agreement which by their nature should apply beyond their terms will remain in force after any termination or expiration of this Agreement.

15. Entire Agreement; Amendment and Modification. This Agreement together with the schedules attached hereto constitute the complete, final and exclusive agreement between the parties regarding the subject matter hereof and cancels and supersedes all prior or contemporaneous agreements, understandings, and communications, whether written or oral, between the parties relating to such subject matter. This Agreement may only be amended or modified in a writing that is signed by an authorized representative of each party.

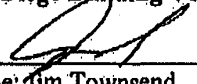
H.T.

IN WITNESS WHEREOF, the Parties have caused this Product Description Form to be executed by their respective duly authorized officers as of the date first set forth above.

CMP WELLNESS, LLC

By: _____
Name: _____
Title: _____

San Diego Building Venture LLC

By:  _____
Name: Jim Townsend
Title: Managing Member

Schedule 1
Products and Pricing

<u>Product</u>	<u>Initial Stocking Order Quantity</u>	<u>Pricing Per Unit</u>	<u>Total Cost</u>
NC7 Glass Ceramic 0.5 ml Cartridge	100,000	\$2.00	\$200,000
Syringe graded glass barrel (no plunger)	100,000	\$0.86	\$86,000
Metal twist plunger	100,000	\$1.071	\$107,100
Small Grip N Glide	200,000	\$0.18	\$36,000
TOTAL			\$429,100
Deposit		25%	\$107,275

- Deposit wire of \$107,275 sent by SoCal Building Ventures LLC on December 14, 2017.

J. T.

Expand 12/11/17 WT FED#09257 JPMORGAN CHASE BAN /FTR/BNF=DELTA SEPARATION LLC SRF# 0011721345114697 TRN#171211171846 RFB# \$67,000.00

02/12/18 WT FED#08933 JPMORGAN CHASE BAN /FTR/BNF=Delta Separations SRF# GW00000010801853 TRN#180212088097 RFB# 642 \$66,174.25

Expand 12/14/17 WT FED#08676 SALAL CREDIT UNION /FTR/BNF=KIM International Corporation SRF# GW00000009118502 TRN#171214166189 RFB# 595 \$107,275.00

Expand 02/07/18 WT SEQ131784 JACKSAM CORPORATION /BNF=Jacksam Corporation dba Blackout SRF# GW00000010486750 TRN#180207131784 RFB# 635 \$17,600.00

Expand 03/09/18 WT SEQ#35200 JACKSAM CORPORATION /BNF=Jacksam Corporation dba Blackout SRF# GW00000014342064 TRN#180309035200 RFB# 672 \$8,500.00

04/24/18 WT SEQ#84969 MATTHEW DRIVER /BNF=American AV SRF# GW00000015460892 TRN#180424084969 RFB# 716 \$4,010.00

05/15/18 WT SEQ151368 MATTHEW DRIVER /BNF=American AV SRF# GW00000016009006 TRN#180515151368 RFB# 755 \$4,010.00

WT SEQ132999 LAB SOCIETY /BNF=Lab Society SRF#
Expand 04/25/18 GW00000015502161 TRN#180425132999 RFB# 724 \$40,000.00

WT SEQ235160 LAB SOCIETY /BNF=Lab Society LLC SRF#
Expand 04/30/18 GW00000015639983 TRN#180430235160 RFB# 739 \$25,000.00

WT FED#07211 BANK OF AMERICA, N /FTR/BNF=West
Expand 06/05/18 Coast Sight and Sound SRF# GW00000016518410 \$13,100.00
TRN#180605152486 RFB# 783

WT FED#06497 ZB NA DBA CALIFORN /FTR/BNF=Labtrader Inc
07/10/18 SRF# GW00000017381072 TRN#180710146095 RFB# 800 \$13,150.00

WT FED#07575 MUFG UNION BANK, N /FTR/BNF=Gary Stadler
07/10/18 SRF# GW00000017383144 TRN#180710154163 RFB# 814 \$25,100.00

WT FED#06987 COMPASS BANK /FTR/BNF=Flip
Expand 12/19/17 Management SRF# GW0000009235224 TRN#171219155547 \$50,000.00
RFB# 599



Lab Society
4699 Nautilus Ct S #503
Boulder, CO 80301
United States

Invoicing and shipping address:
Dan Spillane
9212 Mira Este Court
San Diego, CA 92126
United States

Invoice INV/2018/0887

Invoice Date: 05/31/2018 Due Date: 05/31/2018 Source: SO03488

Description	Quantity	Unit Price	Taxes	Tax Excluded Price
(CDO-28) Cascade Decarboxylation Oven	1,000 Each	9,950.00	No Tax	\$ 9,950.00
Freight - Cascade	1,000 Each	0.00		\$ 0.00
Freight Manual	1,000 Each	600.98	No Tax	\$ 600.98
Subtotal				\$ 10,550.98
No Tax				\$ 0.00
Total				\$ 10,550.98
Paid				\$ 10,263.09
Amount Due				\$ 287.89

Tax	Base	Amount
No Tax	\$ 10,550.98	\$ 0.00

Payment term: Immediate Payment

5368



Lab Society
4699 Nautilus Ct S #503
Boulder, CO 80301
United States

Invoicing and shipping address:
Josh Rowley
United States
☎ 203-988-3995

Josh Rowley
United States

Quotation # SO03324

Your Reference:
20L Rotary Evaporator

Quotation Date:
04/05/2018 16:24:28

Salesperson:
Peter DeLone

Payment Terms:
Immediate Payment

Description	Quantity	Unit Price	Taxes	Price
[AI-SE53-220-ULC] SolventVap Rotary Evaporator (20L Motorized Lift UL Listed)	1.000 Each	10,690.00	No Tax	\$ 10,690.00
[AI-C30-30-20L] Recirculating Chiller (20L/min, -30°C, 30L)	1.000 Each	6,990.00	No Tax	\$ 6,990.00
[2052B-01] Welch ILMVAC High Capacity-High Vacuum Pump (2052B-01)	1.000 Each	3,860.00	No Tax	\$ 3,860.00
[LS-PCM-1] Pressure Control Monitor	1.000 Each	1,492.00	No Tax	\$ 1,492.00
Freight - Across Int'l	1.000 Each	450.00		\$ 450.00
Total Without Taxes				\$ 23,482.00
Taxes				\$ 0.00
Total				\$ 23,482.00

Payment term: Immediate Payment

5369



Lab Society
4699 Nautilus Ct S #503
Boulder, CO 80301
United States

Invoicing and shipping address:
Josh Rowley
United States
203-988-3995

Josh Rowley
United States

Quotation # SO03325

Your Reference:
Filtration - Quote A

Quotation Date:
04/05/2018 16:28:26

Salesperson:
Peter DeLone

Payment Terms:
Immediate Payment

Description	Quantity	Unit Price	Taxes	Price
[2047B-01] Welch DryFast Pump (2047B-01, 115V)	1.000 Each	2,605.00	No Tax	\$ 2,605.00
[JBF-2000] Buchner Funnel (200mm)	4.000 Each	100.00	No Tax	\$ 400.00
[CH0421] Filter Adapters (Blue, 7 Pc. Set)	4.000 Each	15.00	No Tax	\$ 60.00
[FG5340-5000] Flask, United Scientific (5000ml)	4.000 Each	175.00	No Tax	\$ 700.00
[LS-VMK-C] Lab Society Vacuum Manifold Kit	1.000 Each	650.00	No Tax	\$ 650.00
[LS-BIO1-185] Filter Paper, Qualitative (18.5 cm, 11 micron (Medium))	1.000 Each	26.00	No Tax	\$ 26.00
[LS-BIO3-185] Filter Paper, Qualitative (18.5 cm, 6 micron (Slow))	1.000 Each	26.00	No Tax	\$ 26.00
Total Without Taxes				\$ 4,467.00
Taxes				\$ 0.00
Total				\$ 4,467.00

Payment term: Immediate Payment

5370



Lab Society
4699 Nautilus Ct S #503
Boulder, CO 80301
United States

Invoicing and shipping address:
Josh Rowley
United States
203-988-3995

Josh Rowley
United States

Quotation # SO03320

Your Reference:
Short Path - Quote A

Quotation Date:
04/05/2018 16:13:47

Salesperson:
Peter DeLone

Payment Terms:
Immediate Payment

Description	Quantity	Unit Price	Taxes	Price
[LS-SPK-5EQ2S] G2 Executive Short Path Distillation Kit (5L Silvered)	1.000 Each	10,945.00	No Tax	\$ 10,945.00
[3081-01] Welch CRVpro Rotary Vane Vacuum Pump (Pro 8, 115/230V)	1.000 Each	3,025.00	No Tax	\$ 3,025.00
[320015] Exhaust Filter (Welch) (CRV KF16 (NW))	1.000 Each	433.10	No Tax	\$ 433.10
[SIS-KF16X375-AL] Aluminum KF Flange KF16 (NW) 3/8 in. ID Barb	1.000 Each	12.00	No Tax	\$ 12.00
[AI-T40] Mechanical Cold Trap	1.000 Each	2,990.00	No Tax	\$ 2,990.00
[LS-CTG2-DT18] Cold Trap Inner 34/45, GL-18 Connections	3.000 Each	125.00	No Tax	\$ 375.00
[LS-CTG2-TB34] Cold Trap Bottom, 34/45 Joint	3.000 Each	70.00	No Tax	\$ 210.00
[SD07R-20-A11B] PolyScience 7L Refrigerated Circulator (-20C, Standard Digital, 120V)	1.000 Each	3,112.00	No Tax	\$ 3,112.00
Freight - Lab Society	1.000 Each	500.00		\$ 500.00
Total Without Taxes				\$ 21,602.10
Taxes				\$ 0.00
Total				\$ 21,602.10

Payment term: Immediate Payment

5371



Wires

Payment Information

Fed Ref # 071011B7033R016497

Status Successful

Payment ID 800

Modified 07/10/2018 04:36 pm ET by TOWNJ913

Type Wire

Debit Account

Debit Account
SAN DIEGO BUILDING VENTURES LLC
Acct # 5234430907 USD

Beneficiary

Beneficiary
Labtrader Inc
United States of America (US)
Acct # 5790606080

Beneficiary Bank
California Bank and Trust, A Division of ZB, National Association
1024 GRAVES AVE
EL CAJON 92021
United States of America (US)
ABA # 122232109

Payment Details

Debit Currency USD - United States Dollar

Value Date 07/10/2018

Credit Currency USD - United States Dollar

Cutoff 07/10/2018 05:30 pm ET

Amount 13,150.00 USD

References

Originator
SAN DIEGO BUILDING VENTURES LLC
32123 LINDERO CANYON RD STE 210
WESTLAKE VILLAGE CA 913615461
United States of America (US)

Payment References
ID or Acct # 5234430907

5372



LabTrader Inc.
1396 Poinsettia Ave.
Vista, CA 92081

Invoice

Date	Invoice #
6/12/2018	629.6799

Bill To
San Diego Building Ventures LLC 9212 Mira Este Court San Diego, CA 92126

Ship To
San Diego Building Ventures LLC 9212 Mira Este Court San Diego, CA 92126

P.O. Number	Terms	Due Date	Ship	Via
	prepay	6/12/2018	6/12/2018	

Description	Reference #	Quantity	Price Each	Amount
Thermo Scientific Forma 8600 Series -86C Chest Ultra-Low Temperature Freezer	F820CD	1	8,500.00	8,500.00T
Thermo Revco Ultima II -86C Chest Ultra-Low Temperature Freezer	LT0917006	1	3,400.00	3,400.00T
Local Delivery in San Diego County			280.00	280.00

Subtotal	\$12,180.00
Sales Tax (7.75%)	\$922.25
Payments/Credits	\$0.00
Balance Due	\$13,102.25

5373



Lab Society
4699 Nautilus Ct S #503
Boulder, CO 80301
United States

Invoicing and shipping address:
Josh Rowley
United States
203-988-3995

Josh Rowley
United States

Quotation # SO03325

Your Reference:
Filtration - Quote A

Quotation Date:
04/05/2018 16:26:26

Salesperson:
Peter DeLone

Payment Terms:
Immediate Payment

Description	Quantity	Unit Price	Taxes	Price
[2047B-01] Welch DryFast Pump (2047B-01, 115V)	1.000 Each	2,605.00	No Tax	\$ 2,605.00
[JBF-2000] Buchner Funnel (200mm)	4.000 Each	100.00	No Tax	\$ 400.00
[CH0421] Filter Adapters (Blue, 7 Pc. Set)	4.000 Each	15.00	No Tax	\$ 60.00
[FG5340-5000] Flask, United Scientific (5000ml)	4.000 Each	175.00	No Tax	\$ 700.00
[LS-VMK-C] Lab Society Vacuum Manifold Kit	1.000 Each	650.00	No Tax	\$ 650.00
[LS-BIO1-185] Filter Paper, Qualitative (18.5 cm, 11 micron (Medium))	1.000 Each	26.00	No Tax	\$ 26.00
[LS-BIO3-185] Filter Paper, Qualitative (18.5 cm, 6 micron (Slow))	1.000 Each	26.00	No Tax	\$ 26.00
Total Without Taxes				\$ 4,467.00
Taxes				\$ 0.00
Total				\$ 4,467.00

Payment term: Immediate Payment

5374



Lab Society
4699 Nautilus Ct S #503
Boulder, CO 80301
United States

Invoicing and shipping address:

Josh Rowley
9212 Mira Este Court
San Diego, CA 92126
United States
☎ 203-988-3995

Josh Rowley
9212 Mira Este Court
San Diego, CA 92126
United States

Quotation # SO03488

Quotation Date:
04/13/2018 15:16:56

Salesperson:
Peter DeLone

Payment Terms:
Immediate Payment

Description	Quantity	Unit Price	Taxes	Price
[CDO-28] Cascade Decarboxylation Oven	1.000 Each	9,950.00	No Tax	\$ 9,950.00
Freight - Cascade	1.000 Each	250.00		\$ 250.00
Total Without Taxes				\$ 10,200.00
Taxes				\$ 0.00
Total				\$ 10,200.00

Payment term: Immediate Payment

West Coast Sight and Sound (818)579-9699
 12428 Oxnard Street, CAlic#1030408
 Los Angeles, CA 91606 US
 jordan@westcoastsightandsound.com
 http://www.westcoastsightandsound.com

INVOICE

BILL TO
 Dan Spillane

INVOICE # 1183
DATE 05/24/2018
DUE DATE 05/24/2018

PRODUCT	DISCRIPTION	QTY	RATE	AMOUNT
Atrium A22 2 door controller	Cdvi Americas CDV- A22KITB Atrium 2-Door Controller Kit - A22	7	839.00	5,873.00T
He's 500	HES 5000 SERIES GRADE 1 LOW PROFILE ELECTRIC STRIKE	10	145.00	1,450.00T
Magnetic lock	Magnetic lock for main entry doors	3	289.00	867.00T
16 port gigabit switch	TPLink 16 port rack mount gigabit switch	1	110.00	110.00T
18 gauge wire	18 gauge	7	189.00	1,323.00T
22/8 wire	22/8 wire for card readers	4	169.00	676.00T
Labor charge	Labor for installing access control system	1	4,900.00	4,900.00T

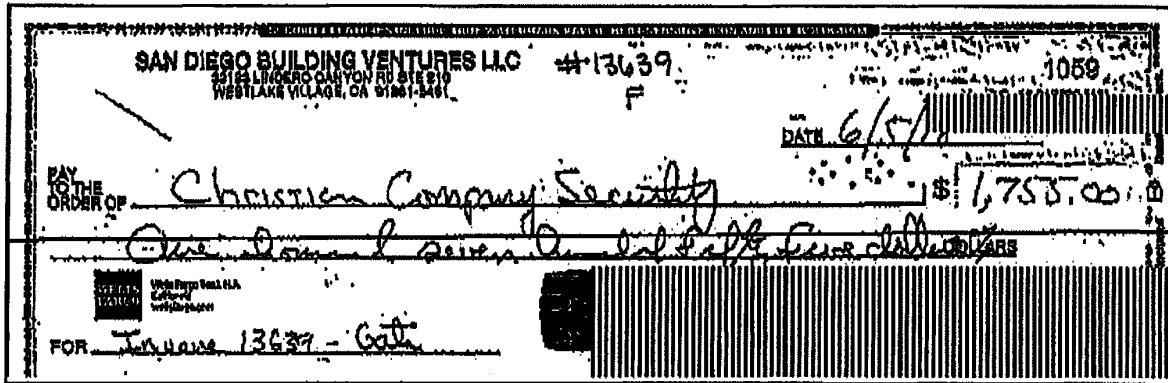
.....
 SUBTOTAL 15,199.00
 TAX (7.75%) 798.17
 TOTAL 15,997.17
 BALANCE DUE **\$15,997.17**

[\[Redacted\] Online®](#)
[\[Redacted\] antee](#)
[Privacy, Cookies, Security & Legal](#)
[Skip to main content](#)
[Ad Choices](#)

[Contact Us](#)
[Locations](#)
[Sign Off](#)

Check Details

Check Number	1059
Date Posted	06/14/18
Check Amount	\$1,755.00



For your security, information like account numbers, signatures, and the ability to view the backs of checks have been removed from the images. You can see full or partial fronts and backs of the images by using the link at the top of the window.

Equal Housing Lender

West Coast Sight and Sound (818)579-9699
 12428 Oxnard Street, CAlic#1030408
 Los Angeles, CA 91606 US
 jordan@westcoastsightandsound.com
 http://www.westcoastsightandsound.com

INVOICE

BILL TO
 Dan Splilane

INVOICE # 1192
DATE 06/25/2018
DUE DATE 06/25/2018

PRODUCT	DISCRIPTION	QTY	RATE	AMOUNT
Cat 6 cable	Cat 6 cable	6	125.00	750.00T
Hikvision 4MP WDR Fixed Dome IP Camera DS- 2CD2142FWD- IB	Hikvision 4MP WDR Fixed Dome IP Camera DS- 2CD2142FWD-IB	23	135.00	3,105.00T
27U RACK	A2V A2VER27U 27U RACK MOUNT ASSEMBLED	1	500.00	500.00T
Labor charge	Labor for wiring and installing 22 ip cameras 1 In the front of the building 2 on North side of bulding 3 back of the building 4. The remaining 19 will be installed inside and spoken locations extra cables will be ran for the bigger rooms In case we need more coverage.	1	3,500.00	3,500.00
32 CHANNEL NVR W/ 8 TB,	32 CHANNEL NVR W/ 1080P RESOLUTION, HI DEFINITION, IP This is Loaner system till we upgrade to the proper system full refund when you upgrade to the 128 system	1	500.00	500.00T
hikvision hard drive	Hikvision hard DriveHK-HDD6T-E	4	370.00	1,480.00

PRODUCT	DISCRIPTION	QTY	RATE	AMOUNT
	Will be used in the upgraded system			
40 Inch flat screen	40 inch flat screen	1	299.00	299.00T
65 foot HDMI	65 foot non 4k HDMI	1	85.00	85.00T
Labor charge	Labor for installing Tv and running HDMI cable	250	1.00	250.00
Hikvision 4MP WDR Vari-focal Bullet Network Camera motorized lens HD	Hikvision 4MP WDR Vari-focal Bullet Network Camera DS-2CD2642FWD-IZS 2.8-12mm motorized l	2	225.00	450.00T

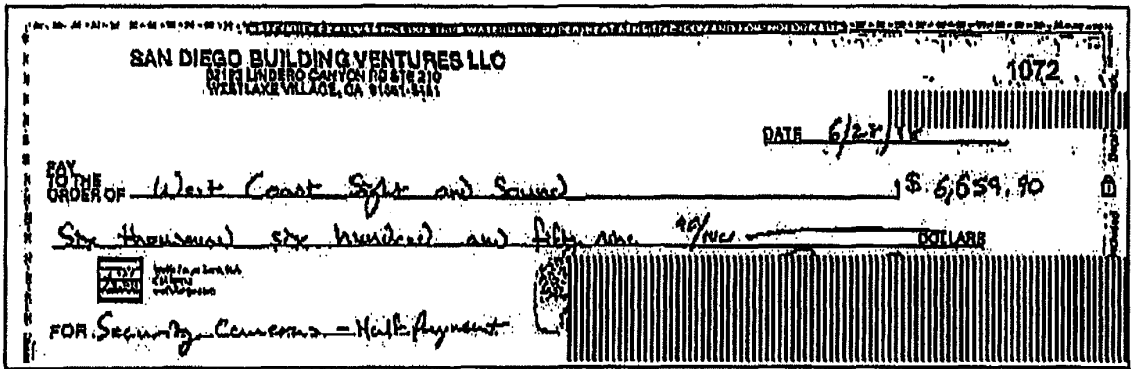
SUBTOTAL	10,919.00
TAX (7.75%)	440.90
TOTAL	11,359.90
PAYMENT	4,700.00
BALANCE DUE	\$6,659.90

[\[Redacted\] Online®](#)
[\[Redacted\] Guarantee](#)
[Privacy, Cookies, Security & Legal](#)
[Skip to main content](#)
[Ad Choices](#)

[Contact Us](#)
[Locations](#)
[Sign On](#)

Check Details

Check Number	1072
Date Posted	06/28/18
Check Amount	\$6,659.90



For your security, information like account numbers, signatures, and the ability to view the backs of checks have been removed from the images. You can see full or partial fronts and backs of the images by using the link at the top of the window.

Equal Housing Lender



Wires

Payment Information

Fed Ref # 071011B7031R017575

Status Successful

Payment ID 814

Modified 07/10/2018 05:11 pm ET by TOWNJ913

Type Wire

Debit Account

Debit Account
SAN DIEGO BUILDING VENTURES LLC
Acct # 5234430907 USD

Beneficiary

Beneficiary
Gary Stadler
United States of America (US)
Acct # 60679452

Beneficiary Bank
MUFG UNION BANK N.A.
1980 SATURN STREET
MONTEREY PARK 91755
United States of America (US)
ABA # 122000496

Payment Details

Debit Currency USD - United States Dollar

Value Date 07/10/2018

Credit Currency USD - United States Dollar

Cutoff 07/10/2018 05:30 pm ET

Amount 25,100.00 USD

References

Originator to Beneficiary Information
OBI Replacement

Originator
SAN DIEGO BUILDING VENTURES LLC
32123 LINDERO CANYON RD STE 210
WESTLAKE VILLAGE CA 913615461
United States of America (US)

Payment References
ID or Acct # 5234430907

EXHIBIT B

San Diego		2017-2018 Accounting to Date	
	Mira Este		
10/24/2017	Mira Este October Rent	\$	(55,500.00)
11/8/2017	Mira Este - November Rent	\$	(55,500.00)
11/22/2017	Mira Este CUP - wire	\$	(66,658.00)
11/30/2017	Mira Este - check 1003 - Dec Rent	\$	(55,500.00)
1/4/2018	Mira Este - CUP - 1018	\$	(15,206.00)
1/4/2018	Mira Este - Rent - check 1019	\$	(55,500.00)
1/24/2018	Mira Este - Misc	\$	(8,500.00)
2/6/2018	Mira Este - Rent check 1028	\$	(60,300.00)
2/22/2018	Mira Este - Min Guarantee	\$	(85,000.00)
3/7/2018	Mira Este - Rent	\$	(60,300.00)
3/15/2018	Mira Este - Min Guarantee	\$	(50,000.00)
4/3/2018	Mira Este - TI - Toby	\$	(16,920.50)
4/3/2018	Mira Este - April rent	\$	(60,300.00)
4/20/2018	Mira Este - Past Min Guarantee	\$	(75,000.00)
4/27/2018	Mira Este - April Min Guarantee	\$	(50,000.00)
5/12/2018	May Rent	\$	(60,300.00)
5/21/2018	Mira Este - Gina Austin Legal	\$	(33,300.00)
6/4/2018	Mira Este - May Min Guarantee	\$	(50,000.00)
6/7/2018	Mira Este - June Rent	\$	(60,300.00)
6/15/2018	Mira Este - CUP	\$	(15,400.00)
7/11/2018	Nelson Hardiman	\$	(15,000.00)
7/19/2018	Michael Essary - Receiver (2xrent+MG)	\$	(170,600.00)
7/23/2018	Dan Spillane - Reimburse Locks	\$	(990.53)
		\$	(1,176,075.03)
	Balboa		
11/30/2017	San Diego Holding -1004 Balboa Rent	\$	(15,000.00)
11/30/2017	San Diego Holding -1007 Balboa Legal	\$	(66,000.00)
11/30/2017	San Diego Holding Balboa Inventory	\$	(83,000.00)
11/30/2017	San Diego Holding - 1005 Balboa FF&E	\$	(125,000.00)
1/4/2018	Balboa legal - check 1017	\$	(8,500.00)
1/25/2018	Balboa (CREDIT OF \$44k FROM 11/30 \$83)	\$	(11,000.00)
1/25/2018	75K Min Guarantee and 25K legal Austin	\$	(100,000.00)
2/6/2018	Balboa Rent - check 1029	\$	(15,000.00)
2/12/2018	CUP	\$	(18,245.00)
2/22/2018	Balboa Min Guarantee	\$	(35,000.00)
3/1/2018	Balboa - San Diego United	\$	(50,000.00)
3/15/2018	Balboa - San Diego United - Option	\$	(75,000.00)
3/30/2018	Balboa - Min Guarantee paid by Sales	\$	(35,000.00)
4/1/2018	Balboa Rent - paid by Sales	\$	(15,000.00)
4/30/2018	Balboa - Min Guarantee paid by Sales	\$	(35,000.00)
5/1/2018	Balboa Rent - paid by Sales	\$	(15,000.00)
5/30/2018	Balboa - Min Guarantee paid by Sales	\$	(35,000.00)
6/1/2018	Balboa Rent - paid by Sales	\$	(15,000.00)

EXHIBIT B

7/17/2018	Grainway Rent - July - Check	\$	(4,500.00)
	Total	\$	(756,245.00)
	Balboa Shop Operations & Inventory		
12/6/2017	ABP Consulting	\$	(40,000.00)
12/14/2017	ABP Consulting	\$	(30,000.00)
12/19/2017	Flip Management	\$	(50,000.00)
12/29/2017	ABP Consulting	\$	(60,000.00)
	Total	\$	(180,000.00)
	Mira Este Lab Setup		
12/22/2017	Adam Lustig	\$	(10,000.00)
12/11/2017	Delta Separation	\$	(67,000.00)
12/12/2017	Dr Good Life - Lustig	\$	(25,000.00)
12/14/2017	KIM Industries - cartridges	\$	(107,275.00)
2/7/2018	Jacksam Processor	\$	(17,600.00)
2/12/2018	Delta Separation	\$	(66,147.00)
3/2/2018	Chris Wayne	\$	(4,000.00)
3/9/2018	Jacksam Processor	\$	(8,500.00)
3/13/2018	Chris Wayne	\$	(6,000.00)
3/23/2018	Dan Spillane	\$	(5,000.00)
4/2/2018	Chris Wayne	\$	(5,000.00)
4/12/2018	Dan Spillane	\$	(500.00)
4/18/2018	Electrical	\$	(4,400.00)
4/19/2018	Dan Spillane	\$	(5,000.00)
4/24/2018	Equipment Order	\$	(65,000.00)
4/28/2018	Nelson Hardiman	\$	(25,000.00)
5/1/2018	Dan Spillane	\$	(5,000.00)
5/1/2018	Flintridge Insurance	\$	(21,895.00)
5/1/2018	MSS Consulting	\$	(10,000.00)
5/11/2018	Chris Wayne	\$	(5,000.00)
5/15/2018	Dan Spillane - May 1-15	\$	(3,500.00)
5/15/2018	American AV - Electric	\$	(4,010.00)
5/21/2018	Chris Wayne - Balance April	\$	(5,000.00)
6/1/2018	Josh Rowley - Relocation	\$	(6,000.00)
6/1/2018	Aaron Coleman - Relocation	\$	(5,000.00)
6/1/2018	Dan Spillane - May 16-30	\$	(3,500.00)
6/1/2018	MSS Consulting	\$	(10,000.00)
6/5/2018	West Coast Sight - cameras and access	\$	(13,100.00)
6/14/2018	Chris Wayne	\$	(5,000.00)
6/14/2018	Christen Camera Security	\$	(1,755.00)
6/15/2018	Dan Spillane	\$	(3,500.00)
6/15/2018	Joshua Rawley	\$	(3,500.00)
6/15/2018	Aaron Coleman	\$	(3,500.00)
6/28/2018	Westcoast Sigh & Sound	\$	(6,659.00)

6/28/2018	Miles Electric	\$	(10,900.00)
7/10/2018	Lab trader	\$	(13,150.00)
7/10/2018	Aaron Coleman	\$	(5,500.00)
7/10/2018	Joshua Rawley	\$	(5,500.00)
7/10/2018	Dan Spillane	\$	(5,000.00)
7/10/2018	Sadler Freezers	\$	(25,100.00)
7/17/2018	Chris Wayne	\$	(5,000.00)
7/17/2018	Dan Spillane - 1/2 July	\$	(5,000.00)
7/17/2018	Josh Rowley - 1/2 July	\$	(3,500.00)
7/17/2018	Aaron Coleman - 1/2 July	\$	(3,500.00)
		\$	(619,491.00)
	Grand Total	\$	(2,731,811.03)



Dean Bornstein <dbadh13@gmail.com>

San Diego United holdings

Chris Hakim <symbolicrealestate@gmail.com>
To: dbadh13@gmail.com
Cc: NinusMalan@yahoo.com, jtproducer34@gmail.com

Wed, Jan 24, 2018 at 4:39 PM

Wire instructions

San Diego United Holdings Group LLC
Bank of america
Lemon grove ca
325090171268 Acc
121000358 Rte

Sent Chris Hakim's iPhone 7+



Jim Townsend <jtproducer34@gmail.com>

Re: Additional \$55,500 - LOI

Chris Hakim <symbolicrealestate@gmail.com>
To: Jim Townsend <jtproducer34@gmail.com>
Cc: Dean Bornstein <dbadh13@gmail.com>, Chris Berman <bermanc1976@gmail.com>

Tue, Nov 7, 2017 at 8:01 AM

Check payable to

Mira Este Properties, LLC
1545 Hotel circle south, suite 145
San Diego, 92108

I will sign today along with Ninus and will send back.

Sent from my iPhone

On Nov 7, 2017, at 7:54 AM, Jim Townsend <jtproducer34@gmail.com> wrote:

Chris,

Who is the check made payable to and what address do we use?

Also, we have not received back the executed copies of the agreement that were sent last week to you. You can keep one copy and return the two other copies to us at the address below..

Thanks,

Jim

----- Forwarded message -----

From: **Dean Bornstein** <dbadh13@gmail.com>
Date: Tue, Nov 7, 2017 at 7:49 AM
Subject: Fwd: Additional \$55,500 - LOI
To: Jim Townsend <jtproducer34@gmail.com>

----- Forwarded message -----

From: **Dean Bornstein** <dbadh13@gmail.com>
Date: Tue, Nov 7, 2017 at 7:47 AM
Subject: Re: Additional \$55,500 - LOI
To: Chris Hakim <symbolicrealestate@gmail.com>
Cc: Chris Berman <bermanc1976@gmail.com>

Chris,

We will federal express a check today.

Best,

Dean

On Mon, Nov 6, 2017 at 6:52 PM, Chris Hakim <symbolicrealestate@gmail.com> wrote:

Dean,

I know we ALL have a lot going on. Per our executed LOI, we were supposed to get \$55,500 on November 6th, which was today. I know I asked you today over the phone if we can get the remaining funds tomorrow and you said as long as we agree to Rob's documents.

I am going to need some time to review the documents from Rob when I actually receive them. So I would appreciate if you can have your accounting department wire the \$55,500 tomorrow. Let me know if you need me to resend the wiring instructions?

Ninus and I are working on the CUP contracts and will send shortly and hope to go get reimbursed for 50% of those once we agree and execute the actual agreements.

Call me any time to chat.

Sincerely,

--
Chris Hakim
Broker
License #01353790
858-373-8781 DIRECT
619-900-4185 OFFICE

1545 Hotel Circle South Ste. 145
San Diego, CA 92108

--
32123 Lindero Canyon Road
Suite 210
Westlake Village, Ca. 91361
818-865-1700 Office
310-866-0028 Cell

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32123 Lindero Canyon Road
Suite 210
Westlake Village, Ca. 91361
818-865-1700 Office
310-866-0028 Cell

--
SoCal Building Ventures LLC
Sherwood Media Company

32123 Lindero Canyon Rd.
Suite 210
Westlake Village, CA 91361

(818) 865-1700 office
(818) 865-1711 fax
(310) 866-0024 cell
www.sherwoodmediacompany.com

WIRE INSTRUCTIONS Domestic Wires in US Dollars

**Bank Name and Address: Torrey Pines Bank: 12220 El Camino Real Ste 100 San Diego, CA
92130**

ABA / Routing Number 122243635

Beneficiary Account Name: Mira Este Properties, LLC

Beneficiary Account Number 8011802264

Special Instructions Attn: Chris Hakim

1. Check 1052 to Mira Este Properties for \$50,000 – May 28 returned – Replaced with:

WT FED#04280 TORREY PINES BANK, /FTR/BNF=Mira Este
 6/04/18 Properties LLC SRF# GW00000016470163 TRN#180604084047 RFB# \$50,125.00
 778

- 2.

Expand 01/24/18 NSF RETURN ITEM FEE FOR A TRANSACTION RECEIVED \$35.00
 ON 01/23 \$75,000.00 CHECK # 01021

Expand 01/24/18 NSF RETURN ITEM FEE FOR A TRANSACTION RECEIVED \$35.00
 ON 01/23 \$33,500.00 CHECK # 01022

Replace with Wire on 1/24 for \$100,000 and wire for \$8,500

Wells Fargo Portfolio Checking (continued)

Date	Description	Check No.	Deposits/ Additions	Withdrawals/ Subtractions	Ending Daily Balance
1/23	WT Fed#07358 Redwood Capital Ba /Ftr/Bnf=Humboldt Land Title Company Srf# 0011721022139941 Trn#180123072398 Rfb#			25,000.00	
1/23	Deposited OR Cashed Check	2736		15,000.00	
1/23	Deposited OR Cashed Check	2737		10,000.00	99,940.60
1/24	Deposit Made In A Branch/Store		7,000.00		
1/24	Wire Trans Svc Charge - Sequence: 180124149007 Srf# 0011721024052981 Trn#180124149007 Rfb#			30.00	
1/24	WT Fed#07951 Torrey Pines Bank, /Ftr/Bnf=Mira Este Properties, LLC Srf# 0011721024052981 Trn#180124149007 Rfb#			100,000.00	
1/24	So Cal Gas Paid Sogc 180123 0385031901 301601474094582006			655.01	
1/24	Barclaycard US Creditcard Xxxx7673 Chris Berman			6,000.00	
1/24	American Express ACH Pmt 180124 W2756 Chris Berman			5,000.00	
1/24	Overdraft Xfer From Credit Card OR Line		4,644.41		0.00
1/25	ATM Check Deposit On 01/25 Westlake Blvd Westlake VIII CA 0003412 ATM ID 0968H Card 3085		93,000.00		93,000.00
1/29	Venmo Cashout Xxxx8743 Chris Berman		200.00		
1/29	Paypal Inst Xfer 180127 Airbnb Christopher Berman			1,206.46	91,993.54
1/30	Jonathan Club 00132849 180129 Mrc19217452 E Berman Christopher			1,796.97	90,196.57
1/31	ATT Payment 013018 723168003Epayj Chris E Berman			180.03	
1/31	Chase Credit Crd Epay 180130 3431910659 Christopher Berman			1,000.00	
1/31	Interest Payment		2.28		89,018.82
Ending balance on 1/31					89,018.82
Totals			\$289,823.69	\$221,708.13	

WT FED#04933 TORREY PINES BANK, /FTR/BNF=Mira Este
 01/24/18 Properties LLC SRF# GW00000010079402 TRN#180124124695 RFB# \$8,500.00
 619

3. Return check 1/23 to San Diego United Holdings – replaced next day with wire

Expand 01/24/18	NSF RETURN ITEM FEE FOR A TRANSACTION RECEIVED ON 01/23 \$11,000.00 CHECK # 01020	\$35.00
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Expand 01/25/18	WT FED#07237 BANK OF AMERICA, N /FTR/BNF=San Diego United Holding Group LLC SRF# GW00000010096293 TRN#180125069873 RFB# 620	\$11,000.00
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EXHIBIT K

5392

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

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SUPERIOR COURT OF CALIFORNIA
FOR THE COUNTY OF SAN DIEGO

9

10

11 SALAM RAZUKI, an individual,

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

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,

NOTICE OF ENTRY OF ORDER

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

23

Defendants.

24

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

ELECTRONICALLY FILED
Superior Court of California,
County of San Diego

10/17/2018 at 01:40:00 PM
Clerk of the Superior Court
By Julia McGinnis, Deputy Clerk

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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.

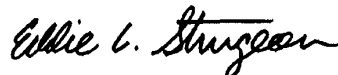
15 5. Sunrise Property Investments, LLC shall be within the scope of the forensic audit
16 conducted by accountant Brian Brinig in this matter. However, this expansion of the forensic audit
17 scope shall be stayed until Sunrise Property Investments, LLC retains counsel in this matter and
18 counsel 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.

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IT IS SO ORDERED.

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
6 is 444 S. Cedros Avenue, Suite 250, Solana Beach, California 92075.

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

9 **SEE ATTACHED SERVICE LIST**

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
14 United States Postal Service. Under that practice, the correspondence would be deposited with the
15 United States Postal Service on that same day with postage thereon fully prepaid in the ordinary
16 course of business.

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

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

24 (BY FACSIMILE) I transmitted a true and correct copy(ies) of the foregoing documents via
25 facsimile.

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

28 
Katie Westendorf

SERVICE LIST

1
2 *Counsel for Plaintiff Salam Razuki*

3 Steven A. Elia, Esq.
4 Maura Griffin, Esq.
5 LAW OFFICES OF STEVEN A. ELIA, APC
6 2221 Camino Del Rio South, Suite 207
7 San Diego, CA 92108
8 Email: steve@elialaw.com; MG@mauragriffinlaw.com

6 *Counsel for Defendant Nirus Malan*

7 Steven Blake, Esq.
8 Daniel Watts, Esq.
9 GALUPPO & BLAKE, APLC
10 2792 Gateway Road, Suite 102
11 Carlsbad, CA 92009
12 Email: sblake@galuppolaw.com; dwatts@galuppolaw.com

11 Gina M. Austin, Esq.
12 Tamara M. Leetham, Esq.
13 AUSTIN LEGAL GROUP, APC
14 3990 Old Town Avenue, Suite A-112
15 San Diego, CA 92110
16 Email: gaustin@austinlegalgroup.com; tamara@austinlegalgroup.com

15 *Counsel for Defendant Chris Hakim*

16 Charles F. Gorla, Esq.
17 GORLA, WEBER & JARVIS
18 1011 Camino del Rio South, #210
19 San Diego, CA 92108
20 Email: chasgoria@gmail.com

19 *Counsel for SoCal Building Ventures, LLC*

20 Robert Fuller, Esq.
21 Salvatore Zimmitti, Esq.
22 NELSON HARDIMAN LLP
23 1100 Glendon Avenue, Suite 1400
24 Los Angeles, CA 90024
25 Email: rfuller@nelsonhardiman.com; szimmitti@nelsonhardiman.com

EXHIBIT L

5400

**AGREEMENT OF COMPROMISE, SETTLEMENT,
AND MUTUAL GENERAL RELEASE**

This AGREEMENT OF COMPROMISE, SETTLEMENT, AND MUTUAL GENERAL RELEASE ("Agreement") is entered into by and between SALAM RAZUKI (hereinafter collectively "RAZUKI"), on the one hand, and NINUS MALAN (hereinafter "MALAN"), on the other. The persons to this Agreement may sometimes be referred to collectively as the "Parties" or separately as "Party". This Agreement is entered into with reference to the recitals set forth in the Article titled "Recitals" below and constitutes (i) a settlement agreement between the Parties and (ii) a mutual release of all liabilities of the Parties arising out of the matters described below and except as expressly otherwise noted herein.

**ARTICLE I.
RECITALS**

This Agreement is entered into with reference to the following facts:

1.1 RAZUKI and MALAN have engaged in several business transactions, dealings, agreements (oral and written), promises, loans, payments, related to the acquisition of real property and interests in various medical marijuana businesses. Specifically, RAZUKI and MALAN have each invested certain sums of capital for the acquisition of the following assets (collectively hereinafter referred to as the "Partnership Assets"):

(a) MALAN'S one hundred percent (100%) membership interest in SAN DIEGO UNITED HOLDING GROUP LLC, a California Limited Liability Company, and record owner of the following properties:

- i. The real property commonly known as 8859 BALBOA AVE., STE. A, SAN DIEGO, CA 92123.
- ii. The real property commonly known as 8859 BALBOA AVE., STE. B, SAN DIEGO, CA 92123.
- iii. The real property commonly known as 8859 BALBOA AVE., STE. C, SAN DIEGO, CA 92123.
- iv. The real property commonly known as 8859 BALBOA AVE., STE. D, SAN DIEGO, CA 92123.
- v. The real property commonly known as 8859 BALBOA AVE., STE. E, SAN DIEGO, CA 92123.
- vi. The real property commonly known as 8861 BALBOA, STE. B, SAN DIEGO, CA 92123.
- vii. The real property commonly known as 8863 BALBOA, STE. E,

SAN DIEGO, CA 92123.

(b) One hundred percent (100%) membership interest in FLIP MANAGEMENT LLC, a California Limited Liability Company,

(c) MALAN'S fifty percent (50%) membership interest in MIRA ESTE PROPERTIES LLC, a California Limited Liability Company, and record owner of the real property commonly known as 9212 MIRA ESTE CT., SAN DIEGO, CA 92126.

(d) MALAN'S Fifty percent (50%) membership interest in ROSELLE PROPERTIES, LLC, a California Limited Liability Company, and record owner of the real property commonly known as 10685 ROSELLE ST., SAN DIEGO, CA 92121.

(e) RAZUKI'S twenty percent (20%) membership interest in SUNRISE PROPERTY INVESTMENTS, LLC, a California Limited Liability Company, the record owner of the real property located 3385 SUNRISE STREET, SAN DIEGO, CA 92012.

(f) RAZUKI'S twenty seven percent (27%) membership interest in SUPER 5 CONSULTING GROUP, LLC, a California Limited Liability Company, which is the operator of a medical marijuana dispensary located at 3385 SUNRISE STREET, SAN DIEGO, CA 92012.

1.2 RAZUKI and MALAN have an understanding such that regardless of which Party or entity holds title and ownership to the Partnership Assets, RAZUKI is entitled to a seventy-five percent (75%) interest in the capital, profits, and losses of each Partnership Asset and MALAN is entitled to a twenty five percent (25%) interest, and no Party is entitled to receive any profits whatsoever until, and unless the Parties have first been repaid their investment in full (hereinafter referred to as the "Partnership Agreement").

1.3 RAZUKI and MALAN have now formed RM PROPERTY HOLDINGS, LLC, a California Limited Liability Company (the "Company"), whereby RAZUKI and MALAN have agreed to transfer title to the Partnership Assets to the Company, and forever resolve any and all matters, claims or controversies that each Party may have against each other related to the Partnership Agreement as stated in this Agreement.

1.4 RAZUKI and MALAN have not recouped their financial investments in the Partnership Assets.

1.5 The Parties consider it to be in their best interests, in light of the cost of litigation, and to their best advantage, to forever dismiss, settle, adjust and compromise all claims and defenses which have been, or could have been asserted relative to their Partnership Agreement.

1.6 All claims are denied and contested, and nothing contained herein should be construed as an admission by any Party hereto of any liability of any kind to any other Party hereto or to any other person.

1.7 The Parties now wish to settle the dispute between them and forever release,

AGREEMENT OF COMPROMISE, SETTLEMENT, AND MUTUAL GENERAL RELEASE

Page 2 of 8

discharge, and terminate any and all liabilities arising out of, or existing or emanating from their Partnership Agreement, including all demands and causes of action, whether state, federal, or administrative, and whether actually raised or could have been raised by way of complaint, supplemental complaint, or cross-complaint except as expressly otherwise set forth within this Agreement. In order to effectuate this release, the Parties hereto enter into this Agreement.

NOW THEREFORE, in consideration of the mutual promises and covenants, and upon the conditions contained herein, and for other good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged, the Parties agree as follows:

ARTICLE II TERMS OF SETTLEMENT

2.1 Transfer of Partnership Assets to the Company. The Parties shall use their best efforts to effectuate the transfer of the Partnership Assets to the Company within thirty (30) days, and shall execute any and all further documents as may be necessary to carry out the same.

2.2 Financial Accounting. The Parties agree to work in good faith to calculate each of their respective cash investment amounts in the Partnership Assets within thirty (30) days and shall execute an amendment or exhibit to this Agreement to memorialize the same. Once executed, the exhibit or amendment shall be incorporated and become a part of this Agreement as though set forth originally (the "Accounting"). For avoidance of doubt, the amount agreed to in the Accounting shall be the amount of cash capital investment that must be first repaid to the Parties by the Company before either Party receives any profits therein (each referred to as the "Partners' Cash Investment").

2.3 The Company's Operating Agreement. The Parties hereby reaffirm and acknowledge the terms of the Operating Agreement provide for repayment of the Partners' Cash Investment prior to any distribution of profits and losses. The Parties further reaffirm that once the Partners' Cash Contribution has been repaid by the Company, then RAZUKI shall receive seventy five percent (75%) of the profits and losses of the Company and MALAN shall receive twenty five percent (25%), all as set forth under the terms of the Operating Agreement. It is the Parties' intention that once the Partnership Assets have been transferred to the Company and the Accounting has been agreed upon, then all other business matters shall be governed and controlled by the terms of the Operating Agreement and the Parties shall thereafter be released from all further liability to each other arising under their Partnership Agreement as set forth below.

ARTICLE III MUTUAL GENERAL RELEASE OF ALL CLAIMS

3.1 General Release. In consideration of the terms and provisions of this Agreement, the Parties hereto, on behalf of themselves, successors, and assigns, hereby forever relieve, release, and discharge each other, and their respective successors and assigns, and all of their respective present and former attorneys, accountants, agents, employees, representatives,

AGREEMENT OF COMPROMISE, SETTLEMENT, AND MUTUAL GENERAL RELEASE

Page 3 of 8

administrators, insurers, partners, directors, officers, shareholders, and heirs of and from any and all claims, debts, liabilities, demands, obligations, promises, acts, agreements, costs, and expenses, including but not limited to attorney's fees, damages, actions, and causes of action of whatsoever kind or nature, specifically including those related to in any way, directly or indirectly, to any alleged past, present, or future claims for violations of any state, federal, or administrative code or statute, or any type of tort or conversion, or indemnification, contribution, or declaratory relief based on any type of allocation of fault, whether now known or unknown, suspected or unsuspected, based on, arising out of, or in connection with anything whatsoever done, omitted, or suffered to be done at any time, relating to, or in any matter connected with, directly or indirectly, the matters, facts or claims related to their Partnership Agreement as set forth in the Article of this Agreement titled "Recitals". This Agreement shall not be interpreted to bar any claims for the enforcement of the provisions of this Agreement or any provision of the Company's Operating Agreement. Furthermore, this release and settlement shall only be effective upon (i) the transfer to the Company of the Partnership Assets pursuant to section 2.1 above, and (ii) execution of an amendment or exhibit related to the Accounting. Thereafter, the Parties shall forever be barred from bringing any claims related to the Partnership Agreement as set forth herein, and all claims or controversies shall be governed by the terms of the Company's Operating Agreement.

3.2 Waiver under Section 1542 of the California Civil Code. The Parties hereto expressly waive any and all rights under Section 1542 of the Civil Code of the State of California, which provides as follows:

"A general release does not extend to claims which the creditor does not know or suspect to exist in his or her favor at the time of executing the release, which if known by him or her must have materially affected his or her settlement with the debtor."

In connection with such waiver and relinquishment, the Parties acknowledge that it may hereafter discover claims presently unknown or unsuspected, or facts in addition to or different from those which it now knows or believes to be true. Nevertheless, it is the intention of the Parties, through this Agreement, and with the advice of counsel, if any, to fully, finally, and forever settle this dispute. Pursuant to that intention, the Parties expressly consent that this release shall have the same full force and effect as to unknown and unsuspected claims, demands, and causes of action, if any, as to those terms and provisions relating to claims, demands, and causes of action hereinabove specified.

3.3 Representations and Warranties. The Parties hereby represent and warrant to, and agree with each other as follows:

(a) The Parties hereto, and each of them, represent and declare that in executing this Agreement they have relied solely upon their own judgment, belief and knowledge, and the advice and recommendations of their own independently selected counsel, if any, 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.

(b) Except as expressly stated in this Agreement, neither of the Parties have made any statements or representations regarding any fact relied upon in entering into this Agreement, and the Parties specifically do not rely on any statements, representations, or promises in executing this Agreement, or in making the settlement provided for herein, except as expressly stated in this Agreement;

(c) The Parties, and their attorneys, if desired, have made such investigation of the facts pertaining to this Agreement and all of the matters pertaining thereto, as they deem necessary;

(d) The terms of this Agreement are contractual, not a mere recital, and are the result of negotiations between the Parties;

(e) The Recitals to this Agreement are expressly made a part hereof;

(f) This Agreement has been carefully read by the Parties hereto, and if they choose, by their attorneys; it is signed freely by each person executing this Agreement and each person executing this Agreement is empowered to do so.

(g) In entering into this Agreement, the Parties recognize that no facts or representations are absolutely certain. The Parties acknowledge that they are aware that they may, after execution of this Agreement, discover facts different from or in addition to those they now know or believe to be true with respect to the liabilities, actions or causes of action to be released. Accordingly, the Parties each assume their own risk of any incomplete disclosure or mistake. If the Parties, or each of them, should subsequently discover that any fact it relied upon in entering into this Agreement was untrue, or that any understanding of the facts or of the law was incorrect, such party shall not be entitled to set aside this Agreement by reason thereof. This Agreement is intended to be final and binding between the Parties hereto, and is further intended to be effective as a final accord and satisfaction between the Parties. The Parties are relying on the finality of this Agreement as a material factor inducing the Parties' execution of this Agreement.

(h) The consideration specified herein is given for the purpose of (i) settling and compromising all claims and disputes which have arisen between the Parties, and (ii) releasing the Parties by operation of this Agreement from any an all claims and liabilities, past, present, and future, that have or may arise out of the matters described in the Article titled "Recitals". Neither the payment nor tender of consideration, nor anything herein, shall be construed as an admission by any of the Parties, their agents, servants or employees, of any liability of any kind to the other.

(i) The Parties represent and warrant that they have not heretofore transferred or assigned or purported to transfer or assign to any person, firm, or corporation any claim, demand, damage, debt, liability, account, action or cause of action herein to be released.

(j) The Parties acknowledge the adequacy of the consideration given for the release

AGREEMENT OF COMPROMISE, SETTLEMENT, AND MUTUAL GENERAL RELEASE

Page 5 of 8

of all Parties in this Agreement and understands that irrespective of whether the consideration is expressly described herein, adequate consideration exists for the release of all Parties under this Agreement.

3.4 Non-Disparagement. The Parties further agrees not to make any statement or take any action, directly or indirectly, that harms, or could harm, the other Party's business interests, reputation or good will, including any statements that may be made to any past, current, or prospective employees, vendors, or any other third parties whatsoever. Accordingly, the Parties shall not make any statements, written or oral, which disparage the other; however, this provision shall not prevent the any Party from truthfully responding to any inquiry required by law or pursuant to a court order.

ARTICLE IV GENERAL PROVISIONS

4.1 Integration. This Agreement constitutes a single, integrated, written contract expressing the entire Agreement of the Parties hereto relative to the subject matter hereof. No covenants, agreements, representations, or warranties of any kind whatsoever have been made by any Party hereto, except as specifically set forth in this Agreement. All prior discussions and negotiations, if any, are superseded by this Agreement.

4.2 No Construction Against Drafter. Each party to this Agreement and its legal counsel have reviewed and revised this Agreement. The rule of construction that any ambiguities are to be resolved against the drafting party shall not be employed in the interpretation of this Agreement or of any amendments or exhibits to this Agreement. This Agreement shall not be deemed prepared or drafted by one party or another, or its attorneys, and will be construed accordingly.

4.3 Modification. No modification, waiver, amendment, discharge, or any change of this Agreement shall be valid unless the same is in writing and signed by the party against which the enforcement of such modification, waiver, amendment, discharge, or change is or may be sought.

4.4 Heirs, Successors, and Assigns. This Agreement shall inure to the benefit of, and shall be binding upon, the heirs, successors, and assigns of the Parties hereto, and each of them.

4.5 Severability. In the event that any term, covenant, condition, or provision of this Agreement should be held to be void, voidable, or unenforceable, the remaining portions hereof shall remain in full force and effect.

4.6 Governing Law. This Agreement shall be construed in accordance with, and be governed by the laws of California.

4.7 Venue and Jurisdiction. In the event that any action, suit, or other proceeding arising from this Agreement is instituted, the parties agree that venue for such action shall be in San Diego County, and that personal jurisdiction and subject matter jurisdiction shall be

exercised by the Superior Court of the State of California, in and for the County of San Diego, Central Division.

4.8 Execution in Counterparts. This Agreement may be executed and delivered in two or more counterparts, each of which, when so executed and delivered, shall be an original, but such counterparts shall together constitute but one and the same Agreement. This Agreement shall be deemed to be executed on the last date any such counterpart is executed.

4.9 Facsimile Signatures. This Agreement may be executed and a copy of such executed Agreement transmitted by facsimile, which when received can be used as an original of the Agreement for all purposes.

4.10 Costs and Attorney's Fees. The Parties hereto agree to bear his or its own costs and attorney's fees, and each party hereby waives any statute, rule of court, or other law, awarding costs, fees, or expenses relating to any litigation. Said waiver shall be effective with respect to the statutes, rules of court, or other laws or provisions of the United States and/or of each state, including, without limitation, the State of California. However, in the event that any action, suit, or other proceeding is instituted to interpret and/or enforce this Agreement, or arising out of a breach of this Agreement, the prevailing party shall recover all of such party's reasonable attorney's fees and costs incurred in each and every action, suit, or other proceeding, including any and all appeals or petitions therefrom.

4.11 Waiver. Any waiver of a default under this Agreement must be in writing and shall not be a waiver of any other default concerning the same or any other provision of this Agreement. No delay or omission in the exercise of any right or remedy shall impair such right or remedy or be construed as a waiver. Consent to or approval of any act shall not be deemed to waive or render unnecessary consent to or approval of any other or a subsequent act.

4.12 Confidentiality. The terms of this Agreement are confidential. The Parties expressly understand and agree that it shall constitute a breach of this Agreement to disclose or communicate the terms of this settlement or to disseminate this Agreement to any third party (unless required by Court order or operation of law or to the Parties' respective attorneys, accountants or tax advisers).

4.13 Time of Essence. The Parties hereto agree and confirm that time is of the essence for execution, completion, and full performance of the terms and conditions of this agreement.

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IN WITNESS WHEREOF, the Parties hereto have each approved and executed this Agreement on the dates set forth opposite their respective signatures.

Dated: 11/9/17

RAZUKI

By: 

SALAM RAZUKI

Dated: 11/9/17

MALAN

By: 

NINUS MALAN

AGREEMENT OF COMPROMISE, SETTLEMENT, AND MUTUAL GENERAL RELEASE

Page 8 of 8

EXHIBIT C

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 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.
25

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

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I, Gina M. Austin, declare:

1. I am attorney admitted to practice before this Court and all California courts and, along with Tamara M. Leetham, represent defendants Ninus Malan (“Malan”), San Diego United Holdings Group (“San Diego United”), Balboa Ave Cooperative (“Balboa”), California Cannabis Group (“CCG”), and Devilish Delights (collectively “Malan Defendants”) in this matter. I make this declaration in support of the Malan Defendants ex parte application to seek an order approving priority payment to Far West Operating, LLC out of Balboa Ave Cooperative’s operating revenues. Unless otherwise stated, all facts testified to are within my personal knowledge and, if called as a witness, I would and could competently testify to them.

2. On October 24, 2018 at 7:43 am our office gave ex parte notice via email to counsel for plaintiff Salam Razuki, cross-complainant American Lending and Holdings, LLC, defendants Flip Management, LLC, Chris Hakim, Mira Este Properties, LLC, Monarch Management Consulting, LLC, Roselle Properties, LLC, and cross-defendants San Diego Building Ventures, LLC, and SoCal Building Ventures, LLC. I provided the basis for the ex parte application, the relief requested, and the time, place and date of hearing. As of the signing of this declaration, I have not heard whether they intend to oppose the application. A true and correct copy of the notice provided is attached hereto as Exhibit A.

3. Attached as Exhibit B is a true and correct copy of an October 16, 2018 email from Richardson Griswold, counsel for receiver Michael Essary, stating the payment of the Receiver’s fees, the Receiver’s counsel’s fees, and the expenses of the receivership have priority over all other expenses of the marijuana operation.

4. Attached as Exhibit C is a true and correct copy of an email chain between Salas Financial and defendant Ninus Malan regarding the status of the mortgage payments for Balboa Ave Cooperative and Mire Este. As of October 10, 2018, the mortgages were past due and near the brink of default.


5. Attached as Exhibit D is a true and correct copy of an email chain dated October 18, 2018 between Michael Essary, and counsel for the parties of this lawsuit, discussing obtaining a third party funding letter of intent of approximately \$500,000 for maintenance of the

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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

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

case ... of the operational ... hearing other rease ... of
Mr. Essary is ...

EXHIBIT A

5413

Andrews, Richard

From: Andrews, Richard
Sent: Wednesday, October 24, 2018 7:43 AM
To: steve@eljalaw.com; 'maura@eljalaw.com'; rgriswold@griswoldlawsandiego.com; fuller@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

CONFIDENTIALITY: This e-mail message (including attachments, if any) is attorney privileged and/or confidential and is intended only for the addressee. Any unauthorized use or disclosure is strictly prohibited. Disclosure of this e-mail to anyone other than the intended addressee does not constitute waiver of privilege. If you have received this communication in error, please notify us immediately and delete this message. Thank you for your cooperation.

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, consisting of a large, stylized 'A' with a horizontal line extending to the right, crossing over the top of the 'A'.

Richard A. Andrews Jr.

...ating other reas
Mr. [unclear]

... of re [unclear]
Y [unclear]

...ating other reas
Mr. [unclear]

EXHIBIT B

5417

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.

BRING 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

Page 1 of 1

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

Mr. Michael Essary

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

Mr. Michael Essary

RAZUKI V. MALAN, ET AL.

Page: 3
October 01, 2018
ACCOUNT NO: 180910-00M
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<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.

5421

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 - reconcile. 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	

EXHIBIT C

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

5430

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**STEVEN L. SALAS**

REAL ESTATE LOANS AND INVESTMENTS

Cal BRE license #00805440

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

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

Page 1 of 1

Page 1 of 1

Page 1 of 1

EXHIBIT E

5434

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

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EXHIBIT D

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
5 Fax: (760) 431-4579

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 CENTRAL DIVISION

16 SALAM RAZUKI, an individual,
17
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;
and DOES 1-100, inclusive,

25 Defendants.
26

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.

27

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	\$3,520.65/mo.	
Insurance payment		Delinquent
Montgomery Field monthly HOA payment	\$360.00/mo. (\$180.00 for each unit)	Delinquent

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

26
27
Decl. of Ninus Malan Regarding Request For Appeal Bond Under Code Of Civil Procedure Section 917.5

EXHIBIT E

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

7
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.

CASE NO. 37-2018-00034229-CU-BC-CTL
DECLARATION OF HEIDI RISING

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

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).

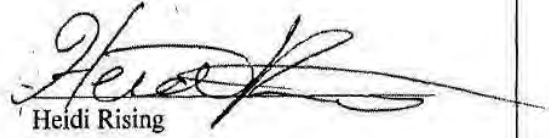
16 11. My boss, Adam Knopf, informed Gina Austin, Golden State Greens' Attorney,
17 that Far West Management will only be able to commit to operating the Balboa Dispensary
18 through Thursday, October 25, 2018, unless its management services bills are paid. He stressed
19 that Far West Management is 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

5451

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	
Description	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

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			

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		2018-08-02	
Date		Difference	Note
Decription	420 Report	(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			
		<u>Check #</u>	<u>Checks Paid</u>
			<u>Amount</u>
			<u>Descriptions</u>
Total Money on Hold			
Remaining Cash	(1,837.82)		0

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	(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
2018-08-03

Date	420 Report	Difference (Cash & 420) Note	
Decription			
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

Checks Paid		
Check #	Amount	Descriptions

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				
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	(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

Date	420 Report	Difference (Cash & 420)	Note
	EXAMPLE		
2018-08-04			
Decription			
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			
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

		EXAMPLE	
Date		2018-08-05	
Decription		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			
		<u>Check #</u>	<u>Checks Paid</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				
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			
Date	420 Report	Difference (Cash & 420)	Note
2018-08-06			
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				
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			

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		2018-08-07	
Date	420 Report	Difference (Cash & 420)	Note
Decription			
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	6,628.29	

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	-			
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			
	-		
	-		
	-		
Total Money on Hold	-		
Remaining Cash	17,511.80	0	4,733.59

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				
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			

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
2018-08-09			
Decription			
Beginning Cash Balance	19,538.91		
Sales - Walk-In	8,315.11	8,315.11	
Sales - Delivery	-		
Additional Money In	-		
Total Money In	<u>27,854.02</u>		
Less: Money on Hold for Vendors			
Total Money on Hold			
Remaining Cash	<u>27,854.02</u>	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				
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	<u>(2,000.00)</u>			
Carryover Amount	<u>25,854.02</u>			

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 2018-08-13	420 Report	Difference (Cash & 420)	Note
Decription				
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	

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			

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	-
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

Date		EXAMPLE	
2018-08-15		420 Report	
Decription		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			
		<u>Check #</u>	<u>Amount</u> <u>Descriptions</u>
Pearl Pharma Excise	345.60		
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
 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				
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

Date		EXAMPLE	
2018-08-16		420 Report	
Description		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			
		Check #	Checks Paid
Sonoma Pacific Distro	4,992.88	Old management invoice	Amount
Papa & Barkley	572.40		Descriptions
	-		
	-		
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.)

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)				
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

Date	EXAMPLE		Difference	Note
Decription	420 Report	(Cash & 420)		
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		
Description	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			
710 Kingpen	3,414.96		Check #
Grizzly Peaks	2,413.04		Amount
			Descriptions
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				
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	Description	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	

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		
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	

5471

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 2018-08-23	420 Report	Difference (Cash & 420)	Note
Decription				
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			
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	2018-08-24	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		Account	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			
Dan Burakowski	1,500.00	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)	4,000.00		
ATM # 2 (Waiting Room)			
Total Disbursement	(5,500.00)		
Carryover Amount	26,327.10		

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
Description	420 Report	(Cash & 420)		
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				
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.)

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				
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			

5476

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		
Description	420 Report	Difference (Cash & 420)	Note
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	5,294.61	

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				
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			

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		2018-08-27	
Date	420 Report	Difference (Cash & 420)	Note
Description			
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 # Amount Descriptions
Lowells	930.00		
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			
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		2018-08-30		
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	
			Check #	Amount
			Descriptions	
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.)

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	-
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		Difference		Note	
Date	420 Report	(Cash & 420)		Check #	Amount	Check #	Amount
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	0	11,222.93				

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					

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

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	0	9,784.92

	Checks Paid
<u>Check #</u>	<u>Amount</u> <u>Descriptions</u>

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				
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	12,953.87			

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	420 Report	Difference (Cash & 420) Note
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

Checks Paid		
Check #	Amount	Descriptions

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		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	0	7,368.56

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			
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

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

2018-09-08

Date	420 Report	Difference (Cash & 420)	Note
Decription			
Beginning Cash Balance	18,411.65		
Sales - Walk-In	9,277.05	9,277.05	
Sales - Delivery	-		
Additional Money In	-		
Total Money In	<u>27,688.70</u>		
Less: Money on Hold for Vendors			
Total Money on Hold			
Remaining Cash	<u>27,688.70</u>	9,277.05	

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	-			
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	<u>(2,000.00)</u>			
Carryover Amount	<u>25,688.70</u>			

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			
2018-09-09			
Date	420 Report	Difference (Cash & 420)	Note
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	

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			
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		
		Checks Paid
		<u>Check #</u> <u>Amount</u> <u>Descriptions</u>
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
 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				
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	2018-09-12		
Decription	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				
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

Date	EXAMPLE		2018-09-14		
Decription	420 Report	Difference	(Cash & 420)	Note	
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		

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			
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	(1,699.04)		

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	(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				
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.)

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			
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

		EXAMPLE			
Date		2018-09-19			
Description		420 Report	Difference (Cash & 420)	Note	
Beginning Cash Balance	690.01				
Sales - Walk-In	7,444.41		7,444.41		
Sales - Delivery	-				
Additional Money In	-				
Total Money In	8,134.42				
Less: Money on Hold for Vendors				Check #	Checks Paid Amount
	-				Descriptions
	-				
	-				
Total Money on Hold	-				
Remaining Cash	8,134.42	0	7,444.41		

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					
Emerald Plaza	30.00		Adam		
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	(1,030.00)				
Carryover Amount	7,104.42				

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		2018-09-20			
Description		420 Report	Difference (Cash & 420)	Note	
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				Checks Paid	
				Check #	Amount
				Amount	Descriptions
Total Money on Hold					
Remaining Cash	15,330.96		8,327.54		

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				
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	-			
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			
2018-09-21			
Date	420 Report	Difference (Cash & 420)	Note
Decription			
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
			Check # Amount Descriptions
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.)

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				
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
			Check # Amount Descriptions
			-
			-
			-
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				
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)			

5504

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				
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

		EXAMPLE			
		2018-09-24			
Date		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				Checks Paid	
				Check #	Amount
				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.)

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)	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			
Date	2018-09-26		
Description	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

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

Date		EXAMPLE	
2018-09-27		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		Check # Amount Descriptions
	-		
	-		
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

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				
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

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

Checks Paid		
Check #	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					
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					
Expense - Vendor Name					
Bank Deposit					
ATM # 1 (Bud Room)	1,000.00				
ATM # 2 (Waiting Room)					
Total Disbursement	<u>(1,005.38)</u>				
Carryover Amount	<u>8,004.89</u>				

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			
2018-09-29			
Date	420 Report	Difference (Cash & 420)	Note
Decription			
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			
Total Money on Hold			
Remaining Cash	15,157.96	0	7,153.07

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				
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

		EXAMPLE			
Date		2018-09-30			
Description		420 Report		Difference (Cash & 420) Note	
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.) **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)	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
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	0	5,823.82

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			
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

		EXAMPLE	
Date		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	-	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 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	-			
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

Date	EXAMPLE		
2018-10-04	420 Report	Difference (Cash & 420)	Note
Description			
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 #</u> <u>Amount</u> <u>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

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	2018-10-07	420 Report	Difference (Cash & 420)	Note
Decription				
Beginning Cash Balance	31,339.50			
Sales - Walk-In	5,190.59		5,190.59	
Sales - Delivery	-			
Additional Money In	-			
Total Money In	36,530.09			
Less: Money on Hold for Vendors				Checks Paid
				Check # Amount Descriptions
Kiva	1,736.00			
Pure Beauty	3,412.48			
	-			
Total Money on Hold	5,148.48			
Remaining Cash	31,381.61	0	5,190.59	

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

Inventory Entered

Vendor Name	-	P	B	-	-
Vendor Name	-	P	B	-	-
Vendor Name	-	P	B	-	-
Vendor Name	-	P	B	-	-
Vendor Name	-	P	B	-	-
Vendor Name	-	P	B	-	-
Vendor Name	-	P	B	-	-
Vendor Name	-	P	B	-	-
Vendor Name	-	P	B	-	-
Vendor Name	-	P	B	-	-
Vendor Name	-	P	B	-	-
Vendor Name	-	P	B	-	-
Vendor Name	-	P	B	-	-
Vendor Name	-	P	B	-	-
Vendor Name	-	P	B	-	-
Vendor Name	-	P	B	-	-
Vendor Name	-	P	B	-	-
Vendor Name	-	P	B	-	-
Vendor Name	-	P	B	-	-
Vendor Name	-	P	B	-	-
Vendor Name	-	P	B	-	-
Vendor Name	-	P	B	-	-
Vendor Name	-	P	B	-	-
Vendor Name	-	P	B	-	-
Vendor Name	-	P	B	-	-
Vendor Name	-	P	B	-	-
Vendor Name	-	P	B	-	-
Vendor Name	-	P	B	-	-
Vendor Name	-	P	B	-	-
Vendor Name	-	P	B	-	-
Vendor Name	-	P	B	-	-
Vendor Name	-	P	B	-	-
Vendor Name	-	P	B	-	-
Vendor Name	-	P	B	-	-
Vendor Name	-	P	B	-	-
Vendor Name	-	P	B	-	-
Vendor Name	-	P	B	-	-
Vendor Name	-	P	B	-	-
Vendor Name	-	P	B	-	-
Vendor Name	-	P	B	-	-
Vendor Name	-	P	B	-	-
Vendor Name	-	P	B	-	-
Vendor Name	-	P	B	-	-
Vendor Name	-	P	B	-	-
Vendor Name	-	P	B	-	-
Vendor Name	-	P	B	-	-
Vendor Name	-	P	B	-	-
Vendor Name	-	P	B	-	-
Vendor Name	-	P	B	-	-
Vendor Name	-	P	B	-	-
Vendor Name	-	P	B	-	-
Vendor Name	-	P	B	-	-
Vendor Name	-	P	B	-	-
Vendor Name	-	P	B	-	-
Vendor Name	-	P	B	-	-
Vendor Name	-	P	B	-	-
Vendor Name	-	P	B	-	-
Vendor Name	-	P	B	-	-
Vendor Name	-	P	B	-	-
Vendor Name	-	P	B	-	-
Vendor Name	-	P	B	-	-
Vendor Name	-	P	B	-	-
Vendor Name	-	P	B	-	-
Vendor Name	-	P	B	-	-
Vendor Name	-	P	B	-	-
Vendor Name	-	P	B	-	-
Vendor Name	-	P	B	-	-
Vendor Name	-	P	B	-	-
Vendor Name	-	P	B	-	-
Vendor Name	-	P	B	-	-
Vendor Name	-	P	B	-	-
Vendor Name	-	P	B	-	-
Vendor Name	-	P	B	-	-
Vendor Name	-	P	B	-	-
Vendor Name	-	P	B	-	-
Vendor Name	-	P	B	-	-
Vendor Name	-	P	B	-	-
Vendor Name	-	P	B	-	-
Vendor Name	-	P	B	-	-
Vendor Name	-	P	B	-	-
Vendor Name	-	P	B	-	-
Vendor Name	-	P	B	-	-
Vendor Name	-	P	B	-	-
Vendor Name	-	P	B	-	-
Vendor Name	-	P	B	-	-
Vendor Name	-	P	B	-	-
Vendor Name	-	P	B	-	-
Vendor Name	-	P	B	-	-
Vendor Name	-	P	B	-	-
Vendor Name	-	P	B	-	-
Vendor Name	-	P	B	-	-
Vendor Name	-	P	B	-	-
Vendor Name	-	P	B	-	-
Vendor Name	-	P	B	-	-
Vendor Name	-	P	B	-	-
Vendor Name	-	P	B	-	-
Vendor Name	-	P	B	-	-
Vendor Name	-	P	B	-	-
Vendor Name	-	P	B	-	-
Vendor Name	-	P	B	-	-
Vendor Name	-	P	B	-	-
Vendor Name	-	P	B	-	-
Vendor Name	-	P	B	-	-
Vendor Name	-	P	B	-	-
Vendor Name	-	P	B	-	-
Vendor Name	-	P	B	-	-
Vendor Name	-	P	B	-	-
Vendor Name	-	P	B	-	-
Vendor Name	-	P	B	-	-
Vendor Name	-	P	B	-	-
Vendor Name	-	P	B	-	-
Vendor Name	-	P	B	-	-
Vendor Name	-	P	B	-	-
Vendor Name	-	P	B	-	-
Vendor Name	-	P	B	-	-
Vendor Name	-	P	B	-	-
Vendor Name	-	P	B	-	-
Vendor Name	-	P	B	-	-
Vendor Name	-	P	B	-	-
Vendor Name	-	P	B	-	-
Vendor Name	-	P	B	-	-
Vendor Name	-	P	B	-	-
Vendor Name	-	P	B	-	-
Vendor Name	-	P	B	-	-
Vendor Name	-	P	B	-	-
Vendor Name	-	P	B	-	-
Vendor Name	-	P	B	-	-
Vendor Name	-	P	B	-	-
Vendor Name	-	P	B	-	-
Vendor Name	-	P	B	-	-
Vendor Name	-	P	B	-	-
Vendor Name	-	P	B	-	-
Vendor Name	-	P	B	-	-
Vendor Name	-	P	B	-	-

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 2018-10-08	420 Report	Difference (Cash & 420)	Note
Decription				
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	

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				
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			

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 2018-10-09		Difference	Note
Decription	420 Report	(Cash &420)		
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
				Check # Amount Descriptions
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				
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
	2018-10-11		(Cash & 420)	
Decription	420 Report			
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.)

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	5,192.91			

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		2018-10-13		Difference	
Date	420 Report	(Cash & 420)	Note	Check #	Amount
Description					
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					
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.)

Vendor Name	Inventory Entered	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	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				
Heavy Hitters Credit back	(450.00)	#201721945		
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

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				
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

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	Difference	
Description	420 Report	(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
			Check # Amount Descriptions
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

Cash Rec

- 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	2018-10-21	
Description	420 Report	Difference (Cash & 420) Note
Beginning Cash Balance	19,702.72	
Sales - Walk-In	6,691.42	6,691.42
Sales - Delivery		
Additional Money In		
Total Money In	26,394.14	
Less: Money on Hold for Vendors		
		Checks Paid
		<u>Check # Amount Descriptions</u>
Total Money on Hold		
Remaining Cash	26,394.14	6,691.42

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			
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)	1,120.00		
ATM # 2 (Waiting Room)			
Total Disbursement	(1,120.00)		
Carryover Amount	25,274.14		

EXHIBIT B

5534

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

5537

of the operation

701

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.

NM

AKL

- 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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Adell

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.

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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 Knorr, 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 GORLA, 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

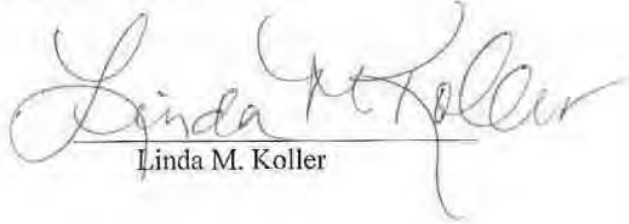
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Co-Counsel for Ninus Malan

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

[X] **VIA ELECTRONIC FILING SERVICE:** Complying with Code of Civil Procedure section 1010.6, my electronic business address is lkoller@galuppolaw.com and I caused such 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. 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.

Executed on **October 24, 2018** at Carlsbad, California


Linda M. Koller

PROOF OF SERVICE