
UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
Washington, D.C. 20549

FORM 8-K

CURRENT REPORT

Pursuant to Section 13 or Section 15(d) of the Securities Exchange Act of 1934

Date of Report (Date of earliest event reported): February 21, 2019

ONE WORLD PHARMA, INC.
(Exact name of registrant as specified in its charter)

<hr/> <p style="text-align: center;">Nevada (State or other jurisdiction of incorporation or organization)</p>	<hr/> <p style="text-align: center;">333-200529 (Commission File Number)</p>	<hr/> <p style="text-align: center;">61-1744826 (I.R.S. Employer Identification Number)</p>
3471 West Oquendo Road, Suite 301 Las Vegas, NV		89118
(Address of principal executive offices)		(Zip Code)

Registrant's telephone number, including area code: **(800) 605-3210**

(Former name or former address, if changed since last report)

Check the appropriate box below if the Form 8-K filing is intended to simultaneously satisfy the filing obligation of the registrant under any of the following provisions:

- Written communications pursuant to Rule 425 under the Securities Act (17 CFR 230.425)
- Soliciting material pursuant to Rule 14a-12 under the Exchange Act (17 CFR 240.14a-12)
- Pre-commencement communications pursuant to Rule 14d-2(b) under the Exchange Act (17 CFR 240.14d-2(b))
- Pre-commencement communications pursuant to Rule 13e-4(c) under the Exchange Act (17 CFR 240.13e-4(c))

Indicate by check mark whether the registrant is an emerging growth company as defined in Rule 405 of the Securities Act of 1933 (17 CFR §230.405) or Rule 12b-2 of the Securities Exchange Act of 1934 (17 CFR §240.12b-2).

Emerging growth company

If an emerging growth company, indicate by check mark if the registrant has elected not to use the extended transition period for complying with any new or revised financial accounting standards provided pursuant to Section 13(a) of the Exchange Act.

Forward Looking Statements

This Current Report on Form 8-K, including the sections entitled “Risk Factors,” “Management’s Discussion and Analysis of Financial Condition and Results of Operations” and “Description of Business,” contains “forward-looking statements” that include information relating to future events, future financial performance, strategies, expectations, competitive environment, regulation and availability of resources. These forward-looking statements include, without limitation: statements regarding proposed products; statements regarding the regulatory environment; statements concerning litigation or other matters; statements concerning projections, predictions, expectations, estimates or forecasts for our business, financial and operating results and future economic performance; statements of management’s goals and objectives; and other similar expressions concerning matters that are not historical facts. Words such as “may,” “will,” “should,” “could,” “would,” “predicts,” “potential,” “continue,” “expects,” “anticipates,” “future,” “intends,” “plans,” “believes” and “estimates,” and similar expressions, as well as statements in future tense, identify forward-looking statements.

Forward-looking statements should not be read as a guarantee of future performance or results, and will not necessarily be accurate indications of the times at, or by which, that performance or those results will be achieved. Forward-looking statements are based on information available at the time they are made and/or management’s good faith belief as of that time with respect to future events, and are subject to risks and uncertainties that could cause actual performance or results to differ materially from those expressed in or suggested by the forward-looking statements. Important factors that could cause these differences include, but are not limited to:

- our failure to implement our business plan within the time period we originally planned to accomplish; and
- other factors discussed under the headings “Risk Factors,” “Management’s Discussion and Analysis of Financial Condition and Results of Operations” and “Description of Business.”

Forward-looking statements speak only as of the date they are made. You should not put undue reliance on any forward-looking statements. We assume no obligation to update forward-looking statements to reflect actual results, changes in assumptions or changes in other factors affecting forward-looking information, except to the extent required by applicable securities laws. If we do update one or more forward-looking statements, no inference should be drawn that we will make additional updates with respect to those or other forward-looking statements.

Item 1.01	Entry into a Material Definitive Agreement.
Item 2.01	Completion of Acquisition or Disposition of Assets.
Item 2.03	Creation of a Direct Financial Obligation or an Obligation under an Off-Balance Sheet Arrangement of a Registrant.
Item 3.02	Unregistered Sales of Equity Securities.
Item 4.01	Changes in Registrant’s Certifying Accountant.
Item 5.01	Changes in Control of Registrant.
Item 5.02	Departure of Directors or Certain Officers; Election of Directors; Appointment of Certain Officers; Compensatory Arrangements of Certain Officers.
Item 5.06	Change in Shell Company Status.

MERGER

Merger

On February 21, 2019, One World Pharma, Inc. (“Company,” “we” or “our”) entered into an Agreement and Plan of Merger (“Merger Agreement”) with OWP Merger Subsidiary, Inc. (“OWP Merger Sub), our wholly-owned subsidiary, and OWP Ventures, Inc. (“OWP Delaware”). Under the Merger Agreement, the acquisition of OWP Delaware by the Company was effected by the merger of OWP Merger Sub with and into OWP Delaware, with OWP Delaware being the surviving entity as our wholly-owned subsidiary (the “Merger”). The closing (the “Closing”) of the Merger occurred on February 21, 2019. As a result of the Merger (a) holders of the outstanding capital stock of OWP Delaware received an aggregate of 39,475,398 shares of our Common Stock; (b) options to purchase 825,000 shares of common stock of OWP Delaware at an exercise price of \$0.50 automatically converted into options to purchase 825,000 shares of our Common Stock at an exercise price of \$0.50; (c) the outstanding principal and interest under a \$300,000 convertible note issued by OWP Delaware became convertible, at the option of the holder, into shares of our Common Stock at a conversion price equal to the lesser of \$0.424 per share or 80% of the price we sell our Common Stock in a future “Qualified Offering”; (d) 875,000 shares of our Common Stock owned by OWP Delaware prior to the Merger were cancelled; and (e) OWP Delaware’s chief operating officer became our chief operating officer and two of OWP Delaware’s directors became members of our board of directors.

Except for the Merger Agreement, the transactions contemplated thereby and as otherwise described in this Current Report on Form 8-K, neither OWP Delaware, OWP Colombia nor any of their respective directors, officers and/or shareholders, as applicable, had any material relationship with us prior to the Merger.

We are presently authorized under our articles of incorporation, as amended to date, to issue 75,000,000 shares of common stock, par value \$0.001 per share. Immediately following the Closing, we had 39,922,898 shares of common stock issued and outstanding.

Effective as of the Closing, we appointed the following persons as our executive officers and directors (in addition to Craig Ellins, who continues to serve as a director and as our Chief Executive Officer):

Name	Age	Position
Bruce Raben	65	Director
Dr. Kenneth Perego	49	Director
Brian Moore	31	Chief Operating Officer and Secretary

DESCRIPTION OF THE BUSINESS

Immediately prior to the Closing, we were a public “shell” company with nominal assets. As of the Closing, we are no longer a public shell. As a result of the Merger, we are engaged in OWP Delaware’s business, including the business of its wholly-owned subsidiary, One World Pharma, S.A.S., a Colombian company (“OWP Colombia”). With respect to this discussion, the terms “we,” “us,” “our” and “our company” refers to One World Pharma, Inc. and its wholly-owned direct and indirect subsidiaries, OWP Delaware and OWP Colombia.

We plan to be the worldwide industry leader in the production and manufacturing of raw cannabis and hemp plant ingredients for both medical and industrial uses. We have received licenses to cultivate, produce and distribute the raw ingredients of the cannabis and hemp plant for medicinal, scientific and industrial purposes. Specifically, we are one of the first companies in Colombia to receive licenses for seed, cultivation, extraction and export from the Colombian government (the “Licenses”).

Our primary cultivation site is located in Popayan, Colombia. Currently, we own approximately 30 acres and have a covered greenhouse built specifically to cultivate high-grade cannabis and hemp, with 221 acres available for expansion under an exclusive contract. We use innovative, proprietary cannabis micropropagation techniques to cultivate stable, robust, genetically superior cannabis and hemp derived products. We produce under GAP/GMP/EU Pharmacopoeia standards and intend for our products to be available and accessible to all large-scale purchasers at market competitive price points. Due to our proximity to the equator, we are able to grow year-round.

The plants are first processed into crude oil using ethanol. We further process the crude oil into distillate using a film wipe distillation machine which removes unwanted contaminants. We can further process the distillate into isolate resulting in a pure isolate powder with 99% purity. We are able to sell off the product at the end of any of these processes. Our primary products are crude oil, distillate and isolate.

History and Background

One World Pharma SAS, a Colombian company (“OWP Colombia”), was formed on July 14, 2017 with the goal of procuring the Licenses.

On December 20, 2017, OWP Colombia received its first license for the manufacture of cannabis derivatives for domestic use and export, allowing it to extract high tetrahydrocannabinol (“THC”) compounds (“Cannabis Manufacturing License”).

On December 26, 2017, OWP Colombia received its license to use seeds for sowing for domestic use and export, allowing for genetic and seed bank registration (“Cannabis Seed Possession License”).

On December 26, 2017, OWP Colombia received its license to grow non-psychoactive cannabis plants (less than 1.0% THC). Under this license, OWP Colombia can produce seeds for planting, manufacturing of derivatives and industrial purposes (“Cannabis Non-Psychoactive Cultivation License”).

On January 4, 2018, OWP Colombia received its license to grow psychoactive cannabis plants (greater than 1.0% THC) (“Psychoactive Cultivation License”).

On March 27, 2018, OWP Ventures, Inc. was formed as a Delaware corporation for the purpose of acquiring OWP Colombia.

On May 30, 2018, OWP Delaware entered into a Stock Purchase Agreement with the shareholders of OWP Colombia whereby the shareholders of OWP Colombia transferred their shares in OWP Colombia to OWP Delaware in exchange for 10,200,000 shares of common stock of OWP Delaware.

OWP Colombia planted its first crop of cannabis in 2018, which it expects to begin harvesting in the first quarter of 2019. To date, we have not yet generated any revenues from our activities.

Products

We are focused on cultivating, processing and supplying cannabis oil, distillate and isolate to customers’ specification. We plan to sell as a wholesaler to industrial companies making cannabis related products. We are currently in the process of cultivating medicinal cannabis at our facility in Popayán, Colombia for a variety of medical conditions. We have registered 15 varieties or strains of cannabis with the Colombian Ministry of Health and intend to register an additional 65 varieties by the end of 2019. See “Operations - Strains of Cannabis”. The development of these strains enables us to select mother plants and identify the concentrations of cannabinoids required for the formulations which we intend to distribute. The cannabis will be produced in accordance with GMP Standards. We are committed to developing final products consistent with medicinal cannabis industry standards and pharmaceutical procedures. Our products will include a variety of cannabinoids and terpenes designed to treat specific medical conditions. The composition of the strains will include a wide range of THC and CBD ratios.

Industry

Medicinal cannabis refers to the use of cannabis and its constituent cannabinoids and terpenes to treat disease or ameliorate symptoms such as pain, muscle spasticity, nausea and other indications. Cannabinoid is a blanket term covering a family of complex chemicals, both natural and man-made, that bind with cannabinoid receptors (protein molecules on the surface of cells) and effect a wide number of responses. Cannabinoid receptors in the human body are part of a system called the endocannabinoid system. This system produces chemicals called endocannabinoids, which also bind with cannabinoid receptors. Cannabinoid receptors are found in the brain and throughout the body. Scientists have found that cannabinoid receptors in the endocannabinoid system are involved in a vast array of functions in our bodies, including helping to modulate brain and nerve activity (including memory and pain), energy metabolism, heart function, the immune system and even reproduction. While there are a large number of active cannabinoids found in cannabis, the two most common currently used for medical purposes are tetrahydrocannabinol and cannabidiol. Although no clinical trials have been completed in the United States to validate the effectiveness of tetrahydrocannabinol or cannabidiol in managing disease and improving symptoms, scientific studies have identified that they, alone and/or in combination, have potential to provide treatment benefits for a large number of medical conditions. For example, tetrahydrocannabinol, a psychotropic cannabinoid, has been shown to activate pathways in the central nervous system which work to block pain signals and has shown potential to assist patients with Post Traumatic Stress Disorder (PTSD) and stimulate appetite in patients following chemotherapy. Cannabidiol, on the other hand, is non-psychotropic and has shown potential to relieve convulsion and inflammation. Various third-party studies suggest that medicinal cannabis (with varying dosages of tetrahydrocannabinol and cannabidiol) has shown, or has the potential to show, efficacy for the treatment of Alzheimer's disease, anxiety, arthritis, brain injuries, cancer (chemotherapy), chronic nausea, chronic pain, eating disorders, epilepsy, fibromyalgia, glaucoma, Hepatitis C, HIV/AIDS, migraines, Multiple Sclerosis, muscle spasms, Parkinson's disease, Crohn's Disease and PTSD.

Regulation

Licenses

Under Colombian law, there are four types of cannabis licenses that authorize different activities concerning the various stages of the production line of the medical cannabis industry: (i) the Cannabis Seeds Possession License; (ii) the Cannabis Psychoactive Cultivation License; (iii) the Cannabis Non-Psychoactive Cultivation License; and (iv) the Cannabis Manufacturing and Distribution License. We possess all four licenses.

The legal framework currently in force in Colombia regarding medical cannabis is established in Law 1787 of 2016 (the "Law") and the Decree 613 of 2017 (the "Decree"). Cannabis licenses must be issued by the Ministry of Health or the Ministry of Justice in an estimated time of sixty (60) days. In accordance with Colombia's international obligations, there is a limit in the amount of Cannabis allowed for fabrication or cultivation assigned by the Colombian Government (specific crop or manufacturing quotas) that must be requested by licensee when applying for a Cannabis Psychoactive Cultivation License or a Cannabis Manufacturing License. The activities of cultivation and manufacturing can only be started once the specific quotas have been granted to the licensee.

Quotas

As described above, regulations of cannabis in Colombia provides an additional requirement applicable to obtaining a Cannabis Psychoactive Cultivation License and a Cannabis Manufacturing License, both of which are only granted with crop and manufacturing quotas (the "Quotas"). According to Article 2.8.11.2.6.2 of the Decree, the assignment of Quotas is collectively made by the Ministry of Health, the Ministry of Justice, the ICA, the National Food and Drug Surveillance Institute (INVIMA), and the National Narcotics Fund.

According to Article 2.8.11.2.6.5 of the Decree, there are two types of Quotas: (i) crop quotas of psychoactive cannabis (for holders of the Cannabis Psychoactive Cultivation License) that are granted by the Ministry of Justice; and (ii) the manufacturing quotas of psychoactive cannabis (for holders of the Cannabis Manufacturing License) that are granted by the Ministry of Health.

These Quotas are requested by the licensees no later than the last calendar day of April of each year, and, if they are granted by the appropriate authority, they can only be used by the licensees during the next calendar year (for instance, if a licensee requests a specific crop Quota in March, 2018, and this Quota is granted by the Ministry of Justice, the licensee will be allowed to use the Quota from January 1, 2019 to December 31, 2019). In extraordinary events, the licensees can request a supplementary Quota that will apply to the calendar year requested (the issuance of these Quotas depends on the special circumstances defined by the Colombian governmental authorities).

Duration of Licenses

The Cannabis Psychoactive Cultivation License, the Cannabis Non-Psychoactive License, and the Cannabis Manufacturing and Distribution License are granted by the Colombian government when the applicant fulfills the general criteria described in the Article 2.8.11.2.1.5 of the Decree, and the specific requirements for each type of license. Each of these licenses is valid for up to five (5) years. The Colombian government maintains the right to monitor the activities performed by the corresponding licensee.

Strains of Cannabis

Strains of cannabis are registered in Colombia in two manners:

- **Registration of the Genetic Pool or "Fuente Semillera"**: Under Article 2.8.11.11.1 of the Decree, licensed producers of cannabis have until December 31, 2018 to register the genetics of strands of cannabis with the ICA. Under this transitory Article, the government allowed a limited period for licensed producers of cannabis to source genetics currently available in Colombia and register these as their "fuente semillera". We have registered 15 varieties under this Article, and intend to register an additional 65 varieties by the end of 2019. This registration enables us to grow our own strands of cannabis as opposed to having to purchase registered strands from other licensed producers.
- **Registration Under the "Registro Nacional de Cultivares Comerciales"**: Licensed producers of cannabis have to be granted a breeding/research license to be able to develop, select and trial stabilized cannabis cultivars. This registration allows licensed producers to register unique and stable varieties of cannabis for commercial production within Colombia. We were granted such license in the first quarter of 2018. Licensed producers can then request from ICA a registration trial, which is a field flowering trial with the supervision of ICA officials. The data collected in these trials can lead to registration of the cultivar in the National Registrar. Only registered varieties will be allowed to be produced commercially. We are in the final phase of field flowering trials and anticipate having up to 65 registrations by the end of 2019.

Environmental

Under Colombian law, general principles of environmental law are set out in Law 99 of 1993 and Article 9 of the National Code of Natural Resources and Protection of the Environment. These laws establish principles governing the use of natural resources, including that use must occur without causing harm to the interests of the community or of third parties. Parties that cause environmental damage while acting under the authority of a permit are responsible for incurring the costs to rectify the damage. The imposition of environmental sanctions is in addition to civil and criminal penalties that may be imposed. Environmental damage caused while a party is acting without a license constitutes a breach of Law 99 of 1993 and may lead to the imposition of sanctions, in addition to civil or criminal proceedings that may result. Parties that cause environmental damage, in addition to sanctions or penalties that apply, will also be required to carry out studies to assess the characteristics of the damage. Under Colombian law, liability for environmental damage creates a presumption of liability in case of a: (i) breach of environmental laws; (ii) environmental damage; and (iii) breach of environmental license or any other administrative act from the environmental authorities. The Environmental Authorities may investigate potential claims, authorize preventative measures, or impose sanctions on parties breaching environmental law.

Competition

The market for medicinal cannabis is characterized by unsatisfied patient demand, with few authorized producers. Although competition in the market is growing and Colombia offers an open process to apply for the licenses, we believe we are competitively positioned to satisfy the demand for medicinal cannabis given our early entry into the market, the management team's expertise in medical product branding, marketing, quality control and domestic market relationships. Our competitors are primarily focused on generating low cost products for international export as base extractors, as opposed to our approach of creating branded product formulations for the domestic and international markets. Cultivation in Colombia has natural cost advantages. However, management believes the more sustainable competitive advantage is to create patient loyalty and brand preference, as opposed to the distribution of more homogeneous products. Domestically our competition consists of PharmaCielo, CannaVida, Empresa Colombiana de Cannabis, Khiron Life Sciences Corp., MedCan, Canopy Growth Corporation, and Clever Leaves.

Intellectual Property

Our success depends, at least in part, on our ability to protect our core technology and intellectual property. To accomplish this, we rely on trade secrets, including know-how, employee and third-party nondisclosure agreements, copyright laws, trademarks, intellectual property licenses and other contractual rights to establish and protect our proprietary rights in our technology.

Seasonality

Colombia and its vertical offering of microclimates is the ideal country for year-round growing and processing of all possible varieties of cannabis in a natural, environmentally friendly manner.

Principal Executive Offices

Our principal executive offices are located at 3471 West Oquendo Road, Suite 301, Las Vegas Nevada 89118. Our telephone number is (800) 605-3210. We believe our facilities are adequate to meet our current and near-term needs.

Employees

As of February 2019, we had 25 full-time employees and six part-time employees. Since inception, we have never had a work stoppage, and our employees are not represented by labor unions. We consider our relationship with our employees to be positive.

LEGAL PROCEEDINGS

We are not party to any legal proceedings.

MANAGEMENT'S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION AND RESULTS OF OPERATIONS

The following discussion summarizes the significant factors affecting the operating results, financial condition and liquidity and cash flows of One World Pharma S.A.S. for the period of its inception to December 31, 2017, and OWP Ventures, Inc and OWP Delaware on a consolidated basis for the nine months ended September 30, 2018. The discussion and analysis that follows should be read together with the financial statements and the notes to the financial statements included elsewhere in this Current Report on Form 8-K. Except for historical information, the matters discussed in this Management's Discussion and Analysis of Financial Condition and Results of Operations are forward looking statements that involve risks and uncertainties and are based upon judgments concerning various factors that are beyond our control.

General Overview

We plan to be the worldwide industry leader in the production and manufacturing of raw cannabis and hemp plant ingredients for both medical and industrial uses. We have received licenses to cultivate, produce and distribute the raw ingredients of the cannabis and hemp plant for medicinal, scientific and industrial purposes. Specifically, we are one of the only companies in Colombia to receive seed, cultivation, extraction and export licenses from the Colombian government (the "Licenses"). Currently, we own approximately 30 acres and have a covered greenhouse built specifically to cultivate high-grade cannabis and hemp, with 221 acres available for expansion under an exclusive contract. We planted our first crop of cannabis in 2018, which we expect to begin harvesting in the first quarter of 2019. To date, we have not yet generated any revenues from our activities.

From Inception (July 14, 2017) to December 31, 2017

General and Administrative Expense: General and administrative expenses were \$76,606 from inception to December 31, 2017.

Professional Fees: Professional fees were \$16,422 from inception to December 31, 2017.

Gain on Foreign Currency Translation: Gain on foreign currency translation was \$1,900 from inception to December 31, 2017.

Net Loss: Net loss was \$93,028 from inception to December 31, 2017. This net loss should be viewed in light of the cash flow from operations discussed below.

Nine Months Ended September 30, 2018 compared to period of Inception (July 14, 2017) to September 30, 2017

General and Administrative Expense: General and administrative expenses was \$388,044 for the nine months ended September 30, 2018. General and administrative expenses was \$1,011 from inception to September 30, 2017. The increase of \$387,033 was due to the commencement of operations in 2018.

Professional Fees: Professional fees were \$287,840 for the nine months ended September 30, 2018. Professional fees were zero from inception to September 30, 2017. The increase of \$287,840 was due to the commencement of operations in 2018.

Other Income: Other income was \$4,865 for the nine months ended September 30, 2018. Other income consisted of \$10,000 of interest income, as offset by \$5,135 of interest expense. Other income was zero from inception to September 30, 2017.

Gain on Foreign Currency Translation: Gain on foreign currency translation was \$18,553 for the nine months ended September 30, 2018. Loss on foreign currency translation was \$527 from inception to September 30, 2017.

Net Loss: Net loss was \$671,019 for the nine months ended September 30, 2018. Net loss was \$1,011 from inception to September 30, 2017. The increase in loss of \$670,008 was due to the commencement of operations in 2018.

Liquidity and Capital Resources

Net cash used in operating activities was \$93,680 from inception to December 31, 2017. Net cash used in operating activities was \$748,556 and \$12,985 for the nine months ended September 30, 2018 and from inception to September 30, 2017, respectively. The increase in cash used for operations was mainly due to a commencement of operations in 2018.

Net cash used in investing activities was \$299,509 for the nine months ended September 30, 2018.

Net cash provided by financing activities was \$96,519 from inception to December 31, 2017. Net cash provided by financing activities was \$1,144,606 and \$58,976 for the nine months ended September 30, 2018 and from inception to September 30, 2017, respectively, and consisted primarily of the proceeds from the sale of common stock, and to a lesser extent, unsecured advances payable on demand by shareholders. The increase in cash provided by financing activities was mainly due to funds raised for the purpose of commencing of operations in 2018.

We have suffered recurring losses from operations and have an accumulated deficit of \$671,019 at September 30, 2018 and have not generated any revenues. Unless our operations generate significant revenues and cash flows from operating activities, our continued operations will depend on whether we are able to raise additional funds through various sources, such as equity and debt financing, collaborative agreements and strategic alliances. Such additional funds may not become available on acceptable terms and there can be no assurance that any additional funding that we do obtain will be sufficient to meet our needs in the short and long term.

Subsequent to September 30, 2018, OWP Delaware raised an additional \$2,150,000 from the sale of its common stock prior to the Merger.

RISK FACTORS

YOU SHOULD CAREFULLY CONSIDER THE FOLLOWING RISK FACTORS AND ALL OTHER INFORMATION CONTAINED IN THIS REPORT BEFORE PURCHASING SHARES OF OUR COMMON STOCK. INVESTING IN OUR COMMON STOCK INVOLVES A HIGH DEGREE OF RISK. IF ANY OF THE FOLLOWING EVENTS OR OUTCOMES ACTUALLY OCCURS, OUR BUSINESS OPERATING RESULTS AND FINANCIAL CONDITION WOULD LIKELY SUFFER. AS A RESULT, THE TRADING PRICE OF OUR COMMON STOCK COULD DECLINE, AND YOU MAY LOSE ALL OR PART OF THE MONEY YOU PAID TO PURCHASE OUR COMMON STOCK.

Risks Relating to our Business

Limited Operating History

We are an early stage company that has not generated any revenues and, we have a limited operating history upon which our business and future prospects may be evaluated. To date, we have suffered recurring losses from operations and have an accumulated deficit of approximately \$671,000. We will be subject to all of the business risks and uncertainties associated with any new business enterprise, including the risk that we will not achieve our operating goals. In order for us to meet future operating requirements, we will need to successfully grow, harvest and sell our cannabis products. Until such time as we are able to fund our business from operations, we will be required to raise funds through various sources, including the sale of equity and debt securities, Failure to generate cash from operations and to reach profitability may adversely affect our success.

Change of Cannabis Laws, Regulations and Guidelines

Cannabis laws and regulations are dynamic and subject to evolving interpretations which could require us to incur substantial costs associated with compliance or alter certain aspects of our business plan. Regulations may be enacted in the future that will be directly applicable to certain aspects of our businesses. We cannot predict the nature of any future laws, regulations, interpretations or applications, nor can we determine what effect additional governmental regulations or administrative policies and procedures, when and if promulgated, could have on our business. Management expects that the legislative and regulatory environment in the cannabis industry in Colombia and internationally will continue to be dynamic and will require innovative solutions to try to comply with this changing legal landscape in this nascent industry for the foreseeable future. Compliance with any such legislation may have a material adverse effect on our business, financial condition and results of operations.

Public opinion can also exert a significant influence over the regulation of the cannabis industry. A negative shift in the public's perception of the cannabis industry could affect future legislation or regulation in different jurisdictions.

Reliance on Licenses and Authorizations

Our ability to import, grow, store and sell cannabis and hemp in Colombia or internationally is dependent on our ability to sustain and/or obtain the necessary licenses and authorizations by certain authorities in Colombia and/or the importing jurisdiction. The licenses and authorizations are subject to ongoing compliance and reporting requirements and our ability to obtain, sustain or renew any such licenses and authorizations on acceptable terms is subject to changes in regulations and policies and to the discretion of the applicable authorities or other governmental agencies in foreign jurisdictions. Failure to comply with the requirements of the licenses or authorizations or any failure to maintain the licenses or authorizations would have a material adverse impact on our business, financial condition and operating results.

Although we believe that we will meet the requirements to obtain, sustain or renew the necessary licenses and authorizations, there can be no guarantee that the applicable authorities will issue these licenses or authorizations. Should the authorities fail to issue the necessary licenses or authorizations, we may be curtailed or prohibited from the production and/or distribution of cannabis and hemp or from proceeding with the development of our operations as currently proposed and our business, financial condition and results of the operation may be materially adversely affected.

Regulatory Compliance Risks

Achievement of our business objectives is contingent, in part, upon compliance with regulatory requirements enacted by applicable governmental authorities and obtaining all regulatory approvals, where necessary, for the sale of our products in Colombia and other jurisdictions where we intend to distribute and sell our products. We will incur ongoing costs and obligations related to regulatory compliance. Failure to comply with applicable laws, regulations and permitting requirements may result in enforcement actions thereunder, including orders issued by regulatory or judicial authorities causing operations to cease or be curtailed, and may include corrective measures requiring capital expenditures, installation of additional equipment, or remedial actions. Civil or criminal fines or penalties may be imposed on us for violations of applicable laws or regulations. Vigorous enforcement of these laws could require extensive changes to our operations, increase our compliance costs or give rise to material liabilities, which could have a material adverse effect on our business, results of operations and financial condition.

Competition

There are many companies engaged in the cannabis business who we will compete with, including larger and more established companies with substantially greater marketing, financial, human and other resources than we have. These companies include PharmaCielo, CannaVida, Empresa Colombiana de Cannabis, KhiroN Life Sciences Corp., MedCan, Canopy Growth Corporation, and Clever Leaves. Although we believe we are competitively positioned to be a leader in the medicinal cannabis industry given our early entry into the market, the management team's expertise in medical product branding, marketing, quality control, and domestic market relationships, competition in the medical cannabis industry is growing quickly. As more competitors enter the market, prices may be reduced. We believe our approach in creating patient brand loyalty will allow us to effectively compete in the market but there is no assurance that will be the case, and our competitors may adopt a similar or identical approach. To date, we have obtained four licenses in Colombia that authorize us to engage in cannabis activities, and there are currently few authorized producers there. However, Colombia offers an open process to apply for licenses and there are no significant barriers to entry. As a result, our ability to generate revenues and earnings may be reduced as competition intensifies, thereby causing a material adverse effect on our business and financial condition.

Ability to Establish and Maintain Bank Accounts

Many banking institutions in countries where we or our prospective customers operate will not accept payments related to the cannabis industry, whether owing to domestic laws and regulations or pressure exerted by the United States on banks with laws subject to the laws of the United States (including, the Strengthening America by Providing Appropriate Tools Required to Intercept and Obstruct Terrorism Act of 2001 (USA PATRIOT Act)). Failure to conduct our business through normal banking channels may impede our ability to make payments for goods and services and transact business in the ordinary course. Failure to operate in normal banking channels may also increase our cost of doing business and negatively affect our business. In the event financial service providers do not accept accounts or transactions related to the cannabis industry, it is possible that we may be required to seek alternative payment solutions. If the industry was to move towards alternative payment solutions we would have to adopt policies and protocols to manage our volatility and exchange rate risk exposures. Our inability to manage such risks may adversely affect our operations and financial performance.

Anti-money Laundering Laws and Regulations

We are subject to a variety of laws and regulations within Colombia and internationally that involve money laundering, financial recordkeeping and proceeds of crime. In the event that any of our investments, or any proceeds thereof, any dividends or distributions therefrom, or any profits or revenues accruing from such investments are found to be in violation of money laundering legislation or otherwise, such transactions may be viewed as proceeds of crime under applicable legislation. Money laundering laws could restrict or otherwise jeopardize our ability to declare or pay dividends, effect other distributions or subsequently cause the repatriation of such funds back to the United States or to any shareholders' jurisdiction of residence. Furthermore, while we have no current intention to declare or pay dividends on our Common Stock in the foreseeable future, in the event that a determination was made that the revenues from our cannabis operations could reasonably be shown to constitute proceeds of crime, we may decide or be required to suspend declaring or paying dividends without advance notice and for an indefinite period of time.

Expansion of Facilities and Operations

We are seeking regulatory approval in Colombia to expand our current covered greenhouse facility to one million square feet. There is no guarantee that we will receive requisite regulatory approvals from the relevant authorities, in a timely fashion or at all. Our failure to successfully execute our expansion strategy (including receiving the expected regulatory approvals in a timely fashion) could adversely affect our business, financial condition and results of operations and may hinder our ability to scale our business resulting in us not meeting our anticipated or future demand when it arises.

Foreign Trade Policies

Our prospective international operations are subject to inherent risks, including changes in the regulations governing the flow of cannabis products between countries, fluctuations in currency values, discriminatory fiscal policies, unexpected changes in local regulations and laws and the uncertainty of enforcement of remedies in foreign jurisdictions. In addition, foreign jurisdictions could impose tariffs, quotas, trade barriers and other similar restrictions on our international sales and subsidize competing cannabis products. All of these risks could result in increased costs or decreased revenues.

United States Regulation

Laws and regulations affecting the cannabis and marijuana industries are constantly changing, which could detrimentally affect our business, and we cannot predict the impact that future regulations may have on us. Local, state and federal cannabis laws and regulations in the United States are constantly changing and they are subject to evolving interpretations, which could require us to incur substantial costs associated with compliance or to alter one or more of our service offerings. In addition, violations of these laws, or allegations of such violations, could disrupt our business and result in a material adverse effect on our revenues, profitability, and financial condition. We cannot predict the nature of any future laws, regulations, interpretations or applications, nor can we determine what effect additional governmental regulations or administrative policies and procedures, when and if promulgated, could have on our business.

Liability, Enforcement, Complaints, etc.

Our participation in the cannabis and hemp industries may lead to litigation, formal or informal complaints, enforcement actions, and inquiries by third parties, other companies and/or various governmental authorities against us. Litigation, complaints, and enforcement actions involving us could consume considerable amounts of financial and other corporate resources, which could have an adverse effect on our future cash flows, earnings, results of operations and financial condition.

Legal Proceedings

From time to time, we may be a party to legal and regulatory proceedings, including matters involving governmental agencies, entities with whom we do business and other proceedings arising in the ordinary course of business. We will evaluate our exposure to these legal and regulatory proceedings and establish reserves for the estimated liabilities in accordance with generally accepted accounting principles. Assessing and predicting the outcome of these matters involves substantial uncertainties. Unexpected outcomes in these legal proceedings, or changes in management's evaluations or predictions and accompanying changes in established reserves, could have an adverse impact on our financial results.

Environmental Regulations

We are subject to Colombian environmental laws governing the use of natural resources, which prohibit such use that causes harm to the interests of the community or of third parties. Parties that cause environmental damage while acting under the authority of a permit are responsible for incurring the costs to rectify the damage. The imposition of environmental sanctions is in addition to civil and criminal penalties that may be imposed. Environmental damage caused while a party is acting without a license may lead to the imposition of sanctions, in addition to civil or criminal proceedings. Parties that cause environmental damage, in addition to sanctions or penalties that apply, are also required to carry out studies to assess the characteristics of the damage. Colombian environmental authorities may investigate potential claims, authorize preventative measures, or impose sanctions on parties breaching environmental law. Any such measures imposed on us could have a material adverse effect on our business.

Demand for Cannabis and Derivate Products

The global sale of cannabis and hemp products is a new industry as a result of recent legal and regulatory changes. Although we expect the demand for licensed cannabis to be in excess of the supply being produced by the licensed producers, there is a risk that such demand does not develop as anticipated. Further, there is a risk that the adoption rate by pharmacies to sell medical cannabis is lower than expected or that such adoption rate may take longer than anticipated. There is also a risk that the international export market for medicinal cannabis and extracts, such as CBD, CBG and CBC, will not materialize as projected or not be commercially viable. Should any of such events materialize, they may have a material adverse effect on our business, results of operations and financial condition.

Weather, Climate Change and Risks Inherent in an Agricultural Business

Our business involves growing cannabis, which is an agricultural product. Although our medical cannabis is intended to be grown in greenhouses, hemp used as feedstock for medicinal extracts and derivatives will be grown both outdoors and in greenhouses. Further, our prospective Colombian medicinal cannabis operations will initially focus on outdoor production. The occurrence of severe adverse weather conditions, especially droughts, hail, floods or frost, is unpredictable and may have a potentially devastating impact on agricultural production and may otherwise adversely affect the supply of cannabis and hemp. Adverse weather conditions may be exacerbated by the effects of climate change and may result in the introduction and increased frequency of pests and diseases. The effects of severe adverse weather conditions may reduce our yields or require us to increase our level of investment to maintain yields. Additionally, higher than average temperatures and rainfall can contribute to an increased presence of insects and pests, which could negatively affect cannabis crops. Future droughts could reduce the yield and quality of our cannabis production, which could materially and adversely affect our business, financial condition and results of operations.

The occurrence and effects of plant disease, insects and pests can be unpredictable and devastating to agriculture, potentially rendering all or a substantial portion of the affected harvests unsuitable for sale. Even when only a portion of the production is damaged, our results of operations could be adversely affected because all or a substantial portion of the production costs may have been incurred. Although some plant diseases are treatable, the cost of treatment can be high and such events could adversely affect our operating results and financial condition. Furthermore, if we fail to control a given plant disease and the production is threatened, we may be unable to supply our customers, which could adversely affect our business, financial condition and results of operations. There can be no assurance that natural elements will not have a material adverse effect on any such production.

Product Liability

As a manufacturer and distributor of products designed to be ingested or inhaled by humans, we face an inherent risk of exposure to product liability claims, regulatory action and litigation if our products are alleged to have caused damages, loss or injury. In addition, the sale of our products involve the risk of injury to consumers due to tampering by unauthorized third parties or product contamination. Adverse reactions resulting from human consumption of our products alone or in combination with other medications or substances could occur. We may be subject to various product liability claims, including, among others, that our products caused injury or illness, include inadequate instructions for use or include inadequate warnings concerning health risks, possible side effects or interactions with other substances. A product liability claim or regulatory action against us could result in increased costs, could adversely affect our reputation with our clients and consumers generally, and could have a material adverse effect on our results of operations and financial condition. There can be no assurances that we will be able to obtain or maintain product liability insurance on acceptable terms or with adequate coverage against potential liabilities. Such insurance is expensive and may not be available in the future on acceptable terms, or at all.

Energy Prices and Supply

We require substantial amounts of diesel and electric energy and other resources for our harvest activities and to transport cannabis and hemp. We rely upon third parties for our supply of energy resources used in our operations. The prices for and availability of energy resources may be subject to change or curtailment, respectively, due to, among other things, new laws or regulations, imposition of new taxes or tariffs, interruptions in production by suppliers, imposition of restrictions on energy supply by government, worldwide price levels and market conditions. If our energy supply is cut for an extended period of time and we are unable to find replacement sources at comparable prices, or at all, our business, financial condition and results of operations would be materially and adversely affected.

Retention and Acquisition of Skilled Personnel

We will be required to attract and retain top quality talent to compete in the marketplace. We believe our future growth and success will depend in part on our abilities to attract and retain highly skilled managerial, product development, sales and marketing, and finance personnel. There can be no assurance of success in attracting and retaining such personnel. Shortages in qualified personnel could limit our ability to be successful. At present and for the near future, we will depend upon a relatively small number of employees primarily in Colombia to develop, manufacture, market, sell and distribute our products. As the size of our business increases, we will seek to hire additional employees in other jurisdictions. Expansion of marketing and distribution of our products will require us to find, hire and retain additional capable employees who can understand, explain, market and sell our products and/or our ability to enter into satisfactory logistic arrangements to sell our products. There is intense competition for capable personnel in all of these areas and we may not be successful in attracting, training, integrating, motivating, or retaining new personnel or subcontractors for these required functions.

Emerging Market Risks

Emerging market investment generally poses a greater degree of risk than investment in more mature market economies because the economies in the developing world are more susceptible to destabilization resulting from domestic and international developments.

Colombia's legal and regulatory requirements in connection with companies conducting agricultural activities, banking system and controls as well as local business culture and practices are different from those in the United States. Our officers and directors must rely, to a great extent, on our local legal counsel and local consultants retained by us in order to keep abreast of material legal, regulatory and governmental developments as they pertain to and affect our business operations, and to assist us with our governmental relations. We must rely, to some extent, on the members of management who have previous experience working and conducting business in Colombia to enhance our understanding of and appreciation for the local business culture and practices in such countries. We also rely on the advice of local experts and professionals in connection with current and new regulations that develop in respect of banking, financing and tax matters. Any developments or changes in such legal, regulatory or governmental requirements or in local business practices are beyond our control and may adversely affect our business.

We also bear the risk that changes can occur to the Government in Colombia and a new government may void or change the laws and regulations that we are relying upon. Currently, there are no restrictions on the repatriation from Colombia of earnings to foreign entities and Colombia has never imposed such restrictions. However, there can be no assurance that restrictions on repatriation of earnings will not be imposed in the future. Exchange control regulations for Colombia require that any proceeds in foreign currency originated on exports of goods from Colombia be repatriated to Colombia. However, purchase of foreign currency is allowed through Colombian authorized financial entities for purposes of payments to foreign suppliers, repayment of foreign debt, payment of dividends to foreign stockholders and other foreign expenses.

Due to our location in Colombia, our business, financial position and results of operations may be affected by the general conditions of the Colombian economy, price instabilities, currency fluctuations, inflation, interest rates, regulatory changes, taxation changes, social instabilities, political unrest and other developments in or affecting Colombia, over which we do not have control.

Risks Related to Conducting Operations in Colombia

We recently acquired medicinal cannabis licenses in Colombia. Over the past 10 to 15 years, the Government of Colombia has made strides in improving the social, political, economic, legal and fiscal regimes. However, operations in Colombia will still be subject to risk due to the potential for social, political, economic, legal and fiscal instability. The Government of Colombia faces ongoing problems including, but not limited to, unemployment and inequitable income distribution and unstable neighboring countries. The instability in neighboring countries could result in an influx of immigrants resulting in a humanitarian crisis and/or increased illegal activities. Colombia is also home to a number of insurgency groups and large swaths of the countryside are under guerrilla influence. In addition, Colombia experiences narcotics-related violence, a prevalence of kidnapping, extortion and thefts and civil unrest in certain areas of the country. Such instability may require us to suspend operations on our properties.

Other risks exist relating to the conduct of business in Colombia. These risks include the future imposition of special taxes or similar charges, as well as foreign exchange fluctuations and currency convertibility and controls. Other risks of doing business in Colombia include our ability to enforce our contractual rights or the taking or nationalization of property without fair compensation, restrictions on the use of expatriates in our operations, renegotiation or nullification of existing concessions, licenses, permits and contracts, changes in taxation policies, or other matters.

The Government of Colombia recently reached a peace accord with the country's largest guerrilla group. The Government of Colombia also entered into and dissolved formal discussions with the country's second largest guerrilla group due to their unwillingness to cease criminal and violent crimes. There is no certainty that the agreements will be adhered to by all of the members of the guerrilla groups or that a peace agreement will be ultimately reached with the country's second largest guerrilla group. There is a risk that any peace agreement might contain new laws or change existing laws that could have a material adverse effect on us. Furthermore, the achievement of peace with the country's guerrilla groups could create additional social or political instability in the immediate aftermath, which could have a material adverse effect on our operations.

Global Economy

Financial and commodity markets in Colombia are influenced by the economic and market conditions in other countries, including other South American and emerging market countries and other global markets. Although economic conditions in these countries may differ significantly from economic conditions in Colombia, investors' reactions to developments in these other countries, such as the recent developments in the global financial markets, may substantially affect the capital flows into, and the market value of securities of issuers with operations in Colombia.

Insurance Coverage

Our production is, in general, subject to different risks and hazards, including adverse weather conditions, fires, plant diseases and pest infestations, other natural phenomena, industrial accidents, labor disputes, changes in the legal and regulatory framework applicable to us, and environmental contingencies. We will endeavor to obtain appropriate insurance covering these risks in amounts sufficient to support a downturn in the sale of our products due to these potential production risks. The cost of such insurance may be high and we may not be able to obtain sufficient amount of insurance to cover these risks.

Operations in Spanish

As a result of our conducting most of our operations in Colombia, our books and records, including key documents such as material contracts and financial documentation are principally negotiated and entered into in the Spanish language and English translations may not exist or be readily available.

General Business Risks

Inability to Manage Growth

We may not be able to effectively manage our growth. Our strategy envisions growing our business. We plan to expand our production and manufacturing capability and create a distribution network on a global basis. Any growth in or expansion of our business is likely to continue to place a strain on our management and administrative resources, infrastructure and systems. As with other growing businesses, we expect that we will need to further refine and expand our business development capabilities, our systems and processes and our access to financing sources. We also will need to hire, train, supervise and manage new employees. These processes are time consuming and expensive, will increase management responsibilities and will divert management attention. We cannot assure you that we will be able to:

- expand our systems effectively or efficiently or in a timely manner;
- create a distribution network
- allocate our human resources optimally;
- meet our capital needs;
- identify and hire qualified employees or retain valued employees; or
- obtain and maintain necessary licenses in relevant jurisdictions

Our inability or failure to manage our growth and expansion effectively could harm our business and materially and adversely affect our operating results and financial condition.

Speculative Forecasts

Our forecasts are highly speculative in nature and we cannot predict results in a development stage company with a high degree of accuracy. Any financial projections, especially those based on ventures with minimal operating history, are inherently subject to a high degree of uncertainty, and their ultimate achievement depends on the timing and occurrence of a complex series of future events, both internal and external to the enterprise. There can be no assurance that potential revenues or expenses we project will be accurate.

Limited Management Team

Our limited senior management team size may hamper our ability to effectively manage a publicly traded company while operating our business. Our management team has experience in the management of publicly traded companies and complying with federal securities laws, including compliance with recently adopted disclosure requirements on a timely basis. They realize it will take significant resources to meet these requirements while simultaneously working on cultivating, developing and distributing our products. Our management will be required to design and implement appropriate programs and policies in responding to increased legal, regulatory compliance and reporting requirements, and any failure to do so could lead to the imposition of fines and penalties and harm our business.

Risks Related to our Common Stock

Limited Trading

Although prices for shares of our Common Stock are quoted on the OTC Markets, there is little current trading and no assurance can be given that an active public trading market will develop or, if developed, that it will be sustained. The OTC Markets is generally regarded as a less efficient and less prestigious trading market than other national markets. There is no assurance if or when our Common Stock will be quoted on another more prestigious exchange or market. The market price of our Common Stock is likely to be highly volatile because for some time there will likely be a thin trading market for the stock, which causes trades of small blocks of stock to have a significant impact on the stock price.

Penny Stock Risk

Because our common stock is a “penny stock,” trading therein will be subject to regulatory restrictions. Our common stock is currently, and in the near future will likely continue to be, considered a “penny stock.” The SEC has adopted rules that regulate broker-dealer practices in connection with transactions in penny stocks. Penny stocks generally are equity securities with a price of less than \$5.00 (other than securities registered on certain national securities exchanges or quoted on the NASDAQ system, provided that current price and volume information with respect to transactions in such securities is provided by the exchange or system). The penny stock rules require a broker-dealer, prior to a transaction in a penny stock not otherwise exempt from those rules, to deliver a standardized risk disclosure document prepared by the SEC, which specifies information about penny stocks and the nature and significance of risks of the penny stock market. The broker-dealer also must provide the customer with bid and offer quotations for the penny stock, the compensation of the broker-dealer and any salesperson in the transaction, and monthly account statements indicating the market value of each penny stock held in the customer’s account. In addition, the penny stock rules require that, prior to a transaction in a penny stock not otherwise exempt from those rules, the broker-dealer must make a special written determination that the penny stock is a suitable investment for the purchaser and receive the purchaser’s written agreement to the transaction. These disclosure and other requirements may adversely affect the trading activity in the secondary market for our common stock.

No Dividend Payments

We have not paid dividends in the past and we do not expect to pay dividends for the foreseeable future, and any return on investment may be limited to potential future appreciation on the value of our Common Stock. Our payment of any future dividends will be at the discretion of our board of directors after taking into account various factors, including without limitation, our financial condition, operating results, cash needs, growth plans and the terms of any credit agreements that we may be a party to at the time. To the extent we do not pay dividends, our stock may be less valuable because a return on investment will only occur if and to the extent the stock price appreciates, which may never occur. In addition, shareholders must generally rely on sales of the shares they own after price appreciation as the only way to realize their investment, and if the price of our Common Stock does not appreciate, then there will be no return on investment.

Control of Common Stock will Influence Decision Making

Our officers, directors and principal stockholders, after the Merger, will be able to exert significant influence over the combined business and may make decisions that are not in the best interests of all stockholders. After the Merger our officers, directors and principal stockholders (greater than 5% stockholders) will collectively own approximately 50.1% of our fully-diluted Common Stock. As a result of such ownership, these stockholders will be able to affect the outcome of, or exert significant influence over, all matters requiring stockholder approval, including the election and removal of directors and any change in control. In particular, this concentration of ownership of our Common Stock could have the effect of delaying or preventing a change of control of our company or otherwise discouraging or preventing a potential acquirer from attempting to obtain control of our company. This, in turn, could have a negative effect on the market price of our Common Stock. It could also prevent our stockholders from realizing a premium over the market prices for their shares of our Common Stock.

Antitakeover protections

Anti-takeover provisions may limit the ability of another party to acquire us, which could cause our stock price to decline. Our articles of incorporation, as amended, bylaws and Nevada law contain provisions that could discourage, delay or prevent a third party from acquiring us, even if doing so may be beneficial to our stockholders. In addition, these provisions could limit the price investors would be willing to pay in the future for shares of our common stock.

Increased Compliance Costs

The requirements of being a public company, including compliance with the reporting requirements of the Securities Exchange Act of 1934, as amended, and the requirements of the Sarbanes-Oxley Act of 2002, may strain our resources, increase our costs and distract management, and we may be unable to comply with these requirements in a timely or cost-effective manner. As a public company, we need to comply with laws, regulations and requirements, certain corporate governance provisions of the Sarbanes-Oxley Act of 2002, related regulations of the SEC, and requirements of the principal trading market upon which our common stock may trade, with which we are not required to comply as a private company. As a result, the combined business will incur significant legal, accounting and other expenses that a private company would not incur. Complying with these statutes, regulations and requirements will occupy a significant amount of the time of our board of directors and management, will require us to have additional finance and accounting staff, may make it more difficult to attract and retain qualified officers and members of our board of directors, particularly to serve on the audit committee, and may make some activities more difficult, time consuming and costly. We will need to:

- institute a more comprehensive compliance function;
- establish new internal policies, such as those relating to disclosure controls and procedures and insider trading;
- design, establish, evaluate and maintain a system of internal control over financial reporting in compliance with the requirements of the Sarbanes-Oxley Act of 2002 and the related rules and regulations of the SEC and the Public Company Accounting Oversight Board;
- prepare and distribute periodic reports in compliance with its obligations under the federal securities laws including the Securities Exchange Act of 1934, as amended, or Exchange Act;
- involve and retain to a greater degree outside counsel and accountants in the above activities; and
- establish an investor relations function.

If we are unable to accomplish these objectives in a timely and effective fashion for our business, our ability to comply with financial reporting requirements and other rules that apply to reporting companies could be impaired. If our finance and accounting personnel insufficiently support our business in fulfilling these public-company compliance obligations, or if we are unable to hire adequate finance and accounting personnel, we could face significant legal liability, which could have a material adverse effect on our financial condition and results of operations. Furthermore, if we identify any issues in complying with those requirements (for example, if our company or the independent registered public accountants identified a material weakness or significant deficiency in our company's internal control over financial reporting), we could incur additional costs rectifying those issues, and the existence of those issues could adversely affect, our reputation or investor perceptions of our company.

**SECURITY OWNERSHIP OF
CERTAIN BENEFICIAL OWNERS AND MANAGEMENT**

The following table sets forth certain information regarding our common stock beneficially owned on February 21, 2019, prior to giving effect to the Closing, for (i) each stockholder known to be the beneficial owner of more than 5% of our outstanding common stock, (ii) each of our executive officers and directors, and (iii) all executive officers and directors as a group. In general, a person is deemed to be a “beneficial owner” of a security if that person has or shares the power to vote or direct the voting of such security, or the power to dispose or to direct the disposition of such security. A person is also deemed to be a beneficial owner of any securities of which the person has the right to acquire beneficial ownership within 60 days, through the exercise of a warrant or stock option, conversion of a convertible security or otherwise. At February 21, 2019, immediately prior the Closing, 1,322,500 shares of our common stock were outstanding. Unless otherwise noted below the address of each person identified is 3471 West Oquendo Road, Suite 301, Las Vegas, NV 89118.

Name and Address	Amount and Nature of Beneficial Ownership	Percentage of Class
<u>Directors and Executive Officers</u>		
Craig Ellins (1) 2626 South Rainbow Blvd, Suite 102 Las Vegas, NV 89146	875,000	66.2%
All Directors and Executive Officers as a Group (1 individual)	875,000	66.2%
<u>5% Stockholders</u>		
OWP Ventures, Inc. (1) c/o Craig Ellins, President 2626 South Rainbow Blvd, Suite 102 Las Vegas, NV 89146	875,000	66.2%
Lei Wang 819 Cowan Road, Suite E Burlington, CA 94010	125,000	9.5%

(1) These shares were held of record by OWP Delaware and were cancelled in the Merger. Craig Ellins had voting and investment control over these securities prior their cancellation.

The following table sets forth certain information regarding our common stock beneficially owned on February 21, 2019, immediately following the Merger, for (i) each stockholder known to be the beneficial owner of more than 5% of our outstanding common stock, (ii) each executive officer and director, and (iii) all executive officers and directors as a group. In general, a person is deemed to be a “beneficial owner” of a security if that person has or shares the power to vote or direct the voting of such security, or the power to dispose or to direct the disposition of such security. A person is also deemed to be a beneficial owner of any securities of which the person has the right to acquire beneficial ownership within 60 days, through the exercise of a warrant or stock option, conversion of a convertible security or otherwise. The table assumes a total of 39,922,898 shares of our common stock outstanding as of February 21, 2019. Unless otherwise noted below the address of each person identified is Unless otherwise noted below the address of each person identified is 3471 West Oquendo Road, Suite 301, Las Vegas, NV 89118.

Name and Address	Amount and Nature of Beneficial Ownership	Percentage of Class
<u>Directors and Executive Officers</u>		
Craig Ellins	3,345,000	8.4%
Brian Moore	2,500,000	6.3%
Dr. Kenneth Perego ⁽¹⁾	7,000,000	17.6%
Bruce Raben ⁽²⁾	145,832	*
All Directors and Executive Officers as a Group (4 individuals)	12,990,832	32.6%
<u>5% Stockholders</u>		
Solid Bridge Investments, Inc. ⁽³⁾	7,000,000	17.6%

* Less than one percent.

(1) Consists of shares held by CB Medical, LLC of which Dr. Perego is the controlling member.

(2) Includes 20,832 shares of common stock that may be acquired under an option to purchase 125,000 shares of common stock at an exercise price of \$0.50 per share that vests in 12 monthly installments beginning March 8, 2019.

(3) The principals of Solid Bridge Investments, Inc. are Carlos Andres de Fex Gomez and Gloria Veronica Serna Diez, who founded OWP Colombia and were its principal shareholders prior to the sale of OWP Colombia to OWP Delaware.

DIRECTORS AND EXECUTIVE OFFICERS, PROMOTERS AND CONTROL PERSONS

At the Closing, Craig Ellins, 68, retained his positions as President, Chief Financial Officer, Secretary and Director and we appointed the following persons as our executive officers and directors. All directors serve until the next annual meeting of stockholders or until their successors are elected and qualified. Officers are appointed by the board of directors and their terms of office are, except to the extent governed by an employment contract, at the discretion of the board of directors.

<u>Name</u>	<u>Age</u>	<u>Position</u>
Bruce Raben	65	Director
Dr. Kenneth Perego	49	Director
Brian Moore	31	Chief Operating Officer and Secretary

Craig Ellins has spent over 30 years developing start-ups in various industries, most recently focusing on the marijuana industry, including indoor growing technology. Mr. Ellins has served as the Chief Executive Officer and President, of OWP Delaware since its inception in March 2018 and as our President, Chief Executive Officer, Chief Financial Officer and director since November 30, 2018. From March 13, 2014 until April 29, 2016, Mr. Ellins served as the Chief Executive Officer of GB Sciences, Inc., a cannabis company focused on standardized cultivation and production methods as well as biopharmaceutical research and development, and from April 29, 2016 until May 8, 2017, he served as the Chief Innovation Officer of GB Sciences, Inc. He also served as the Chairman of the Board of GB Sciences from March 13, 2014, until May 8, 2017. From 2013 to 2014, Mr. Ellins served as the Chairman and Chief Executive Officer of Cognitiv, Inc., which engages in the creation, development, and maintenance of Websites and mobile applications. From 2009 to 2013, Mr. Ellins served as Chief Executive Officer and Chairman of Phototron Holdings, Inc., now known as GrowLife, Inc. GrowLife, Inc. manufactures and supplies branded equipment and expendables for urban gardening in the United States.

Bruce Raben was a director of OWP Delaware prior to the Merger and was appointed to our Board of Directors pursuant to the Merger Agreement. Mr. Raben is the Managing Member of Hudson Capital Advisors BD, LLC, a registered broker dealer that he founded in 2004. Mr. Raben also serves on the board of directors of Digipath, Inc., a cannabis testing laboratory. Mr. Raben has been an investment banker, merchant banker and private investor for approximately 30 years. Starting in 1979 at Drexel Burnham Lambert, he worked on many leveraged buyouts and recapitalizations including Mattel Toys, SFN Co.'s, Magma Copper, Warnaco, Mellon Bank and John Fairfax. Mr. Raben then went on to co-found the Corporate Finance Department at Jeffries & Co. in 1990. Mr. Raben opened a west coast office for CIBC's high yield finance and merchant banking activities in 1996. Mr. Raben received his A.B. from Vassar College in 1975 and his MBA from Columbia University in 1979. We believe that Mr. Raben's investment banking and financial experience qualify him to serve as our director.

Dr. Kenneth Perego, II, was a director of OWP Delaware prior to the Merger and was appointed to our Board of Directors pursuant to the Merger Agreement. He has been a practicing urologic surgeon in private practice since 2001 with an emphasis in urologic oncology and reconstructive urology. He has a strong clinical background in research and is focused on new drug discovery.

Brian Moore was employed by OWP Delaware prior to the Merger and was appointed as our Chief Operating Officer and Secretary pursuant to the Merger Agreement. From 2016 until he joined the Company in March 2018, Mr. Moore worked in corporate development at GB Sciences, and from 2013 until 2015 he was a Project Engineer for Austin General Contracting, Inc.

Executive compensation

The following table shows the compensation paid by us (including OWP Delaware and OWP Colombia prior to the Merger) to our Chief Executive Officer during the fiscal year ended December 31, 2018. No compensation was paid to these officers in the prior fiscal year.

Summary Compensation Table

Name and Principal Position	Year	Salary (\$)	All Other Compensation (\$)	Total (\$)
Craig Ellins CEO, President & Chairman	2018	\$ 24,000	\$ -0-	\$ 24,000

Employment Contracts

We are not a party to an employment agreement with any of our executive officers.

Option Grants

Neither our company nor any of our subsidiaries granted options to executive officers during the fiscal year ended December 31, 2018.

Aggregated Option Exercises in Last Fiscal Year and Fiscal Year-End Option Values

Neither our company nor any of our subsidiaries had options outstanding as of December 31, 2018.

Director Compensation

We did not compensate our non-employee directors for services during our fiscal year ended December 31, 2018.

We are party to a Consulting Agreement with Bruce Raben dated February 8, 2019 under which Mr. Raben was issued an option to purchase 125,000 shares of common stock of OWP Delaware prior to the Merger and is paid a monthly fee of \$5,000. The Consulting Agreement is for an initial one-year term, continuing thereafter until terminated by either party.

Indemnification of Directors and Executive Officers and Limitation of Liability

We are a Nevada corporation. The Nevada Revised Statutes and certain provisions of our articles of incorporation, as amended, and bylaws under certain circumstances provide for indemnification of our officers, directors and controlling persons against liabilities which they may incur in such capacities. A summary of the circumstances in which such indemnification is provided for is contained herein, but this description is qualified in its entirety by reference to our bylaws and to the statutory provisions.

In general, any officer, director, employee or agent may be indemnified against expenses, fines, settlements or judgments arising in connection with a legal proceeding to which such person is a party, if that person is not liable due to conduct that constituted a breach of his or her fiduciary duties and such breach involved intentional misconduct, fraud or a knowing violation of law, and that person's actions were in good faith, were believed to be in our best interest, and were not unlawful. Indemnification may not be made for any claim as to which the person seeking indemnity has been adjudged by a court of competent jurisdiction, after exhaustion of all appeals, to be liable to our company unless the court in which the action or suit was brought or another court of competent jurisdiction determines that in view of all the circumstances of the case, such person is fairly and reasonably entitled to indemnity for such expenses as such court deems proper. Unless such person is successful upon the merits in such an action, indemnification may be awarded only after a determination by independent decision of our board of directors, by legal counsel, or by a vote of our stockholders, that the applicable standard of conduct was met by the person to be indemnified. Under our articles of incorporation, as amended, and bylaws, we will advance expenses incurred by officers, directors, employees or agents who are parties to or are threatened to made parties to any threatened, pending or completed action by reason of the fact that such person was serving in such capacity, prior to the disposition of such action and promptly following request therefor, upon receipt of an undertaking by or on behalf of such person to repay such advances if it should be determined ultimately that such person is not entitled to indemnification.

The circumstances under which indemnification is granted in connection with an action brought on our behalf is generally the same as those set forth above; however, with respect to such actions, indemnification is granted only with respect to expenses actually incurred in connection with the defense or settlement of the action. Indemnification may also be granted pursuant to the terms of agreements which may be entered in the future or pursuant to a vote of stockholders or directors. The Nevada Revised Statutes also grant us the power to purchase and maintain insurance which protects our officers and directors against any liabilities incurred in connection with their service in such a position, and we have obtained such a policy.

A stockholder's investment may be adversely affected to the extent we pay the costs of settlement and damage awards against directors and officers as required by these indemnification provisions. At present, there is no pending litigation or proceeding involving any of our directors, officers or employees regarding which indemnification by us is sought, nor are we aware of any threatened litigation that may result in claims for indemnification.

Insofar as indemnification for liabilities arising under the Securities Act may be permitted to directors, officers or persons controlling us pursuant to the foregoing provisions, we have been informed that, in the opinion of the SEC, this indemnification is against public policy as expressed in the Securities Act and is therefore unenforceable.

Certain Relationships and Related Party Transactions

Other than the transactions described below, there has not been, nor is there currently proposed, any transaction or series of similar transactions to which we were or will be a party:

- in which the amount involved exceeds the lesser of \$120,000 or one percent of the average of our total assets at year-end for the last two completed fiscal years; *and*
- in which any director, executive officer, stockholders who beneficially owns more than 5% of our common stock or any member of their immediate family had or will have a direct or indirect material interest.

Advances by Craig Ellins

During the nine months ended September 30, 2018, Craig Ellins advanced an aggregate of \$207,000 to OWP Delaware. These advances are evidenced by promissory notes payable on demand that bear interest at the rate of 6% per annum.

During the three months ended December 31, 2018, Mr. Ellins advanced OWP Delaware an additional \$307,141. The additional advances bear interest at the rate of 6% per annum and are evidenced by an amended and restated promissory note which matures on the earlier to occur of February 13, 2022 and the date that we have raised an aggregate of \$5,000,000 in financing in one or a series of transactions following the date of the amended and restated note.

During the nine months ended September 30, 2018, the Company received an unsecured short-term loan in the amount of \$1,156 due on demand from one of the founders of One World Pharma S.A.S.

Transfer Agent and Registrar

The transfer agent and registrar for our Common Stock is vStock Transfer, LLC. Its mailing address is 18 Lafayette Place, Woodmere, NY 11598, its telephone number is (212) 828-8436, and its facsimile number is (646) 536-3179.

Market Prices

Our Common Stock is currently quoted on the OTC Markets under the trading symbol “OWPC.” Prior to February 7, 2019, the symbol for our Common Stock was “PNTT.” As of February 19, 2019, the closing price of our Common Stock on the OTC Markets was \$3.00.

The following table sets forth, for the fiscal quarters indicated, the high and low bid information for our common stock, as reported on the OTC Markets, and have not been adjusted for the one-for-four reverse stock split of our common stock effected on January 10, 2019. The following quotations reflect inter-dealer prices, without retail mark-up, mark-down or commission and may not represent actual transactions.

	High	Low
Fiscal Year Ended December 31, 2018		
First Quarter	\$ 0.08	\$ 0.08
Second Quarter	\$ 0.08	\$ 0.08
Third Quarter	\$ 0.08	\$ 0.08
Fourth Quarter	\$ 0.08	\$ 0.08
Fiscal Year Ended December 31, 2017		
First Quarter	\$ 0.08	\$ 0.08
Second Quarter	\$ 0.08	\$ 0.08
Third Quarter	\$ 0.08	\$ 0.08
Fourth Quarter	\$ 4.04	\$ 0.08

Holdings

As of February 21, 2019, there were approximately 85 registered holders of record of our common stock.

Dividends

We do not anticipate paying dividends in the foreseeable future and currently intend to retain any future earnings to support the development and expansion of our business. The declaration and payment of dividends is subject to the discretion of our board of directors and to certain limitations imposed under Nevada statutes. The timing, amount and form of dividends, if any, will depend upon, among other things, our results of operation, financial condition, cash requirements, and other factors deemed relevant by our board of directors.

Description of Our Securities

As of February 21, 2019, our authorized capital stock consisted of:

- 75,000,000 shares of common stock, par value \$0.001 per share; and

As of February 21, 2019, there were outstanding:

- 39,922,898 shares of Common Stock held by approximately 85 stockholders of record.

Common Stock

Dividend Rights

Subject to preferences that may apply to shares of preferred stock outstanding at the time, the holders of outstanding shares of our common stock are entitled to receive dividends out of funds legally available at the times and in the amounts that our board of directors may determine.

Voting Rights

Each holder of our common stock is entitled to one vote for each share of our common stock held on all matters submitted to a vote of stockholders. Cumulative voting for the election of directors is not provided for in our articles of incorporation, as amended, which means that the holders of a majority of the voting shares voted can elect all of the directors then standing for election.

No Preemptive or Similar Rights

Holders of our common stock do not have preemptive rights, and our common stock is not convertible or redeemable.

Right to Receive Liquidation Distributions

Upon our dissolution, liquidation or winding-up, the assets legally available for distribution to our stockholders are distributable ratably among the holders of our common stock, subject to the preferential rights and payment of liquidation preferences, if any, on any outstanding shares of preferred stock.

Preferred Stock

None.

Anti-takeover Provisions

Certain provisions of our articles of incorporation, as amended, and Nevada law may have the effect of delaying, deferring or discouraging another person from acquiring control of our company.

Nevada Law

In addition, Nevada has enacted the following legislation that may deter or frustrate takeovers of Nevada corporations:

Authorized but Unissued Stock – The authorized but unissued shares of our common stock are available for future issuance without stockholder approval. These additional shares may be used for a variety of corporate purposes, including future public offerings to raise additional capital, corporate acquisitions and employee benefit plans. The existence of authorized but unissued shares of common stock may enable our board of directors to issue shares of stock to persons friendly to existing management.

Evaluation of Acquisition Proposals – The Nevada Revised Statutes expressly permit our board of directors, when evaluating any proposed tender or exchange offer, any merger, consolidation or sale of substantially all of our assets, or any similar extraordinary transaction, to consider all relevant factors including, without limitation, the social, legal, and economic effects on our employees, customers, suppliers, and other relevant interest holders, and on the communities and geographical areas in which they operate. Our board of directors may also consider the amount of consideration being offered in relation to the then current market price of our outstanding shares of capital stock and our then current value in a freely negotiated transaction.

Control Share Acquisitions – Nevada has adopted a control share acquisitions statute designed to afford stockholders of public corporations in Nevada protection against acquisitions in which a person, entity or group seeks to gain voting control. With enumerated exceptions, the statute provides that shares acquired within certain specific ranges will not possess voting rights in the election of directors unless the voting rights are approved by a majority vote of the public corporation's disinterested stockholders. Disinterested shares are shares other than those owned by the acquiring person or by a member of a group with respect to a control share acquisition, or by any officer of the corporation or any employee of the corporation who is also a director. The specific acquisition ranges that trigger the statute are: acquisitions of shares possessing one-fifth or more but less than one-third of all voting power; acquisitions of shares possessing one-third or more but less than a majority of all voting power; or acquisitions of shares possessing a majority or more of all voting power. Under certain circumstances, the statute permits the acquiring person to call a special stockholders' meeting for the purpose of considering the grant of voting rights to the holder of the control shares. The statute also enables a corporation to provide for the redemption of control shares with no voting rights under certain circumstances.

Recent Sales of Unregistered Securities

On February 21, 2019, we issued 39,475,398 shares of our Common Stock to the shareholders of OWP Ventures, Inc., as consideration for the Merger.

In connection with the above security issuances, we did not pay any underwriting discounts or commissions. None of the sales of securities described or referred to above was registered under the Securities Act. In making the sales without registration under the Securities Act, we relied upon one or more of the exemptions from registration contained in Section 4(2) of the Securities Act, and in Regulation D promulgated under the Securities Act. No general solicitation or advertising was used in connection with the sales.

From its formation in September 2, 2014 through immediately prior to the Merger, Company sold or issued an aggregate of 447,500 shares of its common stock to officers, directors, employees and other investors for cash, services rendered and services to be rendered.

In connection with the above security issuances, Company did not pay any underwriting discounts or commissions. None of the sales of securities described or referred to above was registered under the Securities Act. In making the sales without registration under the Securities Act, Company relied upon one or more of the exemptions from registration contained in Section 4(2) of the Securities Act, and in Regulation D promulgated under the Securities Act. No general solicitation or advertising was used in connection with the sales.

Principal Accountant Fees and Services

(a) On February 20, 2019, we dismissed WWC, P.C. (“WWC”) as our independent registered public accounting firm. The decision was approved by our board of directors.

The reports of WWC regarding the Company’s consolidated financial statements for each of the two most recent fiscal years of the Company did not contain an adverse opinion or disclaimer of opinion and were not qualified or modified as to uncertainty, audit scope, or accounting principles, except that such reports contained an explanatory paragraph with respect to uncertainty as to the Company’s ability to continue as a going concern.

During the two most recent fiscal years of the Company and through February 20, 2019, there were (i) no disagreements between the Company and WWC on any matter of accounting principles or practices, financial statement disclosure, or auditing scope or procedure, which disagreements, if not resolved to the satisfaction of WWC, would have caused WWC to make reference thereto in their reports on the Company’s consolidated financial statements for such years, and (ii) no “reportable events” as that term is defined in Item 304(a)(1)(v) of Regulation S-K.

The Company provided WWC with a copy of the disclosure in the preceding two paragraphs and requested in writing that it furnish the Company with a letter addressed to the Securities and Exchange Commission stating whether or not it agrees with such disclosures. WWC provided a letter, dated February 22, 2019, stating its agreement with such statements as related to WWC.

(b) On February 21, 2019, we engaged M&K CPAS, PLLC. (“M&K”) as our new independent registered public accounting firm. We engaged M&K to audit our financial statements for the year ended December 31, 2018. The appointment of M&K was approved by our board of directors.

Except as set forth below, during the Company’s two most recent fiscal years ended December 31, 2018 and 2017 and the subsequent interim period through February 21, 2019, neither the Company nor anyone acting on its behalf consulted with M&K regarding: (i) the application of accounting principles to a specified transaction, either completed or proposed; (ii) the type of audit opinion that might be rendered on the Company’s financial statements by M&K, nor did M&K provide written or oral advice to the Company that M&K concluded was an important factor considered by the Company in reaching a decision as to any accounting, auditing or financial reporting issues; or (iii) any other matter that was the subject of a “disagreement” or “reportable event” (as such terms are described in Items 304(a)(1)(iv) and (v) of Regulation S-K).

M&K audited the financial statements of One World Pharma S.A.S. for the fiscal year ended December 31, 2017, and reviewed the unaudited condensed and consolidated financial statements of OWP Ventures, Inc. and One World Pharma S.A.S. for the nine months ended September 30, 2018, which financial statements have been filed as exhibits to this Current Report. M&K billed aggregate fees of approximately \$10,500 to OWP Ventures, Inc. for these services.

Item 9.01 Financial Statements and Exhibits.

(a) Financial statements of business acquired.

The audited the financial statements of One World Pharma S.A.S. for the fiscal year ended December 31, 2017 are incorporated herein by reference to Exhibit 99.1 to this Current Report.

The unaudited condensed and consolidated financial statements of OWP Ventures, Inc. and One World Pharma S.A.S. for the nine months ended September 30, 2018 and the period from inception (July 14, 2017) to September 30, 2017 are incorporated herein by reference to Exhibit 99.2 to this Current Report.

(b) Pro forma financial information.

The unaudited pro forma consolidated financial information of the Company, OWP Ventures, Inc. and One World Pharma S.A.S. as of September 30, 2018 and September 30, 2017, are incorporated herein by reference to Exhibit 99.3 to this Current Report.

(c) Shell company transactions.

Reference is made to the disclosure set forth under Item 9.01(a) and 9.01(b) of this Current Report on Form 8-K, which disclosure is incorporated herein by reference.

(d) Exhibits.

See attached Exhibit Index.

SIGNATURES

Pursuant to the requirements of the Securities Exchange Act of 1934, the registrant has duly caused this report to be signed on its behalf by the undersigned hereunto duly authorized.

February 25, 2019

OWP Ventures, Inc.

By: /s/ Craig Ellins
Craig Ellins
Chief Executive Officer

EXHIBIT INDEX

Exhibit Number	Description of Exhibit
2.1*	<u>Agreement and Plan of Merger dated February 21, 2019, among the Registrant, OWP Merger Subsidiary Inc. and OWP Ventures, Inc.</u>
3.1	<u>Articles of Incorporation of the Registrant (incorporated by reference to Exhibit 3.1 of the Registrant's Registration Statement on Form S-1 filed with the Securities and Exchange Commission on November 24, 2014).</u>
3.2	<u>Certificate of Amendment to Articles of Incorporation of the Registrant (incorporated by reference to Exhibit 3.1 of the Registrant's Current Report on Form 8-K filed with the Securities and Exchange Commission on January 8, 2019).</u>
3.3	<u>Bylaws of the Registrant (incorporated by reference to Exhibit 3.2 of the Registrant's Registration Statement on Form S-1 filed with the Securities and Exchange Commission on November 24, 2014).</u>
10.1*	<u>Convertible Note in the Principal Amount of \$300,000 issued by OWP Ventures, Inc. to CSW Investors, LP.</u>
10.2*	<u>Consulting Agreement between OWP Ventures, Inc. and Bruce Raben dated February 8, 2019.</u>
10.3*	<u>Commercial Lease dated December 2, 2018, between Larry R. Haupert dba Rexco and One World Pharma S.A.S.</u>
10.4*	<u>Commercial Lease dated October 16, 2018, between Ripper Series, LLC and OWP Ventures, Inc.</u>
10.5*	<u>Form of Demand Promissory Note issued by OWP Ventures, Inc. to Craig Ellins</u>
10.6*	<u>Amended and Restated Promissory Note in the principal amount of \$307,141, dated February 13, 2019, issued by OWP Ventures, Inc. to Craig Ellins.</u>
10.7*	<u>Service Agreement dated February 19, 2019, between One World Pharma, Inc. and Integrity Media</u>
10.8*	<u>Convertible Promissory Note Purchase Agreement between OWP Ventures, Inc. and The Sanguine Group, LLC</u>
10.9*	<u>Convertible Promissory Note between OWP Ventures, Inc. and The Sanguine Group, LLC</u>
16.1*	<u>Letter on Change in Certifying Accountant dated February 22, 2019.</u>
21.1*	<u>Subsidiaries of the Registrant.</u>
99.1*	<u>Audited the financial statements of One World Pharma S.A.S. for the fiscal year ended December 31, 2017</u>
99.2*	<u>Unaudited condensed and consolidated financial statements of OWP Ventures, Inc. and One World Pharma S.A.S for the nine months ended September 30, 2018 and from inception (July 14, 2017) to September 30, 2017</u>
99.3*	<u>Unaudited pro forma consolidated financial information of the Company, OWP Ventures, Inc. and One World Pharma S.A.S. as of September 30, 2018 and September 30, 2017</u>

* Filed herewith.

AGREEMENT AND PLAN OF MERGER

by and among

ONE WORLD PHARMA, INC.,

OWP MERGER SUBSIDIARY, INC.

and

OWP VENTURES, INC.

February 21, 2019

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LIST OF SCHEDULES AND EXHIBITS

Schedules

- Schedule 4.3(a) - Stockholders
- Schedule 4.3(b) - Option Holders
- Schedule 4.3(c) - Convertible Note Holders

- Exhibit A Post-Closing Directors and Officers of Parent

AGREEMENT AND PLAN OF MERGER

THIS AGREEMENT AND PLAN OF MERGER is entered into as of February 21, 2019 by and among ONE WORLD PHARMA, INC., a Nevada corporation ("Parent"), OWP MERGER SUBSIDIARY, INC, a Delaware corporation and a wholly-owned subsidiary of Parent ("Merger Sub"), and OWP VENTURES, INC., a Delaware corporation (the "Company").

WITNESSETH:

WHEREAS, the Company, through its subsidiaries, is primarily engaged in the business of cultivating and selling cannabis and cannabis products;

WHEREAS, the Board of Directors of each of Parent, Merger Sub and the Company has approved, and deems it advisable and in the best interests of their respective stockholders to consummate, the acquisition of the Company by Parent, which acquisition is to be effected by the merger of Merger Sub with and into the Company, with the Company being the surviving entity (the "Merger"), upon the terms and subject to the conditions set forth in this Agreement (as defined herein); and

WHEREAS, the parties hereto intend that the Merger shall qualify as a reorganization within the meaning of Section 368(a)(1)(A) of the Internal Revenue Code of 1986, as amended (the "Code"), by reason of Section 368(a)(2)(E) of the Code.

NOW, THEREFORE, in consideration of the mutual agreements and covenants hereinafter set forth, the parties hereto agree as follows:

ARTICLE I DEFINITIONS

Capitalized terms used in this Agreement shall have the following meanings:

"Agreement" shall mean this Agreement and Plan of Merger, including the schedules and exhibits attached hereto or referred to herein, as the same may be amended or modified from time to time in accordance with the provisions hereof.

"By-laws" shall have the meaning given to such term in Section 2.3(b) hereof.

"Certificate of Incorporation" shall have the meaning given to such term in Section 2.3(a) hereof.

"Closing" shall have the meaning given to such term in Section 2.5 hereof.

"Closing Date" shall have the meaning given to such term in Section 2.5 hereof.

"Code" shall have the meaning given to such term in the third recital to this Agreement.

"Commission" shall mean the United States Securities and Exchange Commission.

"Common Stock Options" shall have the meaning given to such term in Section 3.3 hereof.

“Company” shall have the meaning given to such term in the preamble to this Agreement.

“Company Common Stock” shall mean the common stock, par value \$.001 per share, of the Company.

“Company Material Adverse Effect” shall mean any change, effect or circumstance that by itself, or together with other changes, effects and circumstances is materially adverse or is reasonably likely to be materially adverse to the business, assets, liabilities, condition (financial or otherwise) or operations of the Company.

“Contract” shall have the meaning given to such term in Section 4.4 hereof.

“Consents” shall mean any permits, filings, notices, licenses, consents, authorizations, accreditation, waivers, approvals and the like of, to, with or by any Person.

“Convertible Notes” shall have the meaning given to such term in Section 3.4 hereof.

“DGCL” shall mean the General Corporation Law of the State of Delaware, as amended.

“Dissenting Shares” shall have the meaning given to such term in Section 3.2(b) hereof.

“Effective Time” shall have the meaning given to such term in Section 2.2 hereof.

“Exchange Act” shall mean the Securities Exchange Act of 1934, as amended, and the rules and regulations issued thereunder.

“GAAP” shall mean generally accepted accounting principles as in effect from time to time in the United States consistently applied.

“Liability” shall mean any liability, debt, obligation, deficiency, tax, penalty, fine, claim, cause of action or other loss, cost or expense of any kind or nature whatsoever, whether asserted or unasserted, absolute or contingent, accrued or unaccrued, liquidated or unliquidated, and whether due or to become due and regardless of when asserted.

“Lien” shall mean any mortgage, pledge, security interest, encumbrance, lien or charge of any kind, including, without limitation, any conditional sale or other title retention agreement, any lease in the nature thereof and the filing of or agreement to give any financing statement under the Uniform Commercial Code of any jurisdiction and including any lien or charge arising by statute or other law.

“Merger” shall have the meaning given to such term in the second recital to this Agreement.

“Merger Sub” shall have the meaning given to such term in the preamble to this Agreement.

“Parent” shall have the meaning given to such term in the preamble to this Agreement.

“Parent Common Stock” shall mean the common stock, par value \$.001 per share, of the Parent.

“Parent Financial Statements” shall have the meaning assigned to such term in Section 5.8 hereof.

“Parent SEC Documents” shall have the meaning assigned to such term in Section 5.7(b) hereof.

“Person” shall mean any individual, corporation, limited liability company, partnership, joint venture, trust or other entity or organization, including any government or political subdivision or an agency or instrumentality thereof.

“Securities Act” shall mean the Securities Act of 1933, as amended, and the rules and regulations issued thereunder.

“Stockholder” shall mean any record holder of Company Common Stock.

“Surviving Corporation” shall have the meaning given to such term in Section 2.1 hereof.

ARTICLE II
THE MERGER

Section 2.1 Merger. Upon the terms and subject to the conditions of this Agreement, at the Effective Time, Merger Sub shall be merged with and into the Company in accordance with Section 251 of the DGCL. Following the Effective Time, the separate corporate existence of Merger Sub shall cease, and the Company shall continue as the corporation surviving the Merger (sometimes hereinafter referred to as the “Surviving Corporation”).

Section 2.2 Effective Time. The Company and Merger Sub shall cause a certificate of merger to be filed on the Closing Date (or on such other date as the Company and Parent may agree in writing) with the Secretary of State of the State of Delaware as provided in Section 251 of the DGCL, and shall make all other filings or recordings required by the DGCL in connection with the Merger. The Merger shall become effective at such time as the certificate of merger is duly filed in accordance with Section 251 of the DGCL with the Secretary of State of the State of Delaware or such later time as specified in the certificate of merger, and such time is hereinafter referred to as the “Effective Time.”

Section 2.3 Certificate of Incorporation; By-laws; Directors and Officers.

(a) The certificate of incorporation of the Company as in effect immediately prior to the Effective Time, shall be the certificate of incorporation of the Surviving Corporation (the “Certificate of Incorporation”) from and after the Effective Time until thereafter changed or amended as provide therein or in accordance with applicable law, except that except that Article IV of the Certificate of Incorporation shall be amended and restated to read as follows: “The total number of shares which the Corporation is authorized to issue is One Thousand (1,000) shares of common stock, \$0.0001 par value per share (the “*Common Stock*”).”

(b) The by-laws of the Company as in effect immediately prior to the Effective Time, shall be the by-laws of the Surviving Corporation (the “By-laws”) from and after the Effective Time until thereafter changed or amended as provided therein or in accordance with applicable law.

(c) The officers and directors of the Company immediately prior to the Effective Time shall, from and after the Effective Time, be the directors of the Surviving Corporation until their successors have been duly elected or appointed and qualified or until their earlier death, resignation or removal in accordance with the Certificate of Incorporation and By-laws of the Surviving Corporation. The individuals identified on Exhibit A shall, from and after the Effective Time, be the officers and directors of the Parent until their successors have been duly elected or appointed and qualified or until their earlier death, resignation or removal in accordance with the Certificate of Incorporation and By-laws of Parent.

Section 2.4 Effects of the Merger. The Merger shall have the effects set forth in Section 259 of the DGCL. Without limiting the generality of the foregoing, at the Effective Time, except as otherwise provided herein, all of the property, rights, privileges, powers and franchises of the Company and Merger Sub shall vest in the Surviving Corporation, and all debts, liabilities and duties of the Company and Merger Sub shall become the debts, liabilities and duties of the Surviving Corporation. The Company acknowledges that, upon the effectiveness of the Merger, Parent shall have the absolute and unqualified right to deal with the assets and business of the Surviving Corporation as its own property without limitation on the disposition or use of such assets or the conduct of such business.

Section 2.5 Closing. The consummation of the transactions contemplated by this Agreement, including the Merger (the “Closing”), shall take place: (a) at the offices of Fox Rothschild LLP, 101 Park Avenue, New York, New York at 10:00 a.m. local time on the date hereof; or (b) at such other place, time and date as the Company and Parent may agree in writing (the “Closing Date”).

ARTICLE III
MERGER CONSIDERATION; CONVERSION OF SECURITIES

Section 3.1 Manner and Basis of Converting Capital Stock. At the Effective Time, by virtue of the Merger and without any action on the part of the Company, Parent or Merger Sub or the holders of any outstanding shares of capital stock or other securities of the Company, Parent or Merger Sub:

(a) Merger Sub Stock. Each share of common stock, par value \$.001 per share, of Merger Sub issued and outstanding immediately prior to the Effective Time shall be converted into and become one fully paid and nonassessable share of capital stock, par value \$.001 per share, of the Surviving Corporation, such that Parent shall be the holder of all of the issued and outstanding shares of capital stock of the Surviving Corporation following the Merger.

(b) Company Common Stock. Each share of Company Common Stock issued and outstanding immediately prior to the Effective Time shall be converted into the right to receive one (1) share of Parent Common Stock.

(c) Cancellation of Company-Owned Stock. Each share of Parent Common Stock that is owned by the Company immediately prior to the Effective Time shall be automatically cancelled and retired and shall cease to exist.

(d) Treasury Stock. Notwithstanding any provision of this Agreement to the contrary, each share of Company Common Stock held in the treasury of the Company immediately prior to the Effective Time shall be canceled in the Merger and shall not be converted into the right to receive any shares of capital stock or other securities of Parent.

Section 3.2 Issuance of Certificates.

(a) Certificates. Within a reasonable time after the Effective Time, Parent shall cause to be mailed and issued to each former holder of record of Company Common Stock (as set forth on Schedule 4.3(a)) that was converted into the right to receive Parent Common Stock pursuant to Section 3.1 hereof, a certificate or certificates registered in the name of such former record holder representing the number of shares of Parent Common Stock that such former record holder is entitled to receive in accordance with Section 3.1 hereof.

(b) Dissenting Shares. Notwithstanding any provision of this Agreement to the contrary, shares of Company Common Stock issued and outstanding immediately prior to the Effective Time and held by a Stockholder who has not voted in favor of the Merger or consented thereto in writing and who has demanded appraisal for such shares of Company Common Stock in accordance with Section 262 of the DGCL ("Dissenting Shares") shall not be entitled to vote for any purpose or receive dividends, shall not be converted into the right to receive Parent Common Stock in accordance with Section 3.1 hereof, and shall only be entitled to receive such consideration as shall be determined pursuant to Section 262 of the DGCL; provided, however, that if, after the Effective Time, such Stockholder fails to perfect or withdraws or loses his or her right to appraisal or otherwise fails to establish the right to be paid the value of such Stockholder's shares of Company Common Stock under the DGCL, such shares of Company Common Stock shall be treated as if they had converted as of the Effective Time into the right to receive Parent Common Stock in accordance with Section 3.1 hereof, and such shares of Company Common Stock shall no longer be Dissenting Shares.

(c) Stock Transfer Books. At the Effective Time, the stock transfer books of the Company will be closed and there will be no further registration of transfers of shares of Company Common Stock thereafter on the records of the Company.

Section 3.3 Options. The Company has issued and outstanding options to purchase shares of Company Common Stock (collectively, the "Common Stock Options"). At the Effective Time, by virtue of the Merger and without any action on the part of the Company, Parent or Merger Sub or the holders of any outstanding Common Stock Options, the right to acquire a share of Company Common Stock under each Common Stock Option shall be converted into the right to acquire one (1) share of Parent Common Stock at an exercise price equal to the exercise price stated in the Common Stock Option, subject in all respects to all other terms and conditions of the Common Stock Option. Except for the change in security underlying the Common Stock Options from Company Common Stock to Parent Common Stock, it is the intent of the parties hereto that the Common Stock Options shall continue after the Effective Time, and that the terms and conditions of the Common Stock Options shall otherwise remain unchanged.

Section 3.4 Convertible Notes. The Company has issued certain convertible promissory notes that upon conversion, entitle the holder to be issued shares of Company Common Stock (collectively, the “Convertible Notes”). At the Effective Time, by virtue of the Merger and without any action on the part of the Company, Parent or Merger Sub or the holders of any outstanding Convertible Note, the right to acquire a share of Company Common Stock under each Common Stock Option shall be converted into the right to acquire one (1) share of Parent Common Stock at a conversion price equal to the conversion price stated in the Convertible Note, subject in all respects to all other terms and conditions of the applicable Convertible Note. Except for the change in security underlying the Convertible Notes from Company Common Stock to Parent Common Stock, it is the intent of the parties hereto that the Convertible Note shall continue after the Effective Time, and that the terms and conditions of the respect Convertible Notes shall otherwise remain unchanged.

ARTICLE IV
REPRESENTATIONS AND WARRANTIES OF THE COMPANY

The Company hereby represents and warrants to Parent as follows:

Section 4.1 Organization. The Company is duly organized, validly existing and in good standing under the laws of the State of Delaware. The Company is duly qualified or authorized to conduct business and is in good standing (or its equivalent) as a foreign corporation or other entity in all jurisdictions in which the ownership or use of its assets or nature of the business conducted by it makes such qualification or authorization necessary, except where the failure to be so duly qualified, authorized and in good standing would not have a Company Material Adverse Effect. Except for One World Pharma S.A.S., which is a wholly-owned subsidiary of the Company, the Company has no subsidiaries.

Section 4.2 Authorization; Validity of Agreement. The Company has all requisite corporate power and authority to execute and deliver this Agreement and to consummate the transactions contemplated hereby. The execution, delivery and performance by the Company of this Agreement and the consummation of the transactions contemplated hereby, have been duly authorized by the Board of Directors and Stockholders of the Company and no other action on the part of the Company or any of its Stockholders is necessary to authorize the execution and delivery of this Agreement and the consummation of the transactions contemplated hereby. This Agreement has been duly executed and delivered by the Company (and assuming due and valid authorization, execution and delivery hereof by Parent and Merger Sub) is a valid and binding obligation of the Company, enforceable against the Company in accordance with its terms, except as such enforcement is limited by bankruptcy, insolvency and other similar laws affecting the enforcement of creditors’ rights generally and by general principles of equity.

Section 4.3 Capitalization.

(a) Common Stock. As of the date hereof, the authorized capital stock of the Company consists of 200,000,000 shares of Company Common Stock, of which 39,425,398 shares of Company Common Stock are issued and outstanding. Schedule 4.3(a) sets forth (i) the name of each Person owning shares of Company Common Stock and (ii) the number of shares of Company Common Stock owned by each such Person. All the outstanding shares of Company Common Stock are duly authorized, validly issued, fully paid and non-assessable.

(b) Options. As of the date hereof, there are issued and outstanding Company Stock Options to purchase 825,000 shares of Company Common Stock. Schedule 4.3(b) sets forth (i) the name of each Person owning a Company Stock Option, (ii) the number of shares of Company Common Stock subject to each such Company Stock Option, and (iii) the exercise price of each such Company Stock Option.

(c) Convertible Notes. As of the date hereof, there are issued and outstanding Convertible Notes in the aggregate principal amount of \$300,000. Schedule 4.3(c) sets forth (i) the name of each Person owning a Convertible Note, (ii) the principal amount of each such Convertible Note, and (iii) the conversion price of each such Convertible Note.

Section 4.4 Consents and Approvals; No Violations. Except for filing of the certificate of merger with the Secretary of State of the State of Delaware, neither the execution, delivery or performance of this Agreement by the Company nor the consummation of the transactions contemplated hereby will (i) violate any provision of its certificate of incorporation or by-laws; (ii) violate, conflict with or result in a breach of any provision of, or constitute a default (or an event which, with notice or lapse of time or both, would constitute a default) under, require the consent of or result in the creation of any encumbrance upon any of the properties of the Company under, any material note, bond, mortgage, indenture, deed of trust, license, franchise, permit, lease, contract, agreement or other instrument (collectively, "Contract") to which the Company or any of its properties may be bound; (iii) require any Consent, approval or authorization of, or notice to, or declaration, filing or registration with, any governmental entity by or with respect to the Company; or (iv) violate any order, writ, judgment, injunction, decree, law, statute, rule or regulation applicable to the Company or any of its properties or assets.

Section 4.5 Broker's and Finder's Fees. Neither the Company nor any of its officers, directors or employees have employed any broker or finder or incurred any liability for any brokerage or finder's fee or commissions or similar payment in connection with the Merger.

Section 4.6 Investment Representations.

(a) The Company has informed each of the Stockholders (i) that the shares of Parent Common Stock to be issued to such Stockholder pursuant to this Agreement (the "Parent Shares") have not been registered for sale under any federal or state securities laws, and that such Parent Shares are being offered and sold to such Stockholder pursuant to an exemption from registration provided under Section 4(2) of the Securities Act, (ii) that such Stockholder is acquiring such Parent Shares for such Stockholder's own account for investment purposes and without a view to any distribution thereof, (iii) that Purchaser may rely on a certificate signed by such Stockholder containing the representations and warranties substantially as set forth in this Section 4.6(a) hereto for purposes of claiming such exemption, and (iv) that such Stockholder must bear the economic risk of the investment in such Parent Shares for an indefinite period of time as such Parent Shares cannot be sold unless subsequently registered under such laws or unless an exemption from registration is available.

(b) Each Stockholder has previously certified in writing to the Company, no earlier than 120 days prior to the date hereof, that it is an “accredited investor” within the meaning of Rule 501 of Regulation D under the Securities Act.

(c) The Company understands and agrees that the certificates evidencing the Parent Shares shall bear the following legend:

“THESE SECURITIES HAVE NOT BEEN REGISTERED UNDER THE SECURITIES ACT OF 1933, AS AMENDED. THEY MAY NOT BE SOLD, OFFERED FOR SALE, PLEDGED OR HYPOTHECATED IN THE ABSENCE OF A REGISTRATION STATEMENT IN EFFECT WITH RESPECT TO THE SECURITIES UNDER SUCH ACT OR AN EXEMPTION FROM REGISTRATION UNDER SUCH ACT.”

ARTICLE V
REPRESENTATIONS AND WARRANTIES OF PARENT AND MERGER SUB

Parent and Merger Sub hereby represent and warrant to the Company as follows:

Section 5.1 Organization. Each of Parent and Merger Sub is duly organized, validly existing and in good standing under the laws of its State of incorporation or organization. Since the date of its formation, except as disclosed in the SEC Documents, Parent has not (i) engaged in any business activities or conducted any operations other than in connection with its organization and complying with its reporting obligations under the Exchange Act, or (ii) owned any assets or property (other than cash and cash equivalents).

Section 5.2 Authorization; Validity of Agreement. Each of Parent and Merger Sub has all requisite corporate power and authority to execute and deliver this Agreement and to consummate the transactions contemplated hereby. The execution, delivery and performance by each of Parent and Merger Sub of this Agreement and all other agreements and instruments to be executed pursuant to this Agreement, and the consummation of the transactions contemplated hereby, have been duly authorized by the Board of Directors of each of Parent and Merger Sub and the stockholders of Merger Sub, and no other action on the part of either of Parent and Merger Sub is necessary to authorize the execution and delivery of this Agreement and the consummation by either of Parent or Merger Sub of the transactions contemplated hereby. This Agreement has been duly executed and delivered by the Parent and Merger Sub (and assuming due and valid authorization, execution and delivery hereof by the Company) is a valid and binding obligation of each of Parent and Merger Sub, enforceable against each of them in accordance with its terms, except as such enforcement is limited by bankruptcy, insolvency and other similar laws affecting the enforcement of creditors’ rights generally and by general principles of equity.

Section 5.3 Consents and Approvals; No Violations. Except for filing of the certificate of merger with the Secretary of State of the State of Delaware, neither the execution, delivery or performance of this Agreement by either of Parent and Merger Sub nor the consummation of the transactions contemplated hereby will (i) violate any provision of the certificate of incorporation or by-laws of Parent or Merger Sub; (ii) violate, conflict with or result in a breach of any provision of, or constitute a default (or an event which, with notice or lapse of time or both, would constitute a default) under, require the consent of or result in the creation of any Lien upon any of the properties of Parent or Merger Sub under, any Contract to which Parent or Merger Sub or any of their properties may be bound; (iii) require any Consent, approval or authorization of, or notice to, or declaration, filing or registration with, any governmental entity by or with respect to Parent or any subsidiary of Parent, or (iv) violate any law applicable to any of Parent or Merger Sub or any of their respective properties or assets.

Section 5.4 Capitalization of Parent. The authorized capital stock of Parent consists of 75,000,000 shares of Parent Common Stock, of which 447,500 are issued and outstanding (without taking into consideration the issuance of Parent Common Stock in the Merger). Parent has no outstanding options, rights or commitments to issue shares of Parent Common Stock or any capital stock or other securities of Parent or Merger Sub, and there are no outstanding securities convertible or exercisable into or exchangeable for shares of Parent Common Stock or any capital stock or other securities of Parent or Merger Sub. There is no voting trust, agreement or arrangement among any of the beneficial holders of Parent Common Stock affecting the nomination or election of directors or the exercise of the voting rights of Parent Common Stock. All outstanding shares of the capital stock of Parent are validly issued and outstanding, fully paid and nonassessable, and none of such shares have been issued in violation of the preemptive rights of any person.

Section 5.5 Merger Sub. Merger Sub is a Delaware corporation and a wholly-owned subsidiary of Parent, was formed specifically for the purpose of the Merger and has not conducted any business or acquired any property. Parent owns all of the issued and outstanding capital stock of Merger Sub, and Merger Sub has no outstanding options, warrants or rights to purchase capital stock or other securities of the Merger Sub. Except for Merger Sub, the Parent has no subsidiaries.

Section 5.6 Validity of Shares. The shares of Parent Common Stock to be issued in accordance with Article III hereof, when issued and delivered in accordance with the terms hereof, shall be duly and validly issued, fully paid and nonassessable.

Section 5.7 SEC Reporting and Compliance.

(a) Parent has filed with the Commission all registration statements, proxy statements, information statements and reports required to be filed pursuant to the Exchange Act.

(b) True and complete copies of the registration statements, information statements and other reports (collectively, the "Parent SEC Documents") filed by the Parent with the Commission are available to the Company via the Commission's edgar system. None of the Parent SEC Documents, as of their respective dates, contained any untrue statement of a material fact or omitted to state a material fact necessary in order to make the statements contained therein not misleading.

(c) Parent is not an “investment company” within the meaning of Section 3 of the Investment Company Act.

(d) To the best knowledge of the Parent, the Parent has complied with the Securities Act, Exchange Act and all other applicable federal and state securities laws.

Section 5.8 Financial Statements. The balance sheets, and statements of income, stockholders’ equity and cash flows contained in the Parent SEC Documents (the “Parent Financial Statements”) (i) have been prepared in accordance with GAAP, (ii) are in accordance with the books and records of the Parent, and (iii) present fairly in all material respects the financial condition of the Parent at the dates therein specified and the results of its operations and changes in financial position for the periods therein specified.

Section 5.9 No General Solicitation. In issuing Parent Common Stock in the Merger hereunder, neither Parent nor anyone acting on its behalf has offered to sell Parent Common Stock by any form of general solicitation or advertising.

Section 5.10 Absence of Undisclosed Liabilities. Neither Parent nor Merger Sub has any Liability arising out of any transaction entered into at or prior to the Closing, except (a) as disclosed in the Parent SEC Documents, or (b) to the extent set forth on or reserved against in the balance sheet of Parent as at September 30, 2018 or the notes to the Parent Financial Statements or arising in the ordinary course of business subsequent to such date.

Section 5.11 Broker’s and Finder’s Fees. Neither Parent or Merger Sub, nor any of their respective officers, directors or employees, have employed any broker or finder or incurred any liability for any brokerage or finder’s fee or commissions or similar payment in connection with the Merger

ARTICLE VI
ADDITIONAL AGREEMENTS

Section 6.1 Additional Agreements. Subject to the terms and conditions herein provided, each of the parties hereto agrees to use its commercially reasonable best efforts to take, or cause to be taken, all action and to do, or cause to be done, all things necessary, proper or advisable under applicable laws and regulations to consummate and make effective the transactions contemplated by this Agreement. In case at any time after the Effective Time any further action is necessary or desirable to carry out the purposes of this Agreement, the proper officers and/or directors of Parent, Merger Sub and the Company shall take all such necessary action.

ARTICLE VII
MISCELLANEOUS

Section 7.1 Amendments. Subject to applicable law, this Agreement may be amended or modified by the parties hereto by written agreement executed by each party to be bound thereby and delivered by duly authorized officers of the parties hereto at any time prior to the Effective Time; provided, however, that after the approval of the Merger by the Stockholders, no amendment or modification of this Agreement shall be made that by law requires further approval from the Stockholders without such further approval.

Section 7.2 Notices. Any notice, request, instruction, other document or communications to be given hereunder by any party hereto to any other party hereto shall be in writing and shall be deemed to have been duly given (a) when delivered personally, (b) upon receipt of a transmission confirmation (with a confirming copy delivered personally or sent by overnight courier) if sent by facsimile or like transmission, or (c) on the next business day when sent by Federal Express, United Parcel Service, U.S. Express Mail or other reputable overnight courier for guaranteed next day delivery, as follows:

If to Parent or Merger Sub, to:

One World Pharma, Inc.
Attention: Craig Ellins
3471 West Oquendo Road, Suite 301
Las Vegas, Nevada 89118

with a copy to:

Fox Rothschild, LLP
Attention: Alison Newman
101 Park Avenue
New York, NY 10178

If to the Company, to:

OWP Ventures, Inc.
Attention: Craig Ellins
3471 West Oquendo Road, Suite 301
Las Vegas, Nevada 89118

with a copy to:

Fox Rothschild, LLP
Attention: Alison Newman
101 Park Avenue
New York, NY 10178

or to such other persons or addresses as may be designated in writing by the party to receive such notice. Nothing in this Section 7.2 shall be deemed to constitute consent to the manner and address for service of process in connection with any legal proceeding (including arbitration arising in connection with this Agreement), which service shall be effected as required by applicable law.

Section 7.3 Entire Agreement. This Agreement, together with the schedules and the exhibits attached hereto or referred to herein, constitute the entire agreement of the parties hereto, and supersede all prior agreements and undertakings, both written and oral, among the parties hereto, with respect to the subject matter hereof and thereof.

Section 7.4 Expenses. Except as otherwise expressly provided herein, whether or not the Merger occurs, all expenses and fees incurred by Parent on one hand, and the Company on the other, shall be borne solely and entirely by the party that has incurred the same; provided, that if the Merger occurs, Parent agrees to pay, and shall cause the Surviving Corporation to pay, any unpaid fees and expenses of the Company (including fees and expenses of its counsel and other advisors) in connection with the consummation of the transactions contemplated by this Agreement.

Section 7.5 Severability. If any term or other provision of this Agreement is invalid, illegal or incapable of being enforced by any rule of law or public policy, all other conditions and provisions of this Agreement will nevertheless remain in full force and effect so long as the economic or legal substance of the transactions contemplated hereby is not affected in any manner materially adverse to any party. Upon such determination that any term or other provision is invalid, illegal or incapable of being enforced, the parties hereto will negotiate in good faith to amend or modify this Agreement so as to effect the original intent of the parties as closely as possible in an acceptable manner to the end that transactions contemplated hereby are fulfilled to the extent possible.

Section 7.6 Successors and Assigns; Assignment. This Agreement shall be binding upon and inure to the benefit of the parties hereto and their respective successors and assigns. Neither this Agreement nor any of the rights, interests or obligations hereunder shall be assigned or delegated by any of the parties hereto without, in the case of Parent, the prior written approval of the Company and, in the case of the Company, the prior written approval of Parent.

Section 7.7 No Third Party Beneficiaries. Except as set forth in Section 7.6, nothing herein expressed or implied shall be construed to give any person other than the parties hereto (and their successors and assigns as permitted herein) any legal or equitable rights hereunder.

Section 7.8 Counterparts; Delivery by Facsimile. This Agreement may be executed in multiple counterparts, and by the different parties hereto in separate counterparts, each of which when executed will be deemed to be an original but all of which taken together will constitute one and the same agreement. This Agreement and each other agreement or instrument entered into in connection herewith or therewith or contemplated hereby or thereby, and any amendments hereto or thereto, to the extent signed and delivered by means of a facsimile machine, shall be treated in all manner and respects as an original agreement or instrument and shall be considered to have the same binding legal effect as if it were the original signed version thereof delivered in person. At the request of any party hereto or to any such agreement or instrument, each other party hereto or thereto shall re-execute original forms thereof and deliver them to all other parties. No party hereto or to any such agreement or instrument shall raise the use of a facsimile machine to deliver a signature or the fact that any signature or agreement or instrument was transmitted or communicated through the use of a facsimile machine as a defense to the formation or enforceability of a contract and each such party forever waives any such defense.

Section 7.9 Headings. The headings contained in this Agreement are for reference purposes only and shall not affect in any way the meaning or interpretation of this Agreement.

Section 7.10 Governing Law. This Agreement and the agreements, instruments and documents contemplated hereby shall be governed by and construed and enforced in accordance with the laws of the State of Delaware without regard to its conflicts of law principles.

Section 7.11 Dispute Resolution. The parties hereto shall initially attempt to resolve all claims, disputes or controversies arising under, out of or in connection with this Agreement by conducting good faith negotiations amongst themselves. If the parties hereto are unable to resolve the matter following good faith negotiations, the matter shall thereafter be resolved by binding arbitration and each party hereto hereby waives any right it may otherwise have to the resolution of such matter by any means other than binding arbitration pursuant to this Section 7.11. Whenever a party shall decide to institute arbitration proceedings, it shall provide written notice to that effect to the other parties hereto. The party giving such notice shall, however, refrain from instituting the arbitration proceedings for a period of sixty (60) days following such notice. During this period, the parties shall make good faith efforts to amicably resolve the claim, dispute or controversy without arbitration. Any arbitration hereunder shall be conducted under the commercial arbitration rules of the American Arbitration Association. Any such arbitration shall be conducted in New York, New York by a panel of three arbitrators: one arbitrator shall be appointed by each of Parent and Company; and the third shall be appointed by the American Arbitration Association. The panel of arbitrators shall have the authority to grant specific performance. Judgment upon the award so rendered may be entered in any court having jurisdiction or application may be made to such court for judicial acceptance of any award and an order of enforcement, as the case may be. In no event shall a demand for arbitration be made after the date when institution of a legal or equitable proceeding based on the claim, dispute or controversy in question would be barred under this Agreement or by the applicable statute of limitations. The prevailing party in any arbitration in accordance with this Section 10.15 shall be entitled to recover from the other party, in addition to any other remedies specified in the award, all reasonable costs, attorneys' fees and other expenses incurred by such prevailing party to arbitrate the claim, dispute or controversy.

Section 7.12 Interpretation.

(a) When a reference is made in this Agreement to a section or article, such reference shall be to a section or article of this Agreement unless otherwise clearly indicated to the contrary.

(b) Whenever the words "include", "includes" or "including" are used in this Agreement, they shall be deemed to be followed by the words "without limitation."

(c) The words "hereof", "hereby", "herein" and "herewith" and words of similar import shall, unless otherwise stated, be construed to refer to this Agreement as a whole and not to any particular provision of this Agreement, and article, section, paragraph, exhibit and schedule references are to the articles, sections, paragraphs, exhibits and schedules of this Agreement unless otherwise specified.

(d) The plural of any defined term shall have a meaning correlative to such defined term, and words denoting any gender shall include all genders. Where a word or phrase is defined herein, each of its other grammatical forms shall have a corresponding meaning.

(e) A reference to any legislation or to any provision of any legislation shall include any modification or re-enactment thereof, any legislative provision substituted therefor and all regulations and statutory instruments issued thereunder or pursuant thereto, unless the context requires otherwise.

(f) The parties hereto have participated jointly in the negotiation and drafting of this Agreement. In the event an ambiguity or question of intent or interpretation arises, this Agreement shall be construed as if drafted jointly by the parties, and no presumption or burden of proof shall arise favoring or disfavoring any party by virtue of the authorship of any provisions of this Agreement.

IN WITNESS WHEREOF, each of the parties hereto has caused this Agreement to be executed as of the date first above written by their respective officers thereunto duly authorized.

COMPANY:

OWP VENTURES, INC.

By: /s/ Craig Ellins

Name: Craig Ellins

Title: Chief Executive Officer

PARENT:

ONE WORLD PHARMA, INC.

By: /s/ Craig Ellins

Name: Craig Ellins

Title: Chief Executive Officer

MERGER SUB:

OWP MERGER SUBSIDIARY, INC.

By: /s/ Craig Ellins

Name: Craig Ellins

Title: President

THIS CONVERTIBLE PROMISSORY NOTE AND THE UNDERLYING SECURITIES HAVE NOT BEEN REGISTERED UNDER THE SECURITIES ACT OF 1933, AS AMENDED. NO SALE OR DISPOSITION MAY BE EFFECTED EXCEPT IN COMPLIANCE WITH RULE 144 UNDER SAID ACT OR AN EFFECTIVE REGISTRATION STATEMENT RELATED THERETO OR AN OPINION OF COUNSEL FOR THE HOLDER SATISFACTORY TO THE COMPANY THAT SUCH REGISTRATION IS NOT REQUIRED UNDER THE ACT OR RECEIPT OF A NO-ACTION LETTER FROM THE SECURITIES AND EXCHANGE COMMISSION.

**AMENDED AND RESTATED
SECURED CONVERTIBLE PROMISSORY NOTE**

January 9, 2019

\$300,000

As of November 30, 2018

For value received OWP VENTURES, INC., a Delaware corporation (the "**Company**") promises to pay to the order of **CSW VENTURES, LP** ("**Holder**") ON DEMAND the principal sum of THREE HUNDRED THOUSAND DOLLARS (\$300,000.00), with interest on the outstanding principal amount at the rate of six percent (6%) per annum. Interest shall commence with the date hereof and shall accrue on the outstanding principal amount until paid in full or this Note has been converted as provided below. Interest shall be computed on the basis of a year of 365 days for the actual number of days elapsed.

1. All payments of interest and principal shall be in lawful money of the United States of America. All payments shall be applied first to accrued interest, and thereafter to principal.

2. (a) In the event that the Company consummates the closing of a public or private offering of its Equity Securities (as defined below) resulting in gross proceeds to the Company of at least \$500,000 (excluding the conversion this Note) (a "**Qualified Financing**") at any time prior to the repayment of this Note, then the outstanding principal balance of this Note, together with any accrued and unpaid interest thereon, or any portion thereof, may, at the option of the Holder, be converted into such Equity Securities at the lower of a conversion price (i) equal to eighty percent (80%) of the purchase price paid by the investors purchasing the Equity Securities in the Qualified Financing, or (ii) reflecting a price per share of common stock of the Company of \$0.424 per share, as equitably adjusted for any stock split or stock dividends effected after the date hereof (the "**Fixed Conversion Price**"). For purposes of this Note, the term "**Equity Securities**" shall mean (i) any shares of common stock or preferred stock of the Company, (ii) any security convertible or exchangeable for common stock or preferred stock of the Company, and (iii) any other rights to purchase or otherwise acquire common stock or preferred stock of the Company, in each case issued in a Qualified Financing following the date hereof, except that Equity Securities shall not include any security granted, issued and/or sold by the Company to any officer, employee, director, advisor or consultant in such capacity.

(b) In addition, the Holder shall have the option at any time and from time to time, prior to the date on which the Company makes payment in full of the outstanding principal amount of this Note together with all accrued interest thereon, to convert all or any portion of the outstanding principal amount of this Note plus all accrued and unpaid interest thereon into common stock of the Company at the Fixed Conversion Price.

(c) In case of any reorganization, consolidation or merger involving the Company, in which the stockholders of the Company receive securities of another entity (including any parent company of the company with which the Company merges or is merged into) (the “**Successor Issuer**”) in exchange for their shares of Company common stock, the Successor Issuer shall assume the obligations of the Company under this Note, and this Note shall thereafter be convertible into the Equity Securities of the Successor Issuer, at the option of the Holder (i) upon a Qualified Financing of the Successor Issuer, at a conversion price equal to eighty percent (80%) of the purchase price paid by the investors purchasing the Equity Securities of the Successor Issuer, in the manner provided by Section 2(a) of this Note, or (ii) constituting that number of shares of common stock of the Successor Issuer as the Holder would have been entitled to receive upon consummation of such reorganization, consolidation or merger, if the Holder had converted all of the principal and interest outstanding under this Note immediately prior thereto at the Fixed Conversion Price.

(d) Notwithstanding anything contained herein to the contrary, the Holder shall not be entitled to convert this Note if as a result thereof the Holder would beneficially own in excess 4.99% or more of the outstanding shares of common stock of the Company or a Successor Issuer, as applicable, at any time that such common stock is registered under Section 12 of the Securities Exchange Act of 1934, as amended (the “**1934 Act**”). For the purposes of the immediately preceding sentence, beneficial ownership shall be determined in accordance with Section 13(c) of the of the 1934 Act and Regulation 13d-3 thereunder. The Holder may void the limitation described in this 2(d) upon 65 days prior notice to the Company.

(e) Before the Holder shall be entitled to convert this Note into Equity Securities pursuant to this Section 2, the Holder shall give written notice to the Company at its principal corporate office, of the election to convert the same and shall state therein the name or names in which the Equity Securities are to be issued. The Company shall, as soon as practicable thereafter, issue and deliver to Holder or to the nominee or nominees of Holder, a certificate or certificates for the Equity Securities to which the Holder shall be entitled as aforesaid. Conversion shall be deemed to have been effected on the date when delivery of notice of an election to convert and surrender of the Note to be converted is made, or if applicable, on the effective date of the Qualified Financing. All Equity Securities which may be issued upon conversion of the Note will, upon issuance, be duly issued, fully paid and non-assessable and free from all taxes, liens, and charges with respect to the issuance thereof.

3. By its acceptance of this Note, the Holder makes the following representations and warranties:

(a) The Holder represents and warrants that it is acquiring this Note and will acquire any Equity Securities on conversion of this Note solely for its account for investment and not with a view to or for sale or distribution of the Note or Equity Securities or any part thereof. The Holder also represents that the entire legal and beneficial interests of the Note and Equity Securities the Holder is acquiring is being acquired for, and will be held for, its account only.

(b) The Holder understands that the Note and Equity Securities have not been registered under the Securities Act of 1933, as amended (the “Act”) on the basis that no distribution or public offering of the stock of the Company is to be effected. The Holder realizes that the basis for the exemption may not be present if, notwithstanding its representations, the Holder has a present intention of acquiring the securities for a fixed or determinable period in the future, selling (in connection with a distribution or otherwise), granting any participation in, or otherwise distributing the securities. The Holder has no such present intention.

(c) The Holder recognizes that the Note and Equity Securities must be held indefinitely unless they are subsequently registered under the Act or an exemption from such registration is available. The Holder recognizes that the Company has no obligation to register the Note or Equity Securities, or to comply with any exemption from such registration.

(d) The Holder is aware that neither the Note nor the Equity Securities may be sold pursuant to Rule 144 adopted under the Act unless certain conditions are met, including, among other things, the existence of a public market for the shares, the availability of certain current public information, the resale following the required holding period under Rule 144 and the number of shares being sold during any three month period not exceeding specified limitations. The Holder is aware that the conditions for resale set forth in Rule 144 have not been satisfied and that the Company presently has no plans to satisfy these conditions in the foreseeable future.

4. This Note may be prepaid at any time without the consent of the Holder.

5. The obligations of the Company under this Note are secured by a Pledge Agreement of even date herewith.

6. The Company shall pay all reasonable attorneys’ fees and court costs incurred by the Holder in enforcing and collecting this Note.

7. The Company hereby waives demand, notice, presentment, protest and notice of dishonor.

8. This Note shall be governed by and construed under the laws of the State of Nevada, as applied to agreements among Nevada residents, made and to be performed entirely within the State of Nevada, without giving effect to conflicts of laws principles.

9. This Note may be transferred only upon its surrender to the Company for registration of transfer, duly endorsed, or accompanied by a duly executed written instrument of transfer in form satisfactory to the Company. Thereupon, this Note shall be reissued to, and registered in the name of, the transferee, or a new Note for like principal amount and interest shall be issued to, and registered in the name of, the transferee. Interest and principal shall be paid solely to the registered holder of this Note. Such payment shall constitute full discharge of the Company’s obligation to pay such interest and principal.

10. This Note amends and restates in its entirety, and is issued in substitution of and exchange for, but not in payment of, that certain Secured Convertible Promissory Note dated as of November 30, 2018 made by the Company in favor of “CSW Investors, LP”.

OWP VENTURES, INC.

By: /s/ Craig Ellins

Name: Craig Ellins

Title: Chief Executive Officer

CONSULTING AGREEMENT

THIS CONSULTING AGREEMENT (“Agreement”) is made as of February 8, 2019 between OWP Ventures, Inc., a Delaware corporation (“Company”), and Bruce Raben (“Consultant”, and together with Company, the “Parties”).

WHEREAS, Company is desirous of obtaining the services of Consultant, and Consultant is desirous of offering its consulting services to the Company, on the terms set forth herein.

NOW, THEREFORE, the Parties do hereby agree as follows:

1. **Appointment.** The Company hereby appoints and designates Consultant to furnish consulting services in connection with the Company’s business operations, and Consultant hereby accepts such appointment and designation, subject to the terms and conditions set forth below.

2. **Duties.** Consultant shall provide consulting services to the Company in the area of strategic advice and corporate development. The Consultant shall devote such attention and time as is reasonably necessary to fulfill his duties and responsibilities under this Agreement. Any and all agreements or understandings, whether oral or written, relating to the business, operations, activities, nature or otherwise within the purview of the Company shall only be entered into by and on behalf of the Company. Consultant shall not have any authority to bind the Company to any contractual obligation.

3. **Consulting Fee Arrangements.** As compensation for services rendered by Consultant on behalf of the Company as herein provided, Consultant shall be paid a monthly consulting fee of \$5,000 and shall be issued a three-year option to purchase 125,000 shares of common stock of the Company at an exercise price of \$0.50 per share, vesting over the initial term of this Agreement. In addition, the Company shall pay or reimburse Consultant for all reasonable business related expenses, including travel and entertainment, provided that Consultant provides Company with appropriate receipts and other documentation.

4. **Term.** The term of this Agreement shall be for an initial period of 12 months, and shall thereafter continue until terminated by either party upon notice to the other party.

5. **Disclosure of Confidential Information.** Consultant may have access to the Company’s books and records.

5.1 Except to the extent (a) authorized by the express prior written consent of the Board of Directors, (b) required by law or any legal process, or (c) reasonably believed by the Consultant to be desirable and appropriate in performing its duties under this Agreement, the Consultant, will not, directly or indirectly, at any time during the term, or at any time subsequent to the termination of the Agreement, use or exploit, disseminate, disclose, or divulge to any person, firm, corporation, association or other business entity, Company Confidential Information (defined below). In no event shall Consultant use Company Confidential Information for his own personal benefit not in furtherance of the Company’s business, unless authorized by the express prior written consent of the Board of Directors.

5.2 As used herein, but subject to the limitations below in this Section 5.2, "Company Confidential Information" means all confidential information concerning the Company or its business furnished to Consultant by Company in connection with the services performed under this Agreement, in whatever form stored, including without limitation, computer software, telephone lists, client lists, prospective client lists, price lists, contract forms, catalogs, the business books, records, files and know-how. All Company Confidential Information is acknowledged to be the property of the Company and shall not be duplicated, removed (except temporarily in the ordinary course of Company's business) from the Company's possession or premises or made use of other than in pursuit of the Company's business or as may otherwise be required by law or any legal process, or approved by the Company, or as is necessary in connection with any adversarial proceeding against the Company. Upon termination of this Agreement for any reason, or upon termination of Consultant's services hereunder, Consultant shall deliver to the Company, without further demands, all copies of Company Confidential Information, including paper documents and/or electronic storage media containing Company Confidential Information which are then in its possession or under its control. Notwithstanding anything to the contrary herein, information shall not be deemed Company Confidential Information if such information (a) becomes generally known to the public in a reasonably integrated form, through no violation of this Agreement on the part of the Consultant, (b) becomes available to or known by the Consultant through disclosure by sources other than from or through the Consultant, and such sources are not known by the Consultant to be legally prohibited from disclosing such information, (c) was available to or within the possession of the Consultant on a non-confidential basis prior to its disclosure to the Consultant by the Company or (d) has been or hereafter is independently acquired, developed or arrived at by the Consultant without violation of its obligations under this Agreement.

6. Independent Contractor. Consultant shall be treated as an independent contractor for all employment and tax law purposes. Consultant is an independent contractor and nothing herein shall be deemed to confer upon Consultant the rights, privileges or benefits of an employee of Company, nor shall any of Consultant's duties hereunder constitute Consultant an employee of the Company. Consultant will not receive and hereby waives and relinquishes any and all right, claim or interest he now may have, and hereby rejects any and all right, claim or interest he might otherwise have in the future, to any privileges, or to any benefit, welfare plan or other employee plans, benefits or perquisites, provided by Company to its employees with respect to the services provided by him to the Company. Without limiting the generality of the foregoing, Consultant shall be solely responsible for any unemployment or disability insurance payments, or any social security, income tax or other withholdings, deductions or payments which may be required by federal, state or local law with respect to any sums paid to Consultant by the Company, and shall furnish the Company with a certificate evidencing Consultant's workers compensation insurance coverage.

7. Controlling Law/Remedies. The execution, validity, interpretation and performance of this Agreement shall be determined and governed by the laws of the State of Nevada without giving effect to any principles thereof relating to the conflict of laws.

8. Amendments; Waivers. This Agreement cannot be changed, modified or amended, and no provision or requirement hereof may be waived, without the consent in writing of the Consultant and the Company. No waiver by a party of the breach of any term or covenant contained in this Agreement shall be deemed to be, or construed as, a further or continuing waiver of any such breach, or a waiver of the breach of any other term or covenant contained in this Agreement.

9. Counterparts. This Agreement may be executed in one or more counterparts, each of which shall be deemed to be an original, but all of which together shall constitute one and the same instrument. This Agreement may be executed and delivered by facsimile or email transmission, and a facsimile or email transmission of this Agreement or of a signature of a party will be effective as an original.

10. Entire Agreement. This Agreement contains the entire agreement of the Parties with respect to the subject matter hereof.

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

OWP Ventures, Inc.

By: /s/ Craig Ellins
Craig Ellins, Chief Executive Officer

CONSULTANT:

/s/ Bruce Raben
Bruce Raben

English Translation From Spanish Original

GALINDO CUBIDES, LAWYERS
Building World Trade Center tower A
Street 100 No. 8A 37 of 207
Telephone number 218 39 64 - 218 39 84
email hernando@galindocubides.com
Bogota Colombia

Leasing contract

office 1903 connected towers two - bogota d.c.

Place and date of contract: Bogota D.C. October 25 of 2018

Among the undersigned HERNANDO GALINDO CUBIDES, of legal age, neighbor of Bogotá, identified with the citizenship card 2,940,687, who acts in his capacity as Manager and Legal Representative of BRICKEL S.A.S., with Nit. 900,343,868-2. Company constituted by private document of February 23, 2010, registered on March 3, 2010, under number 01366113 of Book IX, all of which is included in the certificate of existence and legal representation of the Chamber of Commerce and who from now on The LESSOR will call on the one hand and on the other, GLORIA VERÓNICA SERNA DIEZ, of legal age, identified with the citizenship card 52,440,264, who acts as the legal representative of the Company called ONE WORLD PHARMA SAS, with Nit. 901.098.493-7, Company incorporated in Bogotá, by private document number 01 of July 14, 2017, registered on July 17, 2017, under number 02243306; CARLOS ANDRÉS DE FEX GÓMEZ, with citizenship card 79,717,343 and RÁUL PINEDA VELOSA, with citizenship card 80,503,290, both of legal age, who act as substitute legal representatives of said company and which will henceforth be called THE TENANTS, this lease agreement has been concluded under the following Clauses:

FIRST: PURPOSE OF THE CONTRACT: By means of this contract, THE LESSOR grants THE LESSEE the enjoyment of the properties identified below, Office 1903 and 4 garages, as well as the movable property that is found in the aforementioned Office and that are related to separate document, inventory that is an integral part of this contract.

SECOND: ADDRESS OF THE PROPERTY: They are located in Carrera 9a No. 113-52 of Bogotá, Office 1903, Building Torres Unidas 2 Business Center and 4 garages, marked with numbers 20 and 21 of basement 1 and 31 and 32 of Basement 2 of said Building.

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THIRD: GENERAL BOOKS: The real estate object of the present contract are: Office nineteen zero three (1903) identified with real estate registration number 50N-20548337 of the Registry Office of Public Instruments of Bogota, North Zone, has its access through the avenue career (AK) ninth (9) number one hundred and thirteen fifty-two (113-52) of Bogotá, is located on the nineteenth floor (19) of the TORRES UNIDAS Building II-CENTRO EMPRESARIAL, which is part of the Centrp Empresarial Santa Bárbara complex, has a total built area of one hundred and eighty four square meters with fourteen centimeters squares (184.14m²) and their interior boundaries are: Starting from point one (1) to two (2) in broken line and successive distances of one meter sixty-five centimeters (1.65m), two meters twenty-three centimeters (2.23m), five meters seventy-five centimeters (5.75m), two meters sixty centimeters (2.60m), one meter (1.00m), one meter fifty-three centimeters (1.53m) with circulation and common bathrooms. From point two (2) to three (3) in broken line and in successive distances of three meters ten centimeters (3.10m), fifty-seven centimeters five millimeters (0.575m), one meter seventy centimeters (1.70m), fifty seven centimeters five millimeters (0.575m), five meters thirty-five centimeters (5.35m), sixty-two centimeters five millimeters (0.625m) ninety-four centimeters (0.94m), with office nineteen zero two (1902) thereof building. From point three (3) to four (4) in broken line and in successive distances of four meters ninety-seven centimeters (4.97m), twenty-six centimeters (0.26m), eighty centimeters (0.80m), thirty centimeters (0.30m) , ninety-three centimeters (0.93m), ninety centimeters (0.90m) one meter ten centimeters (1.1 Om) thirty-four centimeters (0.34m) three meters twenty-three centimeters (3.23m), with vacuum over the common terrace for exclusive use of the office five hundred and five (505) of the same building. From point four (4) to five (5) in a straight line of sixteen meters eighty-six centimeters (16.86m), with a gap on the common terraces for the exclusive use of the five hundred and five (505) and five hundred and six (506) offices. same building. From point five (5) to one (1) closing the polygonal in broken line and in successive distances of two meters eighty-five centimeters (2.85m), forty-five centimeters (0.45m) one meters forty centimeters (1.40m) forty and five centimeters (0.45m) three meters fifty centimeters (3.50m), fifteen centimeters (0.15m), two meters thirty-seven centimeters (2.37m), part with emptiness on the common terrace for the exclusive use of office sixteen zero five (1605) of the same building, part with the common terrace for the exclusive use of office nineteen zero four (1904) and part with common elevators of the same building. **PARAGRAPH:** Within the office in question there is a common column consecutively allocated from number six (6) to nine (9). Vertical boundaries **NADIR:** With the common concrete plate that separates it from the eighteenth floor of the same building, **CENIT:** With the common concrete plate that separates it from the twentieth floor of the same building. **DEPENDENCIES:** This is the 1903 Office with an approximate area (184.14 m²), with all its improvements and existing furniture that declares to know fully **THE LESSEE**, as well as the parking lots numbers P20 and P21, located in Basement 1 and P31 and P32, located in Basement 2 of the Building and whose boundaries of these parking spaces are both in the co-ownership regulation and in the title of acquisition and such parking spaces correspond to the real estate license plates 50N20548122, 50N-20548123, 50N-20548065, of the Office of Public Instruments from Bogota. The contracting parties agree not to allocate each of the parking spaces, observing that one of them is behind the other. In summary, there are four (4) parking spaces.

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FOURTH: DESTINATION: THE LESSEE undertakes to allocate these properties exclusively for the use of OFFICE, which correspond to the administrative part of the corporate purpose of ONE WORLD PHARMA SAS, which deals with the transformation of cannabis for medical and scientific purposes, and according to what is allowed in the co-ownership regulations of the Building.

FIFTH: DURATION OF THE CONTRACT: The duration term of this contract is one (1) year, counted from the twenty-fifth (25) of October of the two thousand and eighteen (2018). Notwithstanding the foregoing, the term of the lease may be automatically extended for consecutive periods of one (1) year, if neither party, within three (3) months prior to the expiration of the initial period or any of its extensions, reports in writing to the other party its decision to terminate this contract.

SIXTH: EARLY TERMINATION: LESSEE may terminate the contract unilaterally, within the initial term or during its extensions, prior written notice addressed to THE LESSEE through the authorized postal service, with an advance notice of not less than six (6) months and the payment of compensation equivalent to the current price of four (4) months of lease.

SEVENTH: VALUE OF LEASING: The monthly fee for the office, the parking lot and all the existing furniture according to the inventory, is the sum of fifteen million pesos (\$ 15,000,000) plus VAT, including the administration fee, fee that THE LESSEE agrees to pay semiannually and in advance, as follows: A). The first semester, comprised between the first (1st) of November 2018 and the thirty (30) of April 2019, which represents ninety million pesos (\$ 90,000,000), plus seventeen million one hundred thousand pesos (\$ 17,100,000), of VAT, that is, the sum total of ONE HUNDRED SEVEN MILLION ONE HUNDRED THOUSAND PESOS (\$ 107,100,000), is paid at the signing of this contract; B). The second semester included between the first (1st) of May and the thirty (30) of November of 2019, will be paid monthly during the (5) days of each month; C). From the date of delivery of the properties subject of this contract, the rental fee, plus VAT, will be paid proportionally for the days that elapsed until the first (1st) November, 2018 begins.

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FIRST PARAGRAPH: All payments for the lease, plus VAT, will be made by consignment in the current account No. 014386635 of Banco ITAÚ, in the name of BRICKEL S.A.S. From the first extension of the contract and while it remains in force, the lease fee will be paid for the first semester in advance, and the second semester to the date of its commencement will be paid within the first five (5) days of initiation each month.

EIGHTH: PRICE INCREASES: Once the first year of validity of this contract expires and so on every twelve (12) months of its execution in its tacit or express extensions, the monthly price of the lease will be adjusted automatically and without any requirement some by the LESSOR, in a percentage equal to 100% plus two (2) points, of the increase that the Consumer Price Index (CPI) had in the immediately previous year, to the one to which the respective readjustment must be made of the canon.

NINTH: ADMINISTRATION FEES: The administration fee that indicates the co-ownership for the real estate object of this contract, is paid directly by THE LESSOR. Likewise, the percentage of increase in the Administration fee will be subject to what the assembly of co-owners establishes. Extraordinary fees will be covered in their entirety also by THE LESSOR.

TENTH: PUBLIC SERVICES: THE LESSEE agrees to comply with the payment of all public services of aqueduct and sewage, energy, internet, etc., I * caused during the term of this contract, THE LESSOR is not responsible for the quality of providing these services, which is in charge of the respective public companies that provide them. THE LESSOR shall have no responsibility for these payments. This document, together with the receipts canceled by THE LESSOR, constitutes an executive title to collect from the LESSORSERS the services that it ceased to pay provided that such amounts correspond to the period in which the property was held by the LESSEE.

PARAGRAPH ONE: LESSEE must present at the offices of THE LESSOR when it so requires, the utility bills duly canceled and according to the periods in which the corresponding companies invoice.

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SECOND PARAGRAPH: Without exception, THE LESSORS are obliged to present at the offices of THE LESSOR eight (8) business days before the date scheduled for the delivery of the property at the end of the contract, the receipts of this tenth Clause , duly canceled and will answer, of course, for the value of the services that remain pending.

THIRD PARAGRAPH: LESSEERS may not, without the prior written authorization of the LESSOR, manage and / or install, on their own behalf or that of third parties, in the property subject of this contract, new telephone lines in addition to the current ones, or change the number of them., nor charge advertising account of telephone directories, newspapers, or Internet companies, nor credits with CODENSA among others, nor carry out any other change in the facilities of other public domiciliary services of the property.

Termination of the contract or to make the necessary arrangements for the damage caused to the goods object of this contract, except normal deterioration.

TENTH TWO: INSPECTION: THE LESSEE may not unreasonably refuse the visits that THE LESSOR or its representatives wish to perform to verify the state of conservation of the property or other circumstances that are of interest. THE LESSOR will inform in writing and at least three (3) days in advance to THE LESSEE, and these visits can only be made during the working days and daytime hours.

PARAGRAPH: Fifteen (15) days before the delivery and receipt of the real estate, a record will be drawn up on the status of the same and THE LESSEE agrees to carry out the repairs corresponding to damages that do not correspond to the legitimate use.

TENTH THIRTEENTH: CLAUSE OF NON-COMPLIANCE: The breach or violation of any of the obligations of THE LESSEE, which are not addressed or corrected within a period of ten (10) business days counted from the reception of the notification by THE LESSOR, will give right to the LESSOR to terminate this contract and demand the immediate delivery of the property without the need for eviction or the requirements set forth in the law and THE LESSORS waive to oppose the cessation of the lease through any kind of bond and also waives the requirements relating to the constitution in arrears.

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TENTH FOURTH: CAUSES OF TERMINATION: In favor of the LESSOR will be the following: a) The assignment or sub-letting, b) The change of destination of the property, c) The non-payment of the price within the terms provided for in this contract, d) The destination of the property for illicit purposes or contrary to good customs, or that represent a danger to the property or the healthiness of its inhabitants or neighbors. LESSEERS agree not to use the property covered by this contract for the storage of weapons or explosives and money of terrorist groups, or for it to produce, store, sell or use drugs, narcotics or hallucinogenic substances, such as marijuana, hashish, cocaine, morphine, heroin and related illicitly

- **THE LESSEE** agrees not to keep, or allow to be stored in the leased property flammable or explosive substances that endanger the security of the property, e) The realization of improvements, changes or extensions of the property, without express authorization of the LESSOR, f) The non-cancellation of public services by the LESSEE provided it causes the disconnection or loss of service, g) The rest provided by law .----- **CAUSES IN FAVOR OF THE LESSEE:** - a) The not allow on the part of the LESSOR the legitimate enjoyment of the goods given in lease, b) The LESSOR breach of the obligations agreed in this contract c) The rest provided by law.

TENTH FIFTEEN: AUTHORIZATION: THE LESSORS expressly authorize THE LESSOR and its eventual transferee or addressee to incorporate, report, process and consult data banks, the information that relates to this contract or that derives from it.

TENTH SIXTH: ASSIGNMENT OR CHANGE OF TENURE: The contracting parties expressly stipulate that this contract will not form an integral part of any commercial establishment and that, therefore, the alienation that may be established in the property not only does not transfer any rental right to the property. purchaser, but it is grounds for terminating the contract, since THE LESSEE expressly agrees not to transfer, not sublet the property, or transfer their tenure.

TENTH SEVENTH: IMPROVEMENTS: The LESSEE can not execute improvements of any kind, except for locative repairs, without written permission of the LESSOR. If they are executed, they will access the owner of the property without compensation for the person who made them.

PARAGRAPH: Notwithstanding the provisions of this Clause, THE LESSEE is obliged to make the locative repairs, that is, to keep the property in the state in which it was received, being especially obliged to comply with the stipulations of the pertinent regulations.

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TENTH EIGHTEENTH: RECEIPT AND STATUS: THE LESSEE declares to have received the real estate object of this contract, as well as the movable property in the state in which it is found and is obliged to conserve it and return it in the same state, except for the natural deterioration, committing to the payment of the leaseable repairs provided by the law in their charge and the damages attributable to the misuse that is given to them and which in the same state will be returned to the LESSOR upon the termination of the lease, or when it has to cease for any of the causes planned.

TENTH NINTH: EXEMPTION FROM LIABILITY: THE LESSOR assumes no responsibility for the damages that THE LESSEE may suffer for reasons attributable to third parties or for robberies, thefts, or for disasters caused by fire, flood, earthquake, terrorism, vehicle damage by leaks of plates, among others.

It is the responsibility of the LESSEE the permits and / or licenses that must be processed before the respective governmental or private entities and the LESSOR has no responsibility for the denial or requirements demanded by said entities; for the any responsibility for the denial or requirements demanded by said entities; therefore THE LESSEE cannot impute to the LESSOR damages for this cause.

TWENTIETH: COMMERCIAL PREMIUM: The parties agree that for no reason, the LESSOR, will recognize any value to THE LESSEE for commercial premiums or similar concepts at the time of expiration of the contract and / or the delivery of the real estate, object of This lease and LOS ARRENPATARIOS expressly renounce to request them from the LESSOR or before the law.

TWENTY-FIRST: ABANDONMENT OF REAL ESTATE: Upon signing this contract, LESSEE expressly empowers the LESSOR to enter the real estate and recover their possession, with the sole requirement of the presence of two witnesses, in order to avoid the deterioration or dismantling of the property. same, provided that for any reason they remain abandoned or disabled for a period of one month and that the risk exposure is such that it threatens the physical integrity of the property or the safety of the neighborhood.

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TWENTY SECOND: ASSIGNMENT OF THE CONTRACT: THE LESSORS accept from now on any assignment that THE LESSOR makes with respect to this contract and that the notification is sent with the shipment by certified mail to the address consigned in this same contract. THE LESSOR states that it has no intention of selling or assigning the office that is the subject of this contract, but that if it did, it will do everything in its power to ensure that the new owner respects the terms and conditions of this agreement.

TWENTY THIRD: CRIMINAL CLAUSE: The breach of any of the obligations in charge of THE LESSEE derived from this contract, and other than the early termination, will constitute the debtor of the LESSOR for a sum equivalent to four (4) months of the lease fee , in force at the time of the breach by way of penalty, without prejudice to the payment of the fee while the property is occupied and the damages that may be caused as a result of the breach.

TWENTY FOURTH: WARRANTY: THE LESSEE, namely, ONE WORLD PHARMA SAS, GLORIA VERONICA SERNA DIEZ, CARLOS ANDRES DE FEX GOMEZ and RÁUL PINEDA VELOSA, to guarantee the payment of the lease and other items related to the lease agreement, of the Office 1903, the garages and personal property, located in the Torres Unidas II Building in Bogotá, sign in favor of BRICKEL SAS, in solidarity, a blank promissory note, with the respective letter of instructions.

TWENTY FIFTH: ARBITRAMENT: When a dispute arises on the occasion of the celebration, interpretation, execution and / or termination of this contract, the parties will try to reach an agreement within fifteen calendar days following the notification of one party to the other of the reason for the dispute, a term that may be extended in writing by mutual agreement. If an agreement is not possible within that term, the parties must resort to the resolution of the dispute to an Arbitration Tribunal, whose designation of the Arbitrators will be made by the Chamber of Commerce of Bogota by drawing lots of the lists carried by said Chamber and The Court will be subject to the legal provisions in force in accordance with the following rules: - a) - The Court will consist of one or three arbitrators, depending on the amount of the claim, since if it is less than two hundred million pesos (\$ 200,000,000), there will be only one arbitrator; and if the claim exceeds two hundred million pesos (\$ 200,000,000), the arbitrators will be three.-b) -The Internal Organization of the Tribunal will be subject to the rules provided for this purpose by the Arbitration Center of the Chamber of Commerce of Bogotá -C) - The Tribunal will function in the Arbitration Center of Bogotá and its ruling will be in Law.

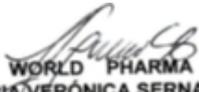
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TWENTY-SIXTH: MODIFICATIONS: This contract can not be modified except by express written agreement of the parties, that is, that can not be altered verbally, nor by custom or tacit acceptance of the LESSOR.

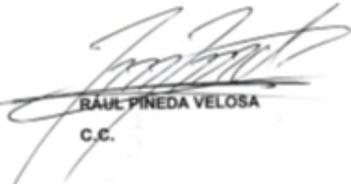
THE LESSOR


Hernando Galindo Cubides
C.C. 2.940.687
Representante legal
BRICKEL S.A.S.

THE TENANTS


ONE WORLD PHARMA S.A.S.
GLORIA VERÓNICA SERNA DIEZ
C.C. 2.440.264.


CARLOS ANDRÉS DE FEX GÓMEZ
C.C. 79.777.743


RAÚL PINEDA VELOSA
C.C.

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**DILIGENCE OF RECOGNITION AND
PERSONAL PRESENTATION**

NOTARIA
77



BEFORE THE SEVENTY-SEVEN NOTARY OF THE CIRCLE
OF BOGOTÁ D.C. He appeared:

GALINDO CUBIDES HERNANDO AUGUSTO
who exhibited: C.C. 2940687 and stated that the signature
and footprint appearing in this document are his and that
the content thereof is true.
Bogotá D.C. Thursday, October 25, 2018

A98V1SX7PTJOGHNT



Hernando Galindo Cubides
FIRMA DECLARANTE



**DILIGENCE OF RECOGNITION AND
PERSONAL PRESENTATION**

NOTARIA
77



BEFORE THE SEVENTY-SEVEN NOTARY OF THE CIRCLE
OF BOGOTÁ D.C. He appeared:

PINEDA VELOSA RAUL
who exhibited: C.C. 80503290 and stated that the signature
and footprint appearing in this document are his and that
the content thereof is true.
Bogotá D.C. Thursday, October 25, 2018

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Verifique los datos impresos en
este documento ingresando a
www.notariaenlinea.com



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**DILIGENCE OF RECOGNITION AND
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NOTARIA
77



BEFORE THE SEVENTY-SEVEN NOTARY OF THE CIRCLE
OF BOGOTÁ D.C. He appeared:

DE FEX GOMEZ CARLOS ANDRES
who exhibited: C.C. 79717343 and stated that the signature
and footprint appearing in this document are his and that
the content thereof is true.
Bogotá D.C. Thursday, October 25, 2018



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FIRMA DECLARANTE

ELIZABETH DIAZ MARTINEZ
NOTARIA 77 (E) DE BOGOTÁ D.C.

**DILIGENCE OF RECOGNITION AND
PERSONAL PRESENTATION**

NOTARIA
77



BEFORE THE SEVENTY-SEVEN NOTARY OF THE CIRCLE
OF BOGOTÁ D.C. He appeared:

SERNA DIEZ GLORIA VERONICA
who exhibited: C.C. 5440264 and stated that the signature
and footprint appearing in this document are his and that
the content thereof is true.
Bogotá D.C. Thursday, October 25, 2018



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FIRMA DECLARANTE
szwWqzxwzsaqzqae

ELIZABETH DIAZ MARTINEZ
NOTARIA 77 (E) DE BOGOTÁ D.C.

INVENTORY OF EXISTING FURNITURE IN THE 1903 OFFICE OF THE TORRES UNIDAS II BUILDING

- Security entrance door.
- Air conditioning system in 2.5TR equipment, ducts, grilles and thermostats.
- Tenoflex lighting in all places, in reception, work stations, meeting room, main offices, archive, kitchen and bathroom, with enough bulbs, transformers, ballasts, halogen and dulux bulbs and indirect fluorescent profile.
- Video intercom system, plus 03K color monitor; electromagnet and main door access controls.
- floors in cream marble siena a med. / V
- Rolling shutters, single-channel control. (18 units)
- Amplifier sound for 5 zones NILES ZR6 with control.
- ipod wall control with monochromatic screen.
- Base for intelligent ipod nils smartdock
- Speakers 6 “two way DAS CL6.

- DENON meeting room amplifier.
 - Offices and common areas with their respective divisions in samblast tempered glass.
 - The main offices, such as the meeting room, have their respective divisions and doors, as well as the closets or wooden libraries.
 - The reception consists of a formica wood surface, support elements, two drawers, drawers and filing cabinets, glass panels, a metal dump.
 - Sofa in leather and armchair. Center base in wood.
 - Kitchenette in white madecor and doors in formica color and inn.
 - Pink triplex bathroom cabinet acemar; bathroom applique set, toilet, sink in glass black crystal platinum type.
 - Furniture secretary of management
 - OFFICE MANAGEMENT 1-LINE LUGANO:
 - Wooden furniture composed of 1 desk in wood panel with black laminated glass surface, 1 double wooden chest of drawers,
- 1 credenza, 4 services with black laminated glass surface, 1 paper basket.

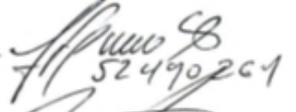
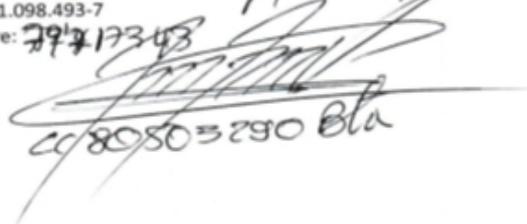
- OFFICE MANAGEMENT 2-LUGANO LINE:
 - Furniture in wood. Composed by 1 desk in wood panel with black laminated glass surface, 1 double wooden chest of drawers, 1 paper basket
- INTELLIGENT TOGETHER TABLE - LUGANO LINE:
 - Board table in wood, for 10 posts, 3.00 meters x 1.20, wired.
- OPERATIONAL WORK POSITION:
 - Each one is made up of surfaces in formica wood, support elements. 1 single drawer unit (2 drawers + 1 file) 1 fixed cpu holder, 1 metal dump, some posts with 1 wall cabinet, skirt and glass screens. Furniture on the wall
- MAIN CHAIRS FOR MANAGEMENT AND MEETING ROOM:
 - Single cinque: high, syncro mechanism with adjustable arms, base chrome, upholstered in cloth, rodachinas for hard floor, 10 units.
- INTERLOCUTORY CHAIRS FOR MANAGEMENT:
 - Cinque chair: interlocutor, with arms, chromed sled base, upholstered in fabric, 4 units.
- OPERATING CHAIRS AND RECEPTION:
 - with adjustable arms, upholstered in fabric, rodachinas for hard floor, 9 units
- MANAGEMENT CHAIRS:
 - Management chairs with rodachinas, 2 units

These goods have been delivered to satisfaction since the beginning of the lease, signed on October 24, 2018

THE LESSOR:


BRICKEL S.A.S
Nit. 900.343.868-2
Hernando Galindo Cubides
Representante Legal

THE LESSEE


ONE WORLD PHARMA S.A.S.
Nit. 901.098.493-7
Nombre: ~~79717343~~

52490261

cc/80803290 Bla

DILIGENCE OF RECOGNITION AND
PERSONAL PRESENTATION

NOTARIA
77



BEFORE THE SEVENTY-SEVEN NOTARY OF THE CIRCLE
OF BOGOTÁ D.C. He appeared:

GALINDO CUBIDES HERNANDO AUGUSTO
who exhibited: C.C. 2940687 and stated that the signature
and footprint appearing in this document are his and that
the content thereof is true.
Bogotá D.C. Thursday, October 25, 2018

A98V1SX7PTJOGHNT



x *[Signature]*
FIRMA DECLARANTE



DILIGENCE OF RECOGNITION AND
PERSONAL PRESENTATION

NOTARIA
77



BEFORE THE SEVENTY-SEVEN NOTARY OF THE CIRCLE
OF BOGOTÁ D.C. He appeared:

PINEDA VELOSA RAUL
who exhibited: C.C. 80503290 and stated that the signature
and footprint appearing in this document are his and that
the content thereof is true.
Bogotá D.C. Thursday, October 25, 2018

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[Signature]
FIRMA DECLARANTE



DILIGENCE OF RECOGNITION AND
PERSONAL PRESENTATION

NOTARIA
77



BEFORE THE SEVENTY-SEVEN NOTARY OF THE CIRCLE
OF BOGOTÁ D.C. He appeared:

DE FEX GOMEZ CARLOS ANDRES
who exhibited: C.C. 79717343 and stated that the signature
and footprint appearing in this document are his and that
the content thereof is true.
Bogotá D.C. Thursday, October 25, 2018

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FIRMA DECLARANTE

NOTARIA 77 (E) DE BOGOTÁ D.C.

DILIGENCE OF RECOGNITION AND
PERSONAL PRESENTATION

NOTARIA
77



BEFORE THE SEVENTY-SEVEN NOTARY OF THE CIRCLE
OF BOGOTÁ D.C. He appeared:

SERNA DIEZ GLORIA VERONICA
who exhibited: C.C. 5440264 and stated that the signature
and footprint appearing in this document are his and that
the content thereof is true.
Bogotá D.C. Thursday, October 25, 2018

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x

FIRMA DECLARANTE
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NOTARIA 77 (E) DE BOGOTÁ D.C.

INSTRUCTION LETTER TO COMPLETE PAYMENT No. 001 IN YOUR BLANK SPACES

Bogotá D.C., October 25, 2018

The undersigned, GLORIA VERÓNICA SERNA DIEZ, of legal age, identified with the citizenship card number 52,440,264, who acts in his own name and also, on behalf of and representing the Society called ONE WORLD PHARMA S.A.S, with Nit. 901.098.493-7, Company incorporated in Bogotá, by private document number 01 of July 14, 2017, registered on July 17, 2017, under the number 02243306 and CARLOS ANDRÉS DE FEX GÓMEZ, of legal age, with a certificate of citizenship 79,717,343, and RAÚL PINEDA VELOSA, of legal age with identity card 80.503.290 expressly declare:

FIRST: That we are LANDLORDS and joint debtors and in such conditions, we authorize our LESSOR, BRICKEL S.A.S., with Nit. 900.343.868-2, or to whom your rights represent, to fill in the blanks, in the promissory note with the number 001, which on the date we have subscribed in favor of the aforementioned Company BRICKEL S.A.S., and in accordance with the following instructions:

1. The value of the capital will be the total value of the rent or public service fees that the LESSEE will not pay in the lease signed by the parties identified in the promissory note No. 001.
2. The value of default interest equals the maximum rate established by the monetary authorities.
3. The expiration date will be the day of the breach of the obligations by the LESSEE.
4. The promissory note thus filled, shall be immediately enforceable and shall render executive merit without any other formality, or extrajudicial or judicial request.

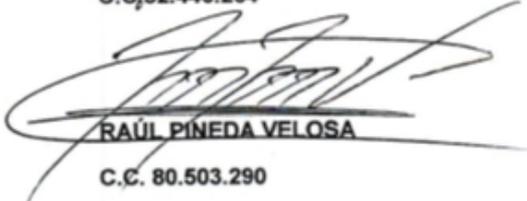
5. We declare that a copy of said document is in our possession, authorizing THE CREDITOR to consult or report to the financial risk centers, the information related to the obligations of these documents.

For proof, we sign this letter of instructions, in the city of Bogotá, on the twenty-fifth (25) day of the month of October 2018.

THE DEBTORS: ONE WORLD PHARMA S.A.S


GLORIA VERÓNICA SERNA DIEZ
C.C. 52.440.264


CARLOS ANDRÉS DE FEX GÓMEZ
C.C. 79.717.343


RAÚL PINEDA VELOSA
C.C. 80.503.290

DILIGENCE OF RECOGNITION AND
PERSONAL PRESENTATION

NOTARIA
77



BEFORE THE SEVENTY-SEVEN NOTARY OF THE CIRCLE
OF BOGOTÁ D.C. He appeared:

SERNA DIEZ GLORIA VERONICA
who exhibited: C.C. 5440264 and stated that the signature
and footprint appearing in this document are his and that
the content thereof is true.
Bogotá D.C. Thursday, October 25, 2018

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x 
FIRMA DECLARANTE
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ELIZABETH DIAZ MARTINEZ
NOTARIA 77 (E) DE BOGOTÁ D.C.

DILIGENCE OF RECOGNITION AND
PERSONAL PRESENTATION

NOTARIA
77



BEFORE THE SEVENTY-SEVEN NOTARY OF THE CIRCLE
OF BOGOTÁ D.C. He appeared:

DE FEX GOMEZ CARLOS ANDRES
who exhibited: C.C. 79717343 and stated that the signature
and footprint appearing in this document are his and that
the content thereof is true.
Bogotá D.C. Thursday, October 25, 2018

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FIRMA DECLARANTE


ELIZABETH DIAZ MARTINEZ
NOTARIA 77 (E) DE BOGOTÁ D.C.

DILIGENCE OF RECOGNITION AND
PERSONAL PRESENTATION

NOTARIA
77



BEFORE THE SEVENTY-SEVEN NOTARY OF THE CIRCLE
OF BOGOTÁ D.C. He appeared:

PINEDA VELOSA RAUL
who exhibited: C.C. 80503290 and stated that the signature
and footprint appearing in this document are his and that
the content thereof is true.
Bogotá D.C. Thursday, October 25, 2018



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PRIMA DECLARANTE
LIZBETH DIAZ MARTINEZ
NOTARIA 77 (E) DE BOGOTÁ D.C.

PAY IN WHITE No. 001 WITH INSTRUCTION LETTER

EXPIRATION DATE: _____

The undersigned, GLORIA VERÓNICA SERNA DIEZ, of legal age, identified with the citizenship card number 52,440,264, who acts in his own name and also, on behalf of and representing the Society called ONE WORLD PHARMA S.A.S, with Nit. 901.098493-7, Company incorporated in Bogotá, by private document number 01 of July 14, 2017, registered on July 17, 2017, under number 02243306 and CARLOS ANDRÉS DE FEX GÓMEZ, also of legal age, with citizenship card 79,717 .343 and RAUL PINEDA VELOSA, of legal age, with citizenship card 80.503.290, acting on their own behalf, who henceforth will be called THE DEBTORS, we expressly state: FIRST. That we are obliged to pay unconditionally, jointly and indivisibly to the order of the Society BRICKEL S.A.S., with Nit. 900.343.868-2, hereinafter, THE CREDITOR, or whoever represents your rights, in the City of Bogotá, in its offices located in career 7 No. 113-43, Office 304, the sum of _____ (\$ _____), for concept of capital and the sum of _____ (\$ _____) m / cte, by concept of interests. We will recognize and pay interest on delinquent securities at the maximum legal rate allowed. SECOND. THE CREDITOR may declare the past due obligations to our position without need of notice or any requirement, in any of the following events: a) Failure to pay any of the obligations under our charge; b) If we are investigated or bound by any authority, by reason of contraventions or unlawful, of any nature or if we are sued judicially, or seize the goods for any kind of action; c) In case of dissolution, liquidation or insolvency; d). If we commit inaccuracy in balance sheets, reports, statements or documents that we present to THE CREDITOR or are returned one or several checks for total or partial absence of funds, if applicable; e) The bad or difficult economic situation so qualified by the creditor, f) Any cause established in the law, its regulations or provisions of competent authority. THIRD. That in case of judicial or extrajudicial collection, expenses and collections that are caused by said collection will be our responsibility. QUARTER. The attorney's fees, in the case of direct settlement or payment in the preliminary stage, are set at 10% of the value of the obligation and if it becomes necessary to bring a legal action, the fees will be 20% of the total amount of the claim. This blank promissory note we have completed as debtors, giving the instructions for filling in the spaces, in an attached document, in accordance with the provisions of Article 622 of the Commercial Code and in record we sign this note in the city of Bogotá , on the twenty-fifth (25) day of the month of October 2018.

DILIGENCE OF RECOGNITION AND
PERSONAL PRESENTATION

NOTARIA
77



BEFORE THE SEVENTY-SEVEN NOTARY OF THE CIRCLE
OF BOGOTÁ D.C. He appeared:

SERNA DIEZ GLORIA VERONICA
who exhibited: C.C. 5440264 and stated that the signature
and footprint appearing in this document are his and that
the content thereof is true.
Bogotá D.C. Thursday, October 25, 2018

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x 
FIRMA DECLARANTE
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ELIZABETH DÍAZ MARTÍNEZ
NOTARIA 77 (E) DE BOGOTÁ D.C.

DILIGENCE OF RECOGNITION AND
PERSONAL PRESENTATION

NOTARIA
77



BEFORE THE SEVENTY-SEVEN NOTARY OF THE CIRCLE
OF BOGOTÁ D.C. He appeared:

DE FEX GOMEZ CARLOS ANDRES
who exhibited: C.C. 79717343 and stated that the signature
and footprint appearing in this document are his and that
the content thereof is true.
Bogotá D.C. Thursday, October 25, 2018

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FIRMA DECLARANTE

ELIZABETH DÍAZ MARTÍNEZ
NOTARIA 77 (E) DE BOGOTÁ D.C.

DILIGENCE OF RECOGNITION AND
PERSONAL PRESENTATION

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BEFORE THE SEVENTY-SEVEN NOTARY OF THE CIRCLE
OF BOGOTÁ D.C. He appeared:

PINEDA VELOSA RAUL
who exhibited: C.C. 80503290 and stated that the signature
and footprint appearing in this document are his and that
the content thereof is true.
Bogotá D.C. Thursday, October 25, 2018



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STANDARD MULTI-TENANT OFFICE LEASE - GROSS
AIR COMMERCIAL REAL ESTATE ASSOCIATION

1. Basic Provisions ("Basic Provisions").

1.1 Parties: This Lease ("Lease"), dated for reference purposes only October 16, 2018 is made by and between Ripper Series LLC, Series 3

(Lessor) and OWP Ventures, Inc.

(Lessee), (collectively the "Parties", or individually a "Party").

1.2(a) Premises: That certain portion of the Project (as defined below), known as Suite Numbers(s) #301 third floor(s), consisting of approximately 3,210 rentable square feet and approximately 3,210 useable square feet ("Premises"). The Premises are located at: 3471 W Oquendo Rd., in the City of Las Vegas, County of Clark, State of Nevada, with zip code 89118. In addition to Lessee's rights to use and occupy the Premises as hereinafter specified, Lessee shall have non-exclusive rights to the Common Areas (as defined in Paragraph 2.7 below) as hereinafter specified, but shall not have any rights to the roof, the exterior walls, the area above the dropped ceilings, or the utility raceways of the building containing the Premises ("Building") or to any other buildings in the Project. The Premises, the Building, the Common Areas, the land upon which they are located, along with all other buildings and improvements thereon, are herein collectively referred to as the "Project." The Project consists of approximately 9,630 rentable square feet. (See also Paragraph 2)

1.2(b) Parking: unreserved and 8 reserved vehicle parking spaces at a monthly cost of \$0 per unreserved space and \$0.00 per reserved space. (See Paragraph 2.6)

1.3 Term: 3 years and 0 months ("Original Term") commencing November 1, 2018 ("Commencement Date") and ending October 31, 2021 ("Expiration Date"). (See also Paragraph 3)

1.4 Early Possession: If the Premises are available Lessee may have non-exclusive possession of the Premises commencing October 19, 2018 ("Early Possession Date"). (See also Paragraphs 3.2 and 3.3)

1.5 Base Rent: \$4,494.00 per month ("Base Rent"), payable on the 1st day of each month commencing November 1, 2018. (See also Paragraph 4)

If this box is checked, there are provisions in this Lease for the Base Rent to be adjusted. See Paragraph 1.6 Lessee's Share of Operating Expense Increase: percent (0%) ("Lessee's Share"). In the event that that size of the Premises and/or the Project are modified during the term of this Lease, Lessor shall recalculate Lessee's Share to reflect such modification.

1.7 Base Rent and Other Monies Paid Upon Execution: (a) Base Rent: \$17,976.00 for the period 11/01/2018 thru 02/28/2019 (b) Security Deposit: \$4,494.00 ("Security Deposit"). (See also Paragraph 5) (c) Parking: \$n/a for the period n/a (d) Other: \$n/a for n/a (e) Total Due Upon Execution of this Lease: \$22,470.00

1.8 Agreed Use: Administrative Office

1.9 Base Year; Insuring Party. The Base Year is 2019. Lessor is the "Insuring Party". (See also Paragraphs 4.2 and 8)

1.10 Real Estate Brokers: (See also Paragraph 15 and 25)

(a) Representation: The following real estate brokers (the "Brokers") and brokerage relationships exist in this transaction (check applicable boxes):

Colliers International / Jeff Naseef represents Lessor exclusively ("Lessor's Broker"); represents Lessee exclusively ("Lessee's Broker"); or represents both Lessor and Lessee ("Dual Agency").

(b) Payment to Brokers: Upon execution and delivery of this Lease by both Parties, Lessor shall pay to the Brokers for the brokerage services rendered by the Brokers the fee agreed to in the attached separate written agreement or if no such agreement is attached, the sum of or 4% of the total Base Rent payable for the Original Term, the sum of or of the total Base Rent payable during any period of time that the Lessee occupies the Premises subsequent to the Original Term, and/or the sum of or 3% of the purchase price in the event that the Lessee or anyone affiliated with Lessee acquires from Lessor any rights to the Premises.

1.11 Guarantor. The obligations of the Lessee under this Lease shall be guaranteed by N/A ("Guarantor").

(See also Paragraph 37)

99 INITIALS

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1.12 Business Hours for the Building: 7:00 a.m. to 6:00 p.m., Mondays through Fridays (except Building Holidays) and 7:00 a.m. to 6:00 p.m. on Saturdays (except Building Holidays). "Building Holidays" shall mean the dates of observation of New Year's Day, President's Day, Memorial Day, Independence Day, Labor Day, Thanksgiving Day, Christmas Day, and Lessee should have access to their premises twenty four hours a day, seven days per week.

1.13 Lessor Supplied Services. Notwithstanding the provisions of Paragraph 11.1, Lessor is NOT obligated to provide the following within the Premises:

- Janitorial services
 Electricity
 Other (specify):

1.14 Attachments. Attached hereto are the following, all of which constitute a part of this Lease:

- [x] an Addendum consisting of Paragraphs through ;
 a plot plan depicting the Premises;
[x] a current set of the Rules and Regulations;
[x] a Work Letter;
 a janitorial schedule;
[x] other (specify): Option to Extend - Rent Adjustment - Option to Purchase

2. Premises.

2.1 Letting. Lessor hereby leases to Lessee, and Lessee hereby leases from Lessor, the Premises, for the term, at the rental, and upon all of the terms, covenants and conditions set forth in this Lease. While the approximate square footage of the Premises may have been used in the marketing of the Premises for purposes of comparison, the Base Rent stated herein is NOT tied to square footage and is not subject to adjustment should the actual size be determined to be different. Note: Lessee is advised to verify the actual size prior to executing this Lease.

2.2 Condition. Lessor shall deliver the Premises to Lessee in a clean condition on the Commencement Date or the Early Possession Date, whichever first occurs ("Start Date"), and warrants that the existing electrical, plumbing, fire sprinkler, lighting, heating, ventilating and air conditioning systems ("HVAC"), and all other items which the Lessor is obligated to construct pursuant to the Work Letter attached hereto, if any, other than those constructed by Lessee, shall be in good operating condition on said date, that the structural elements of the roof, bearing walls and foundation of the Unit shall be free of material defects, and that the Premises do not contain hazardous levels of any mold or fungi defined as toxic under applicable state or federal law.

2.3 Compliance. Lessor warrants that to the best of its knowledge the improvements comprising the Premises and the Common Areas comply with the building codes that were in effect at the time that each such improvement, or portion thereof, was constructed, and also with all applicable laws, covenants or restrictions of record, regulations, and ordinances ("Applicable Requirements") in effect on the Start Date. Said warranty does not apply to the use to which Lessee will put the Premises, modifications which may be required by the Americans with Disabilities Act or any similar laws as a result of Lessee's use (see Paragraph 50), or to any Alterations or Utility Installations (as defined in Paragraph 7.3(a)) made or to be made by Lessee. NOTE: Lessee is responsible for determining whether or not the zoning and other Applicable Requirements are appropriate for Lessee's intended use, and acknowledges that past uses of the Premises may no longer be allowed. If the Premises do not comply with said warranty, Lessor shall, except as otherwise provided, promptly after receipt of written notice from Lessee setting forth with specificity the nature and extent of such non-compliance, rectify the same. If the Applicable Requirements are hereafter changed so as to require during the term of this Lease the construction of an addition to or an alteration of the Premises, the remediation of any Hazardous Substance, or the reinforcement or other physical modification of the Premises ("Capital Expenditure"), Lessor and Lessee shall allocate the cost of such work as follows:

(a) Subject to Paragraph 2.3(c) below, if such Capital Expenditures are required as a result of the specific and unique use of the Premises by Lessee as compared with uses by tenants in general, Lessee shall be fully responsible for the cost thereof, provided, however that if such Capital Expenditure is required during the last 2 years of this Lease and the cost thereof exceeds 6 months' Base Rent, Lessee may instead terminate this Lease unless Lessor notifies Lessee, in writing, within 10 days after receipt of Lessee's termination notice that Lessor has elected to pay the difference between the actual cost thereof and the amount equal to 6 months' Base Rent. If Lessee elects termination, Lessee shall immediately cease the use of the Premises which requires such Capital Expenditure and deliver to Lessor written notice specifying a termination date at least 90 days thereafter. Such termination date shall, however, in no event be earlier than the last day that Lessee could legally utilize the Premises without commencing such Capital Expenditure.

(b) If such Capital Expenditure is not the result of the specific and unique use of the Premises by Lessee (such as, governmentally mandated seismic modifications), then Lessor shall pay for such Capital Expenditure and Lessee shall only be obligated to pay, each month during the remainder of the term of this Lease or any extension thereof, on the date that on which the Base Rent is due, an amount equal to 1/144th of the portion of such costs reasonably attributable to the Premises. Lessee shall pay interest on the balance but may prepay its obligation at any time. If, however, such Capital Expenditure is required during the last 2 years of this Lease or if Lessor reasonably determines that it is not economically feasible to pay its share thereof, Lessor shall have the option to terminate this Lease upon 90 days prior written notice to Lessee unless Lessee notifies Lessor, in writing, within 10 days after receipt of Lessor's termination notice that Lessee will pay for such Capital Expenditure. If Lessor does not elect to terminate, until Lessor's share of such costs have been fully paid. If Lessee is unable to finance Lessor's share, or if the balance of the Rent due and payable for the remainder of this Lease is not sufficient to fully reimburse Lessee on an offset basis, Lessee shall have the right to terminate this Lease upon 30 days written notice to Lessor.

(c) Notwithstanding the above, the provisions concerning Capital Expenditures are intended to apply only to nonvoluntary, unexpected, and new Applicable Requirements. If the Capital Expenditures are instead triggered by Lessee as a result of an actual or proposed change in use, change in intensity of use, or modification to the Premises then, and in that event, Lessee shall either: (i) immediately cease such changed use or intensity of use and/or take such other steps as may be necessary to eliminate the requirement for such Capital Expenditure, or (ii) complete such Capital Expenditure at its own expense. Lessee shall not have any right to terminate this Lease.

2.4 Acknowledgements. Lessee acknowledges that: (a) it has been given an opportunity to inspect and measure the Premises, (b) Lessee has been advised by Lessor and/or Brokers to satisfy itself with respect to the size and condition of the Premises (including but not limited to the electrical, HVAC and fire sprinkler systems, security, environmental aspects, and compliance with Applicable Requirements), and their suitability for Lessee's intended use, (c) Lessee has made such investigation as it deems necessary with reference to such matters and assumes all responsibility therefor as the same relate to its occupancy of the Premises, (d) it is not relying on any representation as to the size of the Premises made by Brokers or Lessor, (e) the square footage of the Premises was not material to Lessee's decision to lease the Premises and pay the Rent stated herein, and (f) neither Lessor, Lessor's agents, nor Brokers have made any oral or written representations or warranties with respect to said matters other than as set forth in this Lease. In addition, Lessor acknowledges that: (i) Brokers have made no representations, promises or warranties concerning Lessee's ability to honor the Lease or suitability to occupy the Premises, and (ii) it is Lessor's sole responsibility to investigate the financial capability and/or suitability of all proposed tenants.

2.5 Lessee as Prior Owner/Occupant. The warranties made by Lessor in Paragraph 2 shall be of no force or effect if immediately prior to the Start Date, Lessee was the owner or occupant of the Premises. In such event, Lessee shall be responsible for any necessary corrective work.

2.6 Vehicle Parking. So long as Lessee is not in default, and subject to the Rules and Regulations attached hereto, and as established by Lessor from time to time, Lessee shall be entitled to rent and use the number of parking spaces specified in Paragraph 1.2(b) at the rental rate applicable from time to time for monthly parking as set by Lessor and/or its licensee.

(a) If Lessee commits, permits or allows any of the prohibited activities described in the Lease or the rules then in effect, then Lessor shall have the right, without notice, in addition to such other rights and remedies that it may have, to remove or tow away the vehicle involved and charge the cost to Lessee, which cost shall be immediately payable upon demand by Lessor.

(b) The monthly rent per parking space specified in Paragraph 1.2(b) is subject to change upon 30 days prior written notice to Lessee. The rent for the parking is payable one month in advance prior to the first day of each calendar month.

2.7 Common Areas - Definition. The term "Common Areas" is defined as all areas and facilities outside the Premises and within the exterior boundary line of the Project and interior utility raceways and installations within the Premises that are provided and designated by the Lessor from time to time for the general nonexclusive use of Lessor, Lessee and other tenants of the Project and their respective employees, suppliers, shippers, customers, contractors and invitees, including, but not limited to, common entrances, lobbies, corridors, stairwells, public restrooms, elevators, parking areas, loading and unloading areas, trash areas, roadways, walkways, driveways and landscaped areas.

99 INITIALS

INITIALS



2.8 **Common Areas - Lessee's Rights.** Lessor grants to Lessee, for the benefit of Lessee and its employees, suppliers, shippers, contractors, customers and invitees, during the term of this Lease, the nonexclusive right to use, in common with others entitled to such use, the Common Areas as they exist from time to time, subject to any rights, powers, and privileges reserved by Lessor under the terms hereof or under the terms of any rules and regulations or restrictions governing the use of the Project. Under no circumstances shall the right herein granted to use the Common Areas be deemed to include the right to store any property, temporarily or permanently, in the Common Areas. Any such storage shall be permitted only by the prior written consent of Lessor or Lessor's designated agent, which consent may be revoked at any time. In the event that any unauthorized storage shall occur then Lessor shall have the right, without notice, in addition to such other rights and remedies that it may have, to remove the property and charge the cost to Lessee, which cost shall be immediately payable upon demand by Lessor.

2.9 **Common Areas - Rules and Regulations.** Lessor or such other person(s) as Lessor may appoint shall have the exclusive control and management of the Common Areas and shall have the right, from time to time, to adopt, modify, amend and enforce reasonable rules and regulations ("Rules and Regulations") for the management, safety, care, and cleanliness of the grounds, the parking and unloading of vehicles and the preservation of good order, as well as for the convenience of other occupants or tenants of the Building and the Project and their invitees. Lessee agrees to abide by and conform to all such Rules and Regulations, and shall use its best efforts to cause its employees, suppliers, shippers, customers, contractors and invitees to so abide and conform. Lessor shall not be responsible to Lessee for the noncompliance with said Rules and Regulations by other tenants of the Project.

2.10 **Common Areas - Changes.** Lessor shall have the right, in Lessor's sole discretion, from time to time:
(a) To make changes to the Common Areas, including, without limitation, changes in the location, size, shape and number of the lobbies, windows, stairways, air shafts, elevators, escalators, restrooms, driveways, entrances, parking spaces, parking areas, loading and unloading areas, ingress, egress, direction of traffic, landscaped areas, walkways and utility raceways;
(b) To close temporarily any of the Common Areas for maintenance purposes so long as reasonable access to the Premises remains available;
(c) To designate other land outside the boundaries of the Project to be a part of the Common Areas;
(d) To add additional buildings and improvements to the Common Areas;
(e) To use the Common Areas while engaged in making additional improvements, repairs or alterations to the Project, or any portion thereof; and
(f) To do and perform such other acts and make such other changes in, to or with respect to the Common Areas and Project as Lessor may, in the exercise of sound business judgment, deem to be appropriate.

3. **Term.**

3.1 **Term.** The Commencement Date, Expiration Date and Original Term of this Lease are as specified in Paragraph 1.3.

3.2 **Early Possession.** Any provision herein granting Lessee Early Possession of the Premises is subject to and conditioned upon the Premises being available for such possession prior to the Commencement Date. Any grant of Early Possession only conveys a non-exclusive right to occupy the Premises. If Lessee totally or partially occupies the Premises prior to the Commencement Date, the obligation to pay Base Rent shall be abated for the period of such Early Possession. All other terms of this Lease (including but not limited to the obligations to pay Lessee's Share of the Operating Expense Increase) shall be in effect during such period. Any such Early Possession shall not affect the Expiration Date.

3.3 **Delay In Possession.** Lessor agrees to use its best commercially reasonable efforts to deliver possession of the Premises to Lessee by the Commencement Date. If, despite said efforts, Lessor is unable to deliver possession by such date, Lessor shall not be subject to any liability therefor, nor shall such failure affect the validity of this Lease or change the Expiration Date. Lessee shall not, however, be obligated to pay Rent or perform its other obligations until Lessor delivers possession of the Premises and any period of rent abatement that Lessee would otherwise have enjoyed shall run from the date of delivery of possession and continue for a period equal to what Lessee would otherwise have enjoyed under the terms hereof, but minus any days of delay caused by the acts or omissions of Lessee. If possession is not delivered within 60 days after the Commencement Date, as the same may be extended under the terms of any Work Letter executed by Parties, Lessee may, at its option, by notice in writing within 10 days after the end of such 60 day period, cancel this Lease, in which event the Parties shall be discharged from all obligations hereunder. If such written notice is not received by Lessor within said 10 day period, Lessee's right to cancel shall terminate. If possession of the Premises is not delivered within 120 days after the Commencement Date, this Lease shall terminate unless other agreements are reached between Lessor and Lessee, in writing.

3.4 **Lessee Compliance.** Lessor shall not be required to deliver possession of the Premises to Lessee until Lessee complies with its obligation to provide evidence of insurance (Paragraph 8.5). Pending delivery of such evidence, Lessee shall be required to perform all of its obligations under this Lease from and after the Start Date, including the payment of Rent, notwithstanding Lessor's election to withhold possession pending receipt of such evidence of insurance. Further, if Lessee is required to perform any other conditions prior to or concurrent with the Start Date, the Start Date shall occur but Lessor may elect to withhold possession until such conditions are satisfied.

4. **Rent.**

4.1 **Rent Defined.** All monetary obligations of Lessee to Lessor under the terms of this Lease (except for the Security Deposit) are deemed to be rent ("Rent").

4.2 **Operating Expense Increase.** Lessee shall pay to Lessor during the term hereof, in addition to the Base Rent, Lessee's Share of the amount by which all Operating Expenses for each Comparison Year exceeds the amount of all Operating Expenses for the Base Year, such excess being hereinafter referred to as the "Operating Expense Increase", in accordance with the following provisions:

(a) "Base Year" is as specified in Paragraph 1.9.
(b) "Comparison Year" is defined as each calendar year during the term of this Lease subsequent to the Base Year; provided, however, Lessee shall have no obligation to pay a share of the Operating Expense Increase applicable to the first 12 months of the Lease Term (other than such as are mandated by a governmental authority, as to which government mandated expenses Lessee shall pay Lessee's Share, notwithstanding they occur during the first twelve (12) months). Lessee's Share of the Operating Expense Increase for the first and last Comparison Years of the Lease Term shall be prorated according to that portion of such Comparison Year as to which Lessee is responsible for a share of such increase.

(c) The following costs relating to the ownership and operation of the Project, calculated as if the Project was at least 95% occupied, are defined as "Operating Expenses":

(i) Costs relating to the operation, repair, and maintenance in neat, clean, safe, good order and condition, but not the replacement (see subparagraph (g)), of the following:

(aa) The Common Areas, including their surfaces, coverings, decorative items, carpets, drapes and window coverings, and including parking areas, loading and unloading areas, trash areas, roadways, sidewalks, walkways, stairways, parkways, driveways, landscaped areas, striping, bumpers, irrigation systems, Common Area lighting facilities, building exteriors and roofs, fences and gates;

(bb) All heating, air conditioning, plumbing, electrical systems, life safety equipment, communication systems and other equipment used in common by, or for the benefit of, tenants or occupants of the Project, including elevators and escalators, tenant directories, fire detection systems including sprinkler system maintenance and repair.

(cc) All other areas and improvements that are within the exterior boundaries of the Project but outside of the Premises and/or any other space occupied by a tenant.

(ii) The cost of trash disposal, janitorial and security services, pest control services, and the costs of any environmental inspections;

(iii) The cost of any other service to be provided by Lessor that is elsewhere in this Lease stated to be an "Operating Expense";

(iv) The cost of the premiums for the insurance policies maintained by Lessor pursuant to paragraph 8 and any deductible portion of an insured loss concerning the Building or the Common Areas;

(v) The amount of the Real Property Taxes payable by Lessor pursuant to paragraph 10;

(vi) The cost of water, sewer, gas, electricity, and other publicly mandated services not separately metered;

(vii) Labor, salaries, and applicable fringe benefits and costs, materials, supplies and tools, used in maintaining and/or cleaning the Project and accounting and management fees attributable to the operation of the Project;

(viii) The cost of any capital improvement to the Building or the Project not covered under the provisions of Paragraph 2.3 provided; however, that Lessor shall allocate the cost of any such capital improvement over a 12 year period and Lessee shall not be required to pay more than Lessee's Share of 1/144th of the cost of such capital improvement in any given month;

(ix) The cost to replace equipment or improvements that have a useful life for accounting purposes of 5 years or less.

(x) Reserves set aside for maintenance, repair and/or replacement of Common Area improvements and equipment.

(d) Any item of Operating Expense that is specifically attributable to the Premises, the Building or to any other building in the Project or to the operation, repair and maintenance thereof, shall be allocated entirely to such Premises, Building, or other building. However, any such

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item that is not specifically attributable to the Building or to any other building or to the operation, repair and maintenance thereof, shall be equitably allocated by Lessor to all buildings in the Project.

(e) The inclusion of the improvements, facilities and services set forth in Subparagraph 4.2(c) shall not be deemed to impose an obligation upon Lessor to either have said improvements or facilities or to provide those services unless the Project already has the same, Lessor already provides the services, or Lessor has agreed elsewhere in this Lease to provide the same or some of them.

(f) Lessee's Share of Common Area Operating Expenses is payable monthly on the same day as the Base Rent is due hereunder. The amount of such payments shall be based on Lessor's estimate of the annual Common Area Operating Expenses. Within 60 days after written request (but not more than once each year) Lessor shall deliver to Lessee a reasonably detailed statement showing Lessee's Share of the actual Common Area Operating Expenses for the preceding year. If Lessee's payments during such year exceed Lessee's Share, Lessor shall credit the amount of such over-payment against Lessee's future payments. If Lessee's payments during such year were less than Lessee's Share, Lessee shall pay to Lessor the amount of the deficiency within 10 days after delivery by Lessor to Lessee of the statement.

(g) Operating Expenses shall not include the costs of replacement for equipment or capital components such as the roof, foundations, exterior walls or a Common Area capital improvement, such as the parking lot paving, elevators, fences that have a useful life for accounting purposes of 5 years or more.

(h) Common Area Operating Expenses shall not include any expenses paid by any tenant directly to third parties, or as to which Lessor is otherwise reimbursed by any third party, other tenant, or by insurance proceeds.

4.3 Payment. Lessee shall cause payment of Rent to be received by Lessor in lawful money of the United States, without offset or deduction (except as specifically permitted in this Lease), on or before the day on which it is due. All monetary amounts shall be rounded to the nearest whole dollar. In the event that any invoice prepared by Lessor is inaccurate such inaccuracy shall not constitute a waiver and Lessee shall be obligated to pay the amount set forth in this Lease. Rent for any period during the term hereof which is for less than one full calendar month shall be prorated based upon the actual number of days of said month. Payment of Rent shall be made to Lessor at its address stated herein or to such other persons or place as Lessor may from time to time designate in writing. Acceptance of a payment which is less than the amount then due shall not be a waiver of Lessor's rights to the balance of such Rent, regardless of Lessor's endorsement of any check so stating. In the event that any check, draft, or other instrument of payment given by Lessee to Lessor is dishonored for any reason, Lessee agrees to pay to Lessor the sum of \$25 in addition to any Late Charge and Lessor, at its option, may require all future Rent be paid by cashier's check. Payments will be applied first to accrued late charges and attorney's fees, second to accrued interest, then to Base Rent and Common Area Operating Expenses, and any remaining amount to any other outstanding charges or costs.

5. Security Deposit. Lessee shall deposit with Lessor upon execution hereof the Security Deposit as security for Lessee's faithful performance of its obligations under this Lease. If Lessee fails to pay Rent, or otherwise Defaults under this Lease, Lessor may use, apply or retain all or any portion of said Security Deposit for the payment of any amount already due Lessor, for Rents which will be due in the future, and/ or to reimburse or compensate Lessor for any liability, expense, loss or damage which Lessor may suffer or incur by reason thereof. If Lessor uses or applies all or any portion of the Security Deposit, Lessee shall within 10 days after written request therefor deposit monies with Lessor sufficient to restore said Security Deposit to the full amount required by this Lease. If the Base Rent increases during the term of this Lease, Lessee shall, upon written request from Lessor, deposit additional monies with Lessor so that the total amount of the Security Deposit shall at all times bear the same proportion to the increased Base Rent as the initial Security Deposit bore to the initial Base Rent. Should the Agreed Use be amended to accommodate a material change in the business of Lessee or to accommodate a sublessee or assignee, Lessor shall have the right to increase the Security Deposit to the extent necessary, in Lessor's reasonable judgment, to account for any increased wear and tear that the Premises may suffer as a result thereof. If a change in control of Lessee occurs during this Lease and following such change the financial condition of Lessee is, in Lessor's reasonable judgment, significantly reduced, Lessee shall deposit such additional monies with Lessor as shall be sufficient to cause the Security Deposit to be at a commercially reasonable level based on such change in financial condition. Lessor shall not be required to keep the Security Deposit separate from its general accounts. Within 90 days after the expiration or termination of this Lease Lessor shall return that portion of the Security Deposit not used or applied by Lessor. No part of the Security Deposit shall be considered to be held in trust, to bear interest or to be prepayment for any monies to be paid by Lessee under this Lease.

6. Use.

6.1 Use. Lessee shall use and occupy the Premises only for the Agreed Use, or any other legal use which is reasonably comparable thereto, and for no other purpose. Lessee shall not use or permit the use of the Premises in a manner that is unlawful, creates damage, waste or a nuisance, or that disturbs occupants of or causes damage to neighboring premises or properties. Other than guide, signal and seeing eye dogs, Lessee shall not keep or allow in the Premises any pets, animals, birds, fish, or reptiles. Lessee shall not unreasonably withhold or delay its consent to any written request for a modification of the Agreed Use, so long as the same will not impair the structural integrity of the Building, will not adversely affect the mechanical, electrical, HVAC, and other systems of the Building, and/or will not affect the exterior appearance of the Building. If Lessor elects to withhold consent, Lessor shall within 7 days after such request give written notification of same, which notice shall include an explanation of Lessor's objections to the change in the Agreed Use.

6.2 Hazardous Substances.

(a) Reportable Uses Require Consent. The term "Hazardous Substance" as used in this Lease shall mean any product, substance, or waste whose presence, use, manufacture, disposal, transportation, or release, either by itself or in combination with other materials expected to be on the Premises, is either: (i) potentially injurious to the public health, safety or welfare, the environment or the Premises, (ii) regulated or monitored by any governmental authority, or (iii) a basis for potential liability of Lessor to any governmental agency or third party under any applicable statute or common law theory. Hazardous Substances shall include, but not be limited to, hydrocarbons, petroleum, gasoline, and/or crude oil or any products, byproducts or fractions thereof. Lessee shall not engage in any activity in or on the Premises which constitutes a Reportable Use of Hazardous Substances without the express prior written consent of Lessor and timely compliance (at Lessee's expense) with all Applicable Requirements. "Reportable Use" shall mean (i) the installation or use of any above or below ground storage tank, (ii) the generation, possession, storage, use, transportation, or disposal of a Hazardous Substance that requires a permit from, or with respect to which a report, notice, registration or business plan is required to be filed with, any governmental authority, and/or (iii) the presence at the Premises of a Hazardous Substance with respect to which any Applicable Requirements requires that a notice be given to persons entering or occupying the Premises or neighboring properties. Notwithstanding the foregoing, Lessee may use any ordinary and customary materials reasonably required to be used in the normal course of the Agreed Use such as ordinary office supplies (copier, toner, liquid paper, glue, etc.) and common household cleaning materials, so long as such use is in compliance with all Applicable Requirements, is not a Reportable Use, and does not expose the Premises or neighboring property to any meaningful risk of contamination or damage or expose Lessor to any liability therefor. In addition, Lessor may condition its consent to any Reportable Use upon receiving such additional assurances as Lessor reasonably deems necessary to protect itself, the public, the Premises and/or the environment against damage, contamination, injury and/or liability, including, but not limited to, the installation (and removal on or before Lease expiration or termination) of protective modifications (such as concrete encasements) and/or increasing the Security Deposit.

(b) Duty to Inform Lessor. If Lessee knows, or has reasonable cause to believe, that a Hazardous Substance has come to be located in, on, under or about the Premises, other than as previously consented to by Lessor, Lessee shall immediately give written notice of such fact to Lessor, and provide Lessor with a copy of any report, notice, claim or other documentation which it has concerning the presence of such Hazardous Substance.

(c) Lessee Remediation. Lessee shall not cause or permit any Hazardous Substance to be spilled or released in, on, under, or about the Premises (including through the plumbing or sanitary sewer system) and shall promptly, at Lessee's expense, comply with all Applicable Requirements and take all investigatory and/or remedial action reasonably recommended, whether or not formally ordered or required, for the cleanup of any contamination of, and for the maintenance, security and/or monitoring of the Premises or neighboring properties, that was caused or materially contributed to by Lessee, or pertaining to or involving any Hazardous Substance brought onto the Premises during the term of this Lease, by or for Lessee, or any third party.

(d) Lessee Indemnification. Lessee shall indemnify, defend and hold Lessor, its agents, employees, lenders and ground lessor, consultants' fees arising out of or involving any Hazardous Substance brought onto the Premises by or for Lessee, or any third party (provided, however, that Lessee shall have no liability under this Lease with respect to underground migration of any Hazardous Substance under the Premises from areas outside of the Project not caused or contributed to by Lessee). Lessee's obligations shall include, but not be limited to, the effects of any contamination or injury to person, property or the environment created or suffered by Lessee, and the cost of investigation, removal, remediation, into by Lessor and Lessee shall release Lessee from its obligations under this Lease with respect to Hazardous Substances, unless specifically so agreed by Lessor in writing at the time of such agreement.

(e) Lessor Indemnification. Lessor and its successors and assigns shall indemnify, defend, reimburse and hold Lessee, its employees and lenders, harmless from and against any and all environmental damages, including the cost of remediation, which result from Hazardous Substances which existed on the Premises prior to Lessee's occupancy or which are caused by the gross negligence or willful misconduct of Lessor, its agents or employees. Lessor's obligations, as and when required by the Applicable Requirements, shall include, but not be limited to, the cost of

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investigation, removal, remediation, restoration and/or abatement, and shall survive the expiration or termination of this Lease.

(f) **Investigations and Remediations.** Lessor shall retain the responsibility and pay for any investigations or remediation measures required by governmental entities having jurisdiction with respect to the existence of Hazardous Substances on the Premises prior to Lessee's occupancy, unless such remediation measure is required as a result of Lessee's use (including "Alterations", as defined in paragraph 7.3(a) below) of the Premises, in which event Lessee shall be responsible for such payment. Lessee shall cooperate fully in any such activities at the request of Lessor, including allowing Lessor and Lessor's agents to have reasonable access to the Premises at reasonable times in order to carry out Lessor's investigative and remedial responsibilities.

(g) **Lessor Termination Option.** If a Hazardous Substance Condition (see Paragraph 9.1(e)) occurs during the term of this Lease, unless Lessee is legally responsible therefor (in which case Lessee shall make the investigation and remediation thereof required by the Applicable Requirements and this Lease shall continue in full force and effect, but subject to Lessor's rights under Paragraph 6.2(d) and Paragraph 13), Lessor may, at Lessor's option, either (i) investigate and remediate such Hazardous Substance Condition, if required, as soon as reasonably possible at Lessor's expense, in which event this Lease shall continue in full force and effect, or (ii) if the estimated cost to remediate such condition exceeds 12 times the then monthly Base Rent or \$100,000, whichever is greater, give written notice to Lessee, within 30 days after receipt by Lessor of knowledge of the occurrence of such Hazardous Substance Condition, of Lessor's desire to terminate this Lease as of the date 60 days following the date of such notice. In the event Lessor elects to give a termination notice, Lessee may, within 10 days thereafter, give written notice to Lessor of Lessee's commitment to pay the amount by which the cost of the remediation of such Hazardous Substance Condition exceeds an amount equal to 12 times the then monthly Base Rent or \$100,000, whichever is greater. Lessee shall provide Lessor with said funds or satisfactory assurance thereof within 30 days following such commitment. In such event, this Lease shall continue in full force and effect, and Lessor shall proceed to make such remediation as soon as reasonably possible after the required funds are available. If Lessee does not give such notice and provide the required funds or assurance thereof within the time provided, this Lease shall terminate as of the date specified in Lessor's notice of termination.

6.3 **Lessee's Compliance with Applicable Requirements.** Except as otherwise provided in this Lease, Lessee shall, at Lessee's sole expense, fully, diligently and in a timely manner, materially comply with all Applicable Requirements, the requirements of any applicable fire insurance underwriter or rating bureau, and the recommendations of Lessor's engineers and/or consultants which relate in any manner to the Premises, without regard to whether said requirements are now in effect or become effective after the Start Date. Lessee shall, within 10 days after receipt of Lessor's written request, provide Lessor with copies of all permits and other documents, and other information evidencing Lessee's compliance with any Applicable Requirements specified by Lessor, and shall immediately upon receipt, notify Lessor in writing (with copies of any documents involved) of any threatened or actual claim, notice, citation, warning, complaint or report pertaining to or involving the failure of Lessee or the Premises to comply with any Applicable Requirements. Likewise, Lessee shall immediately give written notice to Lessor of: (i) any water damage to the Premises and any suspected seepage, pooling, dampness or other condition conducive to the production of mold; or (ii) any mustiness or other odors that might indicate the presence of mold in the Premises.

6.4 **Inspection; Compliance.** Lessor and Lessor's "Lender" (as defined in Paragraph 30) and consultants shall have the right to enter into Premises at any time, in the case of an emergency, and otherwise at reasonable times after reasonable notice, for the purpose of inspecting the condition of the Premises and for verifying compliance by Lessee with this Lease. The cost of any such inspections shall be paid by Lessor, unless a violation of Applicable Requirements, or a Hazardous Substance Condition (see paragraph 9.1) is found to exist or be imminent, or the inspection is requested or ordered by a governmental authority. In such case, Lessee shall upon request reimburse Lessor for the cost of such inspection, so long as such inspection is reasonably related to the violation or contamination. In addition, Lessee shall provide copies of all relevant material safety data sheets (MSDS) to Lessor within 10 days of the receipt of written request therefor.

7. **Maintenance; Repairs; Utility Installations; Trade Fixtures and Alterations.**

7.1 **Lessee's Obligations.** Notwithstanding Lessor's obligation to keep the Premises in good condition and repair, Lessee shall be responsible for payment of the cost thereof to Lessor as additional rent for that portion of the cost of any maintenance and repair of the Premises, or any equipment (wherever located) that serves only Lessee or the Premises, to the extent such cost is attributable to abuse or misuse. Lessee shall be responsible for the cost of painting, repairing or replacing wall coverings, and to repair or replace any improvements within the Premises. Lessor may, at its option, upon reasonable notice, elect to have Lessee perform any particular such maintenance or repairs the cost of which is otherwise Lessee's responsibility hereunder.

7.2 **Lessor's Obligations.** Subject to the provisions of Paragraphs 2.2 (Condition), 2.3 (Compliance), 4.2 (Operating Expenses), 6 (Use), 7.1 (Lessee's Obligations), 9 (Damage or Destruction) and 14 (Condemnation), Lessor, subject to reimbursement pursuant to Paragraph 4.2, shall keep in good order, condition and repair the foundations, exterior walls, structural condition of interior bearing walls, exterior roof, fire sprinkler system, fire alarm and/or smoke detection systems, fire hydrants, and the Common Areas. Lessee expressly waives the benefit of any statute now or hereafter in effect to the extent it is inconsistent with the terms of this Lease.

7.3 **Utility Installations; Trade Fixtures; Alterations.**

(a) **Definitions.** The term "Utility Installations" refers to all floor and window coverings, air lines, vacuum lines, power panels, electrical distribution, security and fire protection systems, communication cabling, lighting fixtures, HVAC equipment, and plumbing in or on the Premises. The term "Trade Fixtures" shall mean Lessee's machinery and equipment that can be removed without doing material damage to the Premises. The term "Alterations" shall mean any modification of the improvements, other than Utility Installations or Trade Fixtures, whether by addition or deletion. "Lessee Owned Alterations and/or Utility Installations" are defined as Alterations and/or Utility Installations made by Lessee that are not yet owned by Lessor pursuant to Paragraph 7.4(a).

(b) **Consent.** Lessee shall not make any Alterations or Utility Installations to the Premises without Lessor's prior written consent. Lessee may, however, make non-structural Alterations or Utility Installations to the interior of the Premises (excluding the roof) without such consent but upon notice to Lessor, as long as they are not visible from the outside, do not involve puncturing, relocating or removing the roof, ceilings, floors or any existing walls, will not affect the electrical, plumbing, HVAC, and/or life safety systems, and the cumulative cost thereof during this Lease as extended does not exceed \$2000. Notwithstanding the foregoing, Lessee shall not make or permit any roof penetrations and/or install anything on the roof without the prior written approval of Lessor. Lessor may, as a precondition to granting such approval, require Lessee to utilize a contractor chosen and/or approved by Lessor. Any Alterations or Utility Installations that Lessee shall desire to make and which require the consent of the Lessor shall be presented to Lessor in written form with detailed plans. Consent shall be deemed conditioned upon Lessee's: (i) acquiring all applicable governmental permits, (ii) furnishing Lessor with copies of both the permits and the plans and specifications prior to commencement of the work, and (iii) compliance with all conditions of said permits and other Applicable Requirements in a prompt and expeditious manner. Any Alterations or Utility Installations shall be performed in a workmanlike manner with good and sufficient materials. Lessee shall promptly upon completion furnish Lessor with asbuilt plans and specifications. For work which costs an amount in excess of one month's Base Rent, Lessor may condition its consent upon Lessee providing a lien and completion bond in an amount equal to 150% of the estimated cost of such Alteration or Utility Installation and/or upon Lessee's posting an additional Security Deposit with Lessor. Lessor has given Lessee consent to installation of exterior signage at Lessee's sole expense. Signage and sign criteria must be submitted to Lessor for approval by a licensed contractor.

(c) **Liens; Bonds.** Lessee shall pay, when due, all claims for labor or materials furnished or alleged to have been furnished to or for Lessee at or for use on the Premises, which claims are or may be secured by any mechanic's or materialmen's lien against the Premises or any interest therein. Lessee shall give Lessor not less than 10 days notice prior to the commencement of any work in, on or about the Premises, and Lessor shall have the right to post and record notices of non-responsibility. If Lessee shall contest the validity of any such lien, claim or demand, then Lessee shall, at its sole expense defend and protect itself, Lessor and the Premises against the same and shall pay and satisfy any such adverse judgment that may be rendered thereon before the enforcement thereof. If Lessor shall require, Lessee shall furnish a surety bond in an amount equal to 150% of the amount of such contested lien, claim or demand, indemnifying Lessor against liability for the same. If Lessor elects to participate in any such action, Lessee shall pay Lessor's attorneys' fees and costs.

7.4 **Ownership; Removal; Surrender; and Restoration.**

(a) **Ownership.** Subject to Lessor's right to require removal or elect ownership as hereinafter provided, all Alterations and Utility Installations made by Lessee shall be the property of Lessee, but considered a part of the Premises. Lessor may, at any time, elect in writing to be the owner of all or any specified part of the Lessee Owned Alterations and Utility Installations. Unless otherwise instructed per paragraph 7.4(b) hereof, all Lessee Owned Alterations and Utility Installations shall, at the expiration or termination of this Lease, become the property of Lessor and be surrendered by Lessee with the Premises.

(b) **Removal.** By delivery to Lessee of written notice from Lessor not earlier than 90 and not later than 30 days prior to the end of the term of this Lease, Lessor may require that any or all Lessee Owned Alterations or Utility Installations be removed by the expiration or termination of this Lease. Lessor may require the removal at any time of all or any part of any Lessee Owned Alterations or Utility Installations made without the required consent.

(c) **Surrender; Restoration.** Lessee shall surrender the Premises by the Expiration Date or any earlier termination date, with all of the improvements, parts and surfaces thereof clean and free of debris, and in good operating order, condition and state of repair, ordinary wear and tear excepted. "Ordinary wear and tear" shall not include any damage or deterioration that would have been prevented by good maintenance practice. Notwithstanding the foregoing, if this Lease is for 12 months or less, then Lessee shall surrender the Premises in the same condition as delivered to Lessee on the Start Date with NO allowance for ordinary wear and tear. Lessee shall repair any damage occasioned by the installation, maintenance or

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removal of Trade Fixtures, Lessee owned Alterations and/or Utility Installations, furnishings, and equipment as well as the removal of any storage tank installed by or for Lessee. Lessee shall also completely remove from the Premises any and all Hazardous Substances brought onto the Premises by or for Lessee, or any third party (except Hazardous Substances which were deposited via underground migration from areas outside of the Premises) even if such removal would require Lessee to perform or pay for work that exceeds statutory requirements. Trade Fixtures shall remain the property of Lessee and shall be removed by Lessee. Any personal property of Lessee not removed on or before the Expiration Date or any earlier termination date shall be deemed to have been abandoned by Lessee and may be disposed of or retained by Lessor as Lessor may desire. The failure by Lessee to timely vacate the Premises pursuant to this Paragraph 7.4(c) without the express written consent of Lessor shall constitute a holdover under the provisions of Paragraph 26 below.

8. Insurance; Indemnity.

8.1 Insurance Premiums. The cost of the premiums for the insurance policies maintained by Lessor pursuant to paragraph 8 are included as Operating Expenses (see paragraph 4.2 (c)(iv)). Said costs shall include increases in the premiums resulting from additional coverage related to requirements of the holder of a mortgage or deed of trust covering the Premises, Building and/or Project, increased valuation of the Premises, Building and/or Project, and/or a general premium rate increase. Said costs shall not, however, include any premium increases resulting from the nature of the occupancy of any other tenant of the Building. If the Project was not insured for the entirety of the Base Year, then the base premium shall be the lowest annual premium reasonably obtainable for the required insurance as of the Start Date, assuming the most nominal use possible of the Building and/or Project. In no event, however, shall Lessee be responsible for any portion of the premium cost attributable to liability insurance coverage in excess of \$2,000,000 procured under Paragraph 8.2(b).

8.2 Liability Insurance.

(a) Carried by Lessee. Lessee shall obtain and keep in force a Commercial General Liability policy of insurance protecting Lessee and Lessor as an additional insured against claims for bodily injury, personal injury and property damage based upon or arising out of the ownership, use, occupancy or maintenance of the Premises and all areas appurtenant thereto. Such insurance shall be on an occurrence basis providing single limit coverage in an amount not less than \$1,000,000 per occurrence with an annual aggregate of not less than \$2,000,000. Lessee shall add Lessor as an additional insured by means of an endorsement at least as broad as the Insurance Service Organization's "Additional Insured-Managers or Lessors of Premises" Endorsement and coverage shall also be extended to include damage caused by heat, smoke or fumes from a hostile fire. The policy shall not contain any intra-insured exclusions as between insured persons or organizations, but shall include coverage for liability assumed under this Lease as an "insured contract" for the performance of Lessee's indemnity obligations under this Lease. The limits of said insurance shall not, however, limit the liability of Lessee nor relieve Lessee of any obligation hereunder. Lessee shall provide an endorsement on its liability policy(ies) which provides that its insurance shall be primary to and not contributory with any similar insurance carried by Lessor, whose insurance shall be considered excess insurance only.

(b) Carried by Lessor. Lessor shall maintain liability insurance as described in Paragraph 8.2(a), in addition to, and not in lieu of, the insurance required to be maintained by Lessee. Lessee shall not be named as an additional insured therein.

8.3 Property Insurance - Building, Improvements and Rental Value.

(a) Building and Improvements. Lessor shall obtain and keep in force a policy or policies of insurance in the name of Lessor, with loss payable to Lessor, any ground-lessor, and to any Lender insuring loss or damage to the Building and/or Project. The amount of such insurance shall be equal to the full insurable replacement cost of the Building and/or Project, as the same shall exist from time to time, or the amount required by any Lender, but in no event more than the commercially reasonable and available insurable value thereof. Lessee Owned Alterations and Utility Installations, Trade Fixtures, and Lessee's personal property shall be insured by Lessee not by Lessor. If the coverage is available and commercially appropriate, such policy or policies shall insure against all risks of direct physical loss or damage (except the perils of flood and/or earthquake unless required by a Lender), including coverage for debris removal and the enforcement of any Applicable Requirements requiring the upgrading, demolition, reconstruction or replacement of any portion of the Premises as the result of a covered loss. Said policy or policies shall also contain an agreed valuation provision in lieu of any coinsurance clause, waiver of subrogation, and inflation guard protection causing an increase in the annual property insurance coverage amount by a factor of not less than the adjusted U.S. Department of Labor Consumer Price Index for All Urban Consumers for the city nearest to where the Premises are located. If such insurance coverage has a deductible clause, the deductible amount shall not exceed \$5,000 per occurrence.

(b) Rental Value. Lessor shall also obtain and keep in force a policy or policies in the name of Lessor with loss payable to Lessor and any Lender, insuring the loss of the full Rent for one year with an extended period of indemnity for an additional 180 days ("Rental Value Insurance"). Said insurance shall contain an agreed valuation provision in lieu of any coinsurance clause, and the amount of coverage shall be adjusted annually to reflect the projected Rent otherwise payable by Lessee, for the next 12 month period.

(c) Adjacent Premises. Lessee shall pay for any increase in the premiums for the property insurance of the Building and for the Common Areas or other buildings in the Project if said increase is caused by Lessee's acts, omissions, use or occupancy of the Premises.

(d) Lessee's Improvements. Since Lessor is the insuring Party, Lessor shall not be required to insure Lessee Owned Alterations and Utility Installations unless the item in question has become the property of Lessor under the terms of this Lease.

8.4 Lessee's Property; Business Interruption Insurance; Worker's Compensation Insurance..

(a) Property Damage. Lessee shall obtain and maintain insurance coverage on all of Lessee's personal property, Trade Fixtures, and Lessee Owned Alterations and Utility Installations. Such insurance shall be full replacement cost coverage with a deductible of not to exceed \$1,000 per occurrence. The proceeds from any such insurance shall be used by Lessee for the replacement of personal property, Trade Fixtures and Lessee Owned Alterations and Utility Installations. Lessee shall provide Lessor with written evidence that such insurance is in force.

(b) Business Interruption. Lessee shall obtain and maintain loss of income and extra expense insurance in amounts as will reimburse Lessee for direct or indirect loss of earnings attributable to all perils commonly insured against by prudent lessees in the business of Lessee or attributable to prevention of access to the Premises as a result of such perils.

(c) Worker's Compensation Insurance. Lessee shall obtain and maintain Worker's Compensation Insurance in such amount as may be required by Applicable Requirements.

(d) No Representation of Adequate Coverage. Lessor makes no representation that the limits or forms of coverage of insurance specified herein are adequate to cover Lessee's property, business operations or obligations under this Lease.

8.5 Insurance Policies. Insurance required herein shall be by companies maintaining during the policy term a "General Policyholders Rating" of at least A-, VII, as set forth in the most current issue of "Best's Insurance Guide", or such other rating as may be required by a Lender.

Lessee shall not do or permit to be done anything which invalidates the required insurance policies. Lessee shall, prior to the Start Date, deliver to Lessor certified copies of policies of such insurance or certificates with copies of the required endorsements evidencing the existence and amounts of the required insurance. No such policy shall be cancelable or subject to modification except after 30 days prior written notice to Lessor. Lessee shall, at least 10 days prior to the expiration of such policies, furnish Lessor with evidence of renewals or "insurance binders" evidencing renewal thereof, or Lessor may order such insurance and charge the cost thereof to Lessee, which amount shall be payable by Lessee to Lessor upon demand. Such policies shall be for a term of at least one year, or the length of the remaining term of this Lease, whichever is less. If either Party shall fail to procure and maintain the insurance required to be carried by it, the other Party may, but shall not be required to, procure and maintain the same.

8.6 Waiver of Subrogation. Without affecting any other rights or remedies, Lessee and Lessor each hereby release and relieve the other, and waive their entire right to recover damages against the other, for loss of or damage to its property arising out of or incident to the perils required to be insured against herein. The effect of such releases and waivers is not limited by the amount of insurance carried or required, or by any deductibles applicable hereto. The Parties agree to have their respective property damage insurance carriers waive any right to subrogation that such companies may have against Lessor or Lessee, as the case may be, so long as the insurance is not invalidated thereby.

8.7 Indemnity. Except for Lessor's gross negligence or willful misconduct, Lessee shall indemnify, protect, defend and hold harmless the Premises, Lessor and its agents, Lessor's master or ground lessor, partners and Lenders, from and against any and all claims, loss of rents and/or damages, liens, judgments, penalties, attorneys' and consultants' fees, expenses and/or liabilities arising out of, involving, or in connection with, the use and/or occupancy of the Premises by Lessee. If any action or proceeding is brought against Lessor by reason of any of the foregoing matters, Lessee shall upon notice defend the same at Lessee's expense by counsel reasonably satisfactory to Lessor and Lessor shall cooperate with Lessee in such defense. Lessor need not have first paid any such claim in order to be defended or indemnified.

8.8 Exemption of Lessor and its Agents from Liability. Notwithstanding the negligence or breach of this Lease by Lessor or its agents, neither Lessor nor its agents shall be liable under any circumstances for: (i) injury or damage to the person or goods, wares, merchandise or other property of Lessee, Lessee's employees, contractors, invitees, customers, or any other person in or about the Premises, whether such damage or injury is caused by or results from fire, steam, electricity, gas, water or rain, indoor air quality, the presence of mold or from the breakage, leakage, obstruction or other defects of pipes, fire sprinklers, wires, appliances, plumbing, HVAC or lighting fixtures, or from any other cause, whether the said injury or damage results from conditions arising upon the Premises or upon other portions of the Building, or from other sources or places, (ii) any damages arising from any act or neglect of any other tenant of Lessor or from the failure of Lessor or its agents to enforce the provisions of any other lease in the Project, or (iii) injury to Lessee's business or for any loss of income or profit therefrom. Instead, it is intended that Lessee's sole recourse in the event of such damages or injury be to file a claim on the insurance policy(ies) that Lessee is required to maintain pursuant to the provisions of paragraph 8.

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8.9 Failure to Provide Insurance. Lessee acknowledges that any failure on its part to obtain or maintain the insurance required herein will expose Lessor to risks and potentially cause Lessor to incur costs not contemplated by this Lease, the extent of which will be extremely difficult to ascertain. Accordingly, for any month or portion thereof that Lessee does not maintain the required insurance and/or does not provide Lessor with the required binders or certificates evidencing the existence of the required insurance, the Base Rent shall be automatically increased, without any requirement for notice to Lessee, by an amount equal to 10% of the then existing Base Rent or \$100, whichever is greater. The parties agree that such increase in Base Rent represents fair and reasonable compensation for the additional risk/costs that Lessor will incur by reason of Lessee's failure to maintain the required insurance. Such increase in Base Rent shall in no event constitute a waiver of Lessee's Default or Breach with respect to the failure to maintain such insurance, prevent the exercise of any of the other rights and remedies granted hereunder, nor relieve Lessee of its obligation to maintain the insurance specified in this Lease.

9. Damage or Destruction.

9.1 Definitions.

(a) "Premises Partial Damage" shall mean damage or destruction to the improvements on the Premises, other than Lessee Owned Alterations and Utility Installations, which can reasonably be repaired in 3 months or less from the date of the damage or destruction, and the cost thereof does not exceed a sum equal to 6 month's Base Rent. Lessor shall notify Lessee in writing within 30 days from the date of the damage or destruction as to whether or not the damage is Partial or Total.

(b) "Premises Total Destruction" shall mean damage or destruction to the improvements on the Premises, other than Lessee Owned Alterations and Utility Installations and Trade Fixtures, which cannot reasonably be repaired in 3 months or less from the date of the damage or destruction and/or the cost thereof exceeds a sum equal to 6 month's Base Rent. Lessor shall notify Lessee in writing within 30 days from the date of the damage or destruction as to whether or not the damage is Partial or Total.

(c) "Insured Loss" shall mean damage or destruction to improvements on the Premises, other than Lessee Owned Alterations and Utility Installations and Trade Fixtures, which was caused by an event required to be covered by the insurance described in Paragraph 8.3(a), irrespective of any deductible amounts or coverage limits involved.

(d) "Replacement Cost" shall mean the cost to repair or rebuild the improvements owned by Lessor at the time of the occurrence to their condition existing immediately prior thereto, including demolition, debris removal and upgrading required by the operation of Applicable Requirements, and without deduction for depreciation.

(e) "Hazardous Substance Condition" shall mean the occurrence or discovery of a condition involving the presence of, or a contamination by, a Hazardous Substance, in, on, or under the Premises which requires restoration.

9.2 Partial Damage - Insured Loss. If a Premises Partial Damage that is an Insured Loss occurs, then Lessor shall, at Lessor's expense, repair such damage (but not Lessee's Trade Fixtures or Lessee Owned Alterations and Utility Installations) as soon as reasonably possible and this Lease shall continue in full force and effect; provided, however, that Lessee shall, at Lessor's election, make the repair of any damage or destruction the total cost to repair of which is \$5,000 or less, and, in such event, Lessor shall make any applicable insurance proceeds available to Lessee on a reasonable basis for that purpose. Notwithstanding the foregoing, if the required insurance was not in force or the insurance proceeds are not sufficient to effect such repair, the Insuring Party shall promptly contribute the shortage in proceeds as and when required to complete said repairs. In the event, however, such shortage was due to the fact that, by reason of the unique nature of the improvements, full replacement cost insurance coverage was not commercially reasonable and available, Lessor shall have no obligation to pay for the shortage in insurance proceeds or to fully restore the unique aspects of the Premises unless Lessee provides Lessor with the funds to cover same, or adequate assurance thereof, within 10 days following receipt of written notice of such shortage and request therefor. If Lessor receives said funds or adequate assurance thereof within said 10 day period, the party responsible for making the repairs shall complete them as soon as reasonably possible and this Lease shall remain in full force and effect. If such funds or assurance are not received, Lessor may nevertheless elect by written notice to Lessee within 10 days thereafter to: (i) make such restoration and repair as is commercially reasonable with Lessor paying any shortage in proceeds, in which case this Lease shall remain in full force and effect, or (ii) have this Lease terminate 30 days thereafter. Lessee shall not be entitled to reimbursement of any funds contributed by Lessee to repair any such damage or destruction. Premises Partial Damage due to flood or earthquake shall be subject to Paragraph 9.3, notwithstanding that there may be some insurance coverage, but the net proceeds of any such insurance shall be made available for the repairs if made by either Party.

9.3 Partial Damage - Uninsured Loss. If a Premises Partial Damage that is not an Insured Loss occurs, unless caused by a negligent or willful act of Lessee (in which event Lessee shall make the repairs at Lessee's expense), Lessor may either: (i) repair such damage as soon as reasonably possible at Lessor's expense, in which event this Lease shall continue in full force and effect, or (ii) terminate this Lease by giving written notice to Lessee within 30 days after receipt by Lessor of knowledge of the occurrence of such damage. Such termination shall be effective 60 days following the date of such notice. In the event Lessor elects to terminate this Lease, Lessee shall have the right within 10 days after receipt of the termination notice to give written notice to Lessor of Lessee's commitment to pay for the repair of such damage without reimbursement from Lessor. Lessee shall provide Lessor with said funds or satisfactory assurance thereof within 30 days after making such commitment. In such event this Lease shall continue in full force and effect, and Lessor shall proceed to make such repairs as soon as reasonably possible after the required funds are available. If Lessee does not make the required commitment, this Lease shall terminate as of the date specified in the termination notice.

9.4 Total Destruction. Notwithstanding any other provision hereof, if a Premises Total Destruction occurs, this Lease shall terminate 60 days following such Destruction. If the damage or destruction was caused by the gross negligence or willful misconduct of Lessee, Lessor shall have the right to recover Lessor's damages from Lessee, except as provided in Paragraph 8.6.

9.5 Damage Near End of Term. If at any time during the last 6 months of this Lease there is damage for which the cost to repair exceeds one month's Base Rent, whether or not an Insured Loss, Lessor may terminate this Lease effective 60 days following the date of occurrence of such damage by giving a written termination notice to Lessee within 30 days after the date of occurrence of such damage. Notwithstanding the foregoing, if Lessee at that time has an exercisable option to extend this Lease or to purchase the Premises, then Lessee may preserve this Lease by, (a) exercising such option and (b) providing Lessor with any shortage in insurance proceeds (or adequate assurance thereof) needed to make the repairs on or before the earlier of (i) the date which is 10 days after Lessee's receipt of Lessor's written notice purporting to terminate this Lease, or (ii) the day prior to the date upon which such option expires. If Lessee duly exercises such option during such period and provides Lessor with funds (or adequate assurance thereof) to cover any shortage in insurance proceeds, Lessor shall, at Lessor's commercially reasonable expense, repair such damage as soon as reasonably possible and this Lease shall continue in full force and effect. If Lessee fails to exercise such option and provide such funds or assurance during such period, then this Lease shall terminate on the date specified in the termination notice and Lessee's option shall be extinguished.

9.6 Abatement of Rent; Lessee's Remedies.

(a) Abatement. In the event of Premises Partial Damage or Premises Total Destruction or a Hazardous Substance Condition for which Lessee is not responsible under this Lease, the Rent payable by Lessee for the period required for the repair, remediation or restoration of such damage shall be abated in proportion to the degree to which Lessee's use of the Premises is impaired, but not to exceed the proceeds received from the Rental Value insurance. All other obligations of Lessee hereunder shall be performed by Lessee, and Lessor shall have no liability for any such damage, destruction, remediation, repair or restoration except as provided herein.

(b) Remedies. If Lessor shall be obligated to repair or restore the Premises and does not commence, in a substantial and meaningful way, such repair or restoration within 90 days after such obligation shall accrue, Lessee may, at any time prior to the commencement of such repair or restoration, give written notice to Lessor and to any Lenders of which Lessee has actual notice, of Lessee's election to terminate this Lease on a date not less than 60 days following the giving of such notice. If Lessee gives such notice and such repair or restoration is not commenced within 30 days thereafter, this Lease shall terminate as of the date specified in said notice. If the repair or restoration is commenced within such 30 days, this Lease shall continue in full force and effect. "Commence" shall mean either the unconditional authorization of the preparation of the required plans, or the beginning of the actual work on the Premises, whichever first occurs.

9.7 Termination; Advance Payments. Upon termination of this Lease pursuant to Paragraph 6.2(g) or Paragraph 9, an equitable adjustment shall be made concerning advance Base Rent and any other advance payments made by Lessee to Lessor. Lessor shall, in addition, return to Lessee so much of Lessee's Security Deposit as has not been, or is not then required to be, used by Lessor.

10. Real Property Taxes.

10.1 Definitions. As used herein, the term "Real Property Taxes" shall include any form of assessment; real estate, general, special, ordinary or extraordinary, or rental levy or tax (other than inheritance, personal income or estate taxes); improvement bond; and/or license fee imposed upon or levied against any legal or equitable interest of Lessor in the Project. Lessor's right to other income therefrom, and/or Lessor's business of leasing, by any authority having the direct or indirect power to tax and where the funds are generated with reference to the Project address and where the proceeds so generated are to be applied by the city, county or other local taxing authority of a jurisdiction within which the Project is located. "Real Property Taxes" shall also include any tax, fee, levy, assessment or charge, or any increase therein: (i) imposed by reason of events occurring during the term of this Lease, including but not limited to, a change in the ownership of the Project, (ii) a change in the improvements thereon, and/or (iii) levied or assessed on machinery or equipment provided by Lessor to Lessee pursuant to this Lease.

10.2 Payment of Taxes. Except as otherwise provided in Paragraph 10.3, Lessor shall pay the Real Property Taxes applicable to the Project, and said payments shall be included in the calculation of Operating Expenses in accordance with the provisions of Paragraph 4.2.

10.3 Additional Improvements. Operating Expenses shall not include Real Property Taxes specified in the tax assessor's records and

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work sheets as being caused by additional improvements placed upon the Project by other lessees or by Lessor for the exclusive enjoyment of such other lessees. Notwithstanding Paragraph 10.2 hereof, Lessee shall, however, pay to Lessor at the time Operating Expenses are payable under Paragraph 4.2, the entirety of any increase in Real Property Taxes if assessed solely by reason of Alterations, Trade Fixtures or Utility Installations placed upon the Premises by Lessee or at Lessee's request or by reason of any alterations or improvements to the Premises made by Lessor subsequent to the execution of this Lease by the Parties.

10.4 **Joint Assessment.** If the Building is not separately assessed, Real Property Taxes allocated to the Building shall be an equitable proportion of the Real Property Taxes for all of the land and improvements included within the tax parcel assessed, such proportion to be determined by Lessor from the respective valuations assigned in the assessor's work sheets or such other information as may be reasonably available. Lessor's reasonable determination thereof, in good faith, shall be conclusive.

10.5 **Personal Property Taxes.** Lessee shall pay prior to delinquency all taxes assessed against and levied upon Lessee Owned Alterations and Utility Installations, Trade Fixtures, furnishings, equipment and all personal property of Lessee contained in the Premises. When possible, Lessee shall cause its Lessee Owned Alterations and Utility Installations, Trade Fixtures, furnishings, equipment and all other personal property to be assessed and billed separately from the real property of Lessor. If any of Lessee's said property shall be assessed with Lessor's real property, Lessee shall pay Lessor the taxes attributable to Lessee's property within 10 days after receipt of a written statement setting forth the taxes applicable to Lessee's property.

11. **Utilities and Services.**

11.1 **Services Provided by Lessor.** Lessor shall provide heating, ventilation, air conditioning, reasonable amounts of electricity for normal lighting and office machines, water for reasonable and normal drinking and lavatory use in connection with an office, and replacement light bulbs and/or fluorescent tubes and ballasts for standard overhead fixtures. Lessor shall also provide janitorial services to the Premise and Common Areas 5 times per week, excluding Building Holidays, or pursuant to the attached janitorial schedule, if any. Lessor shall not, however, be required to provide janitorial services to kitchens or storage areas included within the Premises.

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11.2 **Services Exclusive to Lessee.** Lessee shall pay for all water, gas, light, power, telephone and other utilities and services specially or exclusively supplied and/or metered exclusively to the Premises or to Lessee, together with any taxes thereon. If a service is deleted by Paragraph 11.3 and such service is not separately metered to the Premises, Lessee shall pay at Lessor's option, either Lessee's Share or a reasonable proportion to be determined by Lessor of all charges for such jointly metered service.

11.3 **Hours of Service.** Said services and utilities shall be provided during times set forth in Paragraph 11.2. Utilities and services required at other times shall be subject to advance request and reimbursement by Lessee to Lessor of the cost thereof.

11.4 **Excess Usage by Lessee.** Lessee shall not make connection to the utilities except by or through existing outlets and shall not install or use machinery or equipment in or about the Premises that uses excess water, lighting or power, or suffer or permit any act that causes extra burden upon the utilities or services, including but not limited to security and trash services, over standard office usage for the Project. Lessor shall require Lessee to reimburse Lessor for any excess expenses or costs that may arise out of a breach of this subparagraph by Lessee. Lessor may, in its sole discretion, install at Lessee's expense supplemental equipment and/or separate metering applicable to Lessee's excess usage or loading.

11.5 **Interruptions.** There shall be no abatement of rent and Lessor shall not be liable in any respect whatsoever for the inadequacy, stoppage, interruption or discontinuance of any utility or service due to riot, strike, labor dispute, breakdown, accident, repair or other cause beyond Lessor's reasonable control or in cooperation with governmental request or directions.

12. **Assignment and Subletting.**

12.1 **Lessor's Consent Required.**

(a) Lessee shall not voluntarily or by operation of law assign, transfer, mortgage or encumber (collectively, "assign or assignment") or sublet all or any part of Lessee's interest in this Lease or in the Premises without Lessor's prior written consent.

(b) Unless Lessee is a corporation and its stock is publicly traded on a national stock exchange, a change in the control of Lessee shall constitute an assignment requiring consent. The transfer, on a cumulative basis, of 25% or more of the voting control of Lessee shall constitute a change in control for this purpose.

(c) The involvement of Lessee or its assets in any transaction, or series of transactions (by way of merger, sale, acquisition, financing, transfer, leveraged buyout or otherwise), whether or not a formal assignment or hypothecation of this Lease or Lessee's assets occurs, which results or will result in a reduction of the Net Worth of Lessee by an amount greater than 25% of such Net Worth as it was represented at the time of the execution of this Lease or at the time of the most recent assignment to which Lessor has consented, or as it exists immediately prior to said transaction or transactions constituting such reduction, whichever was or is greater, shall be considered an assignment of this Lease to which Lessor may withhold its consent. "Net Worth of Lessee" shall mean the net worth of Lessee (excluding any guarantors) established under generally accepted accounting principles.

(d) An assignment or subletting without consent shall, at Lessor's option, be a Default curable after notice per Paragraph 13.1(c), or a noncurable Breach without the necessity of any notice and grace period. If Lessor elects to treat such unapproved assignment or subletting as a noncurable Breach, Lessor may either: (i) terminate this Lease, or (ii) upon 30 days written notice, increase the monthly Base Rent to 110% of the Base Rent then in effect. Further, in the event of such Breach and rental adjustment, (i) the purchase price of any option to purchase the Premises held by Lessee shall be subject to similar adjustment to 110% of the price previously in effect, and (ii) all fixed and non-fixed rental adjustments scheduled during the remainder of the Lease term shall be increased to 110% of the scheduled adjusted rent.

(e) Lessee's remedy for any breach of Paragraph 12.1 by Lessor shall be limited to compensatory damages and/or injunctive relief.

(f) Lessor may reasonably withhold consent to a proposed assignment or subletting if Lessee is in Default at the time consent is requested.

(g) Notwithstanding the foregoing, allowing a de minimis portion of the Premises, ie. 20 square feet or less, to be used by a third party vendor in connection with the installation of a vending machine or payphone shall not constitute a subletting.

12.2 **Terms and Conditions Applicable to Assignment and Subletting.**

(a) Regardless of Lessor's consent, no assignment or subletting shall: (i) be effective without the express written assumption by such assignee or sublessee of the obligations of Lessee under this Lease, (ii) release Lessee of any obligations hereunder, or (iii) alter the primary liability of Lessee for the payment of Rent or for the performance of any other obligations to be performed by Lessee.

(b) Lessor may accept Rent or performance of Lessee's obligations from any person other than Lessee pending approval or disapproval of an assignment. Neither a delay in the approval or disapproval of such assignment nor the acceptance of Rent or performance shall constitute a waiver or estoppel of Lessor's right to exercise its remedies for Lessee's Default or Breach.

(c) Lessor's consent to any assignment or subletting shall not constitute a consent to any subsequent assignment or subletting.

(d) In the event of any Default or Breach by Lessee, Lessor may proceed directly against Lessee, any Guarantors or anyone else responsible for the performance of Lessee's obligations under this Lease, including any assignee or sublessee, without first exhausting Lessor's remedies against any other person or entity responsible therefore to Lessor, or any security held by Lessor.

(e) Each request for consent to an assignment or subletting shall be in writing, accompanied by information relevant to Lessor's determination as to the financial and operational responsibility and appropriateness of the proposed assignee or sublessee, including but not limited to the intended use and/or required modification of the Premises, if any. Lessee agrees to provide Lessor with such other or additional information and/or documentation as may be reasonably requested. (See also Paragraph 36)

(f) Any assignee of, or sublessee under, this Lease shall, by reason of accepting such assignment, entering into such sublease, or entering into possession of the Premises or any portion thereof, be deemed to have assumed and agreed to conform and comply with each and every term, covenant, condition and obligation herein to be observed or performed by Lessee during the term of said assignment or sublease, other than such obligations as are contrary to or inconsistent with provisions of an assignment or sublease to which Lessor has specifically consented to in writing.

(g) Lessor's consent to any assignment or subletting shall not transfer to the assignee or sublessee any Option granted to the original Lessee by this Lease unless such transfer is specifically consented to by Lessor in writing. (See Paragraph 39.2)

12.3 **Additional Terms and Conditions Applicable to Subletting.** The following terms and conditions shall apply to any subletting by Lessee of all or any part of the Premises and shall be deemed included in all subleases under this Lease whether or not expressly incorporated therein:

(a) Lessee hereby assigns and transfers to Lessor all of Lessee's interest in all Rent payable on any sublease, and Lessor may collect such Rent and apply same toward Lessee's obligations under this Lease; provided, however, that until a Breach shall occur in the performance of Lessee's obligations, Lessee may collect said Rent. In the event that the amount collected by Lessor exceeds Lessee's then outstanding obligations any such excess shall be refunded to Lessee. Lessor shall not, by reason of the foregoing or any assignment of such sublease, nor by reason of the collection of Rent, be deemed liable to the sublessee for any failure of Lessee to perform and comply with any of Lessee's obligations to such sublessee. Lessee hereby irrevocably authorizes and directs any such sublessee, upon receipt of a written notice from Lessor stating that a Breach exists in the performance of Lessee's obligations under this Lease, to pay to Lessor all Rent due and to become due under the sublease. Sublessee shall rely upon any such notice from Lessor and shall pay all Rents to Lessor without any obligation or right to inquire as to whether such Breach exists, notwithstanding any claim from Lessee to the contrary.

(b) In the event of a Breach by Lessee, Lessor may, at its option, require sublessee to attorn to Lessor, in which event Lessor shall undertake the obligations of the sublessor under such sublease from the time of the exercise of said option to the expiration of such sublease; provided,

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however, Lessor shall not be liable for any prepaid rents or security deposit paid by such sublessee to such sublessor or for any prior Defaults or Breaches of such sublessor.

- (c) Any matter requiring the consent of the sublessor under a sublease shall also require the consent of Lessor.
- (d) No sublessee shall further assign or sublet all or any part of the Premises without Lessor's prior written consent.
- (e) Lessor shall deliver a copy of any notice of Default or Breach by Lessee to the sublessee, who shall have the right to cure the

Default of Lessee within the grace period, if any, specified in such notice. The sublessee shall have a right of reimbursement and offset from and against Lessee for any such Defaults cured by the sublessee.

13. Default; Breach; Remedies.

13.1 Default; Breach. A "Default" is defined as a failure by the Lessee to comply with or perform any of the terms, covenants, conditions or Rules and Regulations under this Lease. A "Breach" is defined as the occurrence of one or more of the following Defaults, and the failure of Lessee to cure such Default within any applicable grace period:

(a) The abandonment of the Premises; or the vacating of the Premises without providing a commercially reasonable level of security, or where the coverage of the property insurance described in Paragraph 8.3 is jeopardized as a result thereof, or without providing reasonable assurances to minimize potential vandalism.

(b) The failure of Lessee to make any payment of Rent or any Security Deposit required to be made by Lessee hereunder, whether to Lessor or to a third party, when due, to provide reasonable evidence of insurance or surety bond, or to fulfill any obligation under this Lease which endangers or threatens life or property, where such failure continues for a period of 5 days following written notice to Lessee. **THE ACCEPTANCE BY LESSOR OF A PARTIAL PAYMENT OF RENT OR SECURITY DEPOSIT SHALL NOT CONSTITUTE A WAIVER OF ANY OF LESSOR'S RIGHTS, INCLUDING LESSOR'S RIGHT TO RECOVER POSSESSION OF THE PREMISES.**

(c) The failure of Lessee to allow Lessor and/or its agents access to the Premises or the commission of waste, act or acts constituting public or private nuisance, and/or an illegal activity on the Premises by Lessee, where such actions continue for a period of 3 business days following written notice to Lessee.

(d) The failure by Lessee to provide (i) reasonable written evidence of compliance with Applicable Requirements, (ii) the service contracts, (iii) the rescission of an unauthorized assignment or subletting, (iv) an Estoppel Certificate or financial statements, (v) a requested subordination, (vi) evidence concerning any guaranty and/or Guarantor, (vii) any document requested under Paragraph 41, (viii) material data safety sheets (MSDS), or (ix) any other documentation or information which Lessor may reasonably require of Lessee under the terms of this Lease, where any such failure continues for a period of 10 days following written notice to Lessee.

(e) A Default by Lessee as to the terms, covenants, conditions or provisions of this Lease, or of the rules adopted under Paragraph 2.9 hereof, other than those described in subparagraphs 13.1(a), (b), (c) or (d), above, where such Default continues for a period of 30 days after written notice; provided, however, that if the nature of Lessee's Default is such that more than 30 days are reasonably required for its cure, then it shall not be deemed to be a Breach if Lessee commences such cure within said 30 day period and thereafter diligently prosecutes such cure to completion.

(f) The occurrence of any of the following events: (i) the making of any general arrangement or assignment for the benefit of creditors; (ii) becoming a "debtor" as defined in 11 U.S.C. § 101 or any successor statute thereto (unless, in the case of a petition filed against Lessee, the same is dismissed within 60 days); (iii) the appointment of a trustee or receiver to take possession of substantially all of Lessee's assets located at the Premises or of Lessee's interest in this Lease, where possession is not restored to Lessee within 30 days; or (iv) the attachment, execution or other judicial seizure of substantially all of Lessee's assets located at the Premises or of Lessee's interest in this Lease, where such seizure is not discharged within 30 days; provided, however, in the event that any provision of this subparagraph is contrary to any applicable law, such provision shall be of no force or effect, and not affect the validity of the remaining provisions.

(g) The discovery that any financial statement of Lessee or of any Guarantor given to Lessor was materially false.

(h) If the performance of Lessee's obligations under this Lease is guaranteed: (i) the death of a Guarantor, (ii) the termination of a Guarantor's liability with respect to this Lease other than in accordance with the terms of such guaranty, (iii) a Guarantor's becoming insolvent or the subject of a bankruptcy filing, (iv) a Guarantor's refusal to honor the guaranty, or (v) a Guarantor's breach of its guaranty obligation on an anticipatory basis, and Lessee's failure, within 60 days following written notice of any such event, to provide written alternative assurance or security, which, when coupled with the then existing resources of Lessee, equals or exceeds the combined financial resources of Lessee and the Guarantors that existed at the time of execution of this Lease.

13.2 Remedies. If Lessee fails to perform any of its affirmative duties or obligations, within 10 days after written notice (or in case of an emergency, without notice), Lessor may, at its option, perform such duty or obligation on Lessee's behalf, including but not limited to the obtaining of reasonably required bonds, insurance policies, or governmental licenses, permits or approvals. Lessee shall pay to Lessor an amount equal to 115% of the costs and expenses incurred by Lessor in such performance upon receipt of an invoice therefor. In the event of a Breach, Lessor may, with or without further notice or demand, and without limiting Lessor in the exercise of any right or remedy which Lessor may have by reason of such Breach:

(a) Terminate Lessee's right to possession of the Premises by any lawful means, in which case this Lease shall terminate and Lessee shall immediately surrender possession to Lessor. In such event Lessor shall be entitled to recover from Lessee: (i) the unpaid Rent which had been earned at the time of termination; (ii) the worth at the time of award of the amount by which the unpaid rent which would have been earned after termination until the time of award exceeds the amount of such rental loss that the Lessee proves could have been reasonably avoided; (iii) the worth at the time of award of the amount by which the unpaid rent for the balance of the term after the time of award exceeds the amount of such rental loss that the Lessee proves could be reasonably avoided; and (iv) any other amount necessary to compensate Lessor for all the detriment proximately caused by the Lessee's failure to perform its obligations under this Lease or which in the ordinary course of things would be likely to result therefrom, including but not limited to the cost of recovering possession of the Premises, expenses of reletting, including necessary renovation and alteration of the Premises, reasonable attorneys' fees, and that portion of any leasing commission paid by Lessor in connection with this Lease applicable to the unexpired term of this Lease. The worth at the time of award of the amount referred to in provision (iii) of the immediately preceding sentence shall be computed by discounting such amount at the discount rate of the Federal Reserve Bank of the District within which the Premises are located at the time of award plus one percent. Efforts by Lessor to mitigate damages caused by Lessee's Breach of this Lease shall not waive Lessor's right to recover damages under Paragraph 12. If termination of this Lease is obtained through any provisional remedy of summary eviction, Lessor shall have the right to recover in such proceeding any unpaid Rent and damages as are recoverable therein, or Lessor may reserve the right to recover all or any part thereof in a separate suit. If a notice and grace period required under Paragraph 13.1 was not previously given, a notice to pay rent or quit, or to perform or quit given to Lessee under the unlawful detainer statute shall also constitute the notice required by Paragraph 13.1. In such case, the applicable grace period required by Paragraph 13.1 and the unlawful detainer statute shall run concurrently, and the failure of Lessee to cure the Default within the greater of the two such grace periods shall constitute both an unlawful detainer and a Breach of this Lease entitling Lessor to the remedies provided for in this Lease and/or by said statute.

(b) Continue the Lease and Lessee's right to possession and recover the Rent as it becomes due, in which event Lessee may sublet or assign, subject only to reasonable limitations. Acts of maintenance, efforts to relet, and/or the appointment of a receiver to protect the Lessor's interests, shall not constitute a termination of the Lessee's right to possession.

(c) Pursue any other remedy now or hereafter available under the laws or judicial decisions of the state wherein the Premises are located. The expiration or termination of this Lease and/or the termination of Lessee's right to possession shall not relieve Lessee from liability under any indemnity provisions of this Lease as to matters occurring or accruing during the term hereof or by reason of Lessee's occupancy of the Premises.

13.3 Inducement Recapture. Any agreement for free or abated rent or other charges, or for the giving or paying by Lessor to or for Lessee of any cash or other bonus, inducement or consideration for Lessee's entering into this Lease, all of which concessions are hereinafter referred to as "Inducement Provisions", shall be deemed conditioned upon Lessee's full and faithful performance of all of the terms, covenants and conditions of this Lease. Upon Breach of this Lease by Lessee, any such Inducement Provision shall automatically be deemed deleted from this Lease and of no further force or effect, and any rent, other charge, bonus, inducement or consideration theretofore abated, given or paid by Lessor under such an Inducement Provision shall be immediately due and payable by Lessee to Lessor, notwithstanding any subsequent cure of said Breach by Lessee. The acceptance by Lessor of rent or the cure of the Breach which initiated the operation of this paragraph shall not be deemed a waiver by Lessor of the provisions of this paragraph unless specifically so stated in writing by Lessor at the time of such acceptance.

13.4 Late Charges. Lessee hereby acknowledges that late payment by Lessee of Rent will cause Lessor to incur costs not contemplated by this Lease, the exact amount of which will be extremely difficult to ascertain. Such costs include, but are not limited to, processing and accounting charges, and late charges which may be imposed upon Lessor by any Lender. Accordingly, if any Rent shall not be received by Lessor within 5 days after such amount shall be due, then, without any requirement for notice to Lessee, Lessee shall immediately pay to Lessor a one-time late charge equal to 10% of each such overdue amount or \$100, whichever is greater. The parties hereby agree that such late charge represents a fair and reasonable estimate of the costs Lessor will incur by reason of such late payment. Acceptance of such late charge by Lessor shall in no event constitute a waiver of Lessee's Default or Breach with respect to such overdue amount, nor prevent the exercise of any of the other rights and remedies granted hereunder. In the event that a late charge is payable hereunder, whether or not collected, for 3 consecutive installments of Base Rent, then notwithstanding any provision of this Lease to the contrary, Base Rent shall, at Lessor's option, become due and payable quarterly in advance.

13.5 Interest. Any monetary payment due Lessor hereunder, other than late charges, not received by Lessor, when due as to scheduled payments (such as Base Rent) or within 30 days following the date on which it was due for nonscheduled payment, shall bear interest from

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the date when due, as to scheduled payments, or the 31st day after it was due as to nonscheduled payments. The interest ("Interest") charged shall be computed at the rate of 10% per annum but shall not exceed the maximum rate allowed by law. Interest is payable in addition to the potential late charge provided for in Paragraph 13.4.

13.6 Breach by Lessor.

(a) **Notice of Breach.** Lessor shall not be deemed in breach of this Lease unless Lessor fails within a reasonable time to perform an obligation required to be performed by Lessor. For purposes of this Paragraph, a reasonable time shall in no event be less than 30 days after receipt by Lessor, and any Lender whose name and address shall have been furnished Lessee in writing for such purpose, of written notice specifying wherein such obligation of Lessor has not been performed; provided, however, that if the nature of Lessor's obligation is such that more than 30 days are reasonably required for its performance, then Lessor shall not be in breach if performance is commenced within such 30 day period and thereafter diligently pursued to completion.

(b) **Performance by Lessee on Behalf of Lessor.** In the event that neither Lessor nor Lender cures said breach within 30 days after receipt of said notice, or if having commenced said cure they do not diligently pursue it to completion, then Lessee may elect to cure said breach at Lessee's expense and offset from Rent the actual and reasonable cost to perform such cure, provided however, that such offset shall not exceed an amount equal to the greater of one month's Base Rent or the Security Deposit, reserving Lessee's right to seek reimbursement from Lessor for any such expense in excess of such offset. Lessee shall document the cost of said cure and supply said documentation to Lessor.

14. Condemnation. If the Premises or any portion thereof are taken under the power of eminent domain or sold under the threat of the exercise of said power (collectively "Condemnation"), this Lease shall terminate as to the part taken as of the date the condemning authority takes title or possession, whichever first occurs. If more than 10% of the rentable floor area of the Premises, or more than 25% of Lessee's Reserved Parking Spaces, if any, are taken by Condemnation, Lessee may, at Lessee's option, to be exercised in writing within 10 days after Lessor shall have given Lessee written notice of such taking (or in the absence of such notice, within 10 days after the condemning authority shall have taken possession) terminate this Lease as of the date the condemning authority takes such possession. If Lessee does not terminate this Lease in accordance with the foregoing, this Lease shall remain in full force and effect as to the portion of the Premises remaining, except that the Base Rent shall be reduced in proportion to the reduction in utility of the Premises caused by such Condemnation. Condemnation awards and/or payments shall be the property of Lessor, whether such award shall be made as compensation for diminution in value of the leasehold, the value of the part taken, or for severance damages. Lessee waives all right to any part of such award including any rights pursuant to NRS 37.115. Lessee shall, however, be entitled to any compensation paid by the condemnor for Lessee's relocation expenses, loss of business goodwill and/or Trade Fixtures, without regard to whether or not this Lease is terminated pursuant to the provisions of this Paragraph. All Alterations and Utility Installations made to the Premises by Lessee, for purposes of Condemnation only, shall be considered the property of the Lessee and Lessee shall be entitled to any and all compensation which is payable therefor. In the event that this Lease is not terminated by reason of the Condemnation, Lessor shall repair any damage to the Premises caused by such Condemnation.

15. Brokerage Fees.

15.1 Additional Commission. If a separate brokerage fee agreement is attached then in addition to the payments owed pursuant to Paragraph 1.10 above, and unless Lessor and the Brokers otherwise agree in writing, Lessor agrees that: (a) if Lessee exercises any Option, (b) if Lessee or anyone affiliated with Lessee acquires from Lessor any rights to the Premises or other premises owned by Lessor and located within the Project, (c) if Lessee remains in possession of the Premises, with the consent of Lessor, after the expiration of this Lease, or (d) if Base Rent is increased, whether by agreement or operation of an escalation clause herein, then, Lessor shall pay Brokers a fee in accordance with the schedule attached to such brokerage fee agreement.

15.2 Assumption of Obligations. Any buyer or transferee of Lessor's interest in this Lease shall be deemed to have assumed Lessor's obligation hereunder. Brokers shall be third party beneficiaries of the provisions of Paragraphs 1.10, 15, 22 and 31. If Lessor fails to pay to Brokers any amounts due as and for brokerage fees pertaining to this Lease when due, then such amounts shall accrue interest. In addition, if Lessor fails to pay any amounts to Lessee's Broker when due, Lessee's Broker may send written notice to Lessor and Lessee of such failure and if Lessor fails to pay such amounts within 10 days after said notice, Lessee shall pay said monies to its Broker and offset such amounts against Rent. In addition, Lessee's Broker shall be deemed to be a third party beneficiary of any commission agreement entered into by and/or between Lessor and Lessor's Broker for the limited purpose of collecting any brokerage fee owed.

15.3 Representations and Indemnities of Broker Relationships. Lessee and Lessor each represent and warrant to the other that it has had no dealings with any person, firm, broker or finder (other than the Brokers, if any) in connection with this Lease, and that no one other than said named Brokers is entitled to any commission or finder's fee in connection herewith. Lessee and Lessor do each hereby agree to indemnify, protect, defend and hold the other harmless from and against liability for compensation or charges which may be claimed by any such unnamed broker, finder or other similar party by reason of any dealings or actions of the indemnifying Party, including any costs, expenses, attorneys' fees reasonably incurred with respect thereto.

16. Estoppel Certificates.

(a) Each Party (as "Responding Party") shall within 10 days after written notice from the other Party (the "Requesting Party") execute, acknowledge and deliver to the Requesting Party a statement in writing in form similar to the then most current "Estoppel Certificate" form published by the AIR Commercial Real Estate Association, plus such additional information, confirmation and/or statements as may be reasonably requested by the Requesting Party.

(b) If the Responding Party shall fail to execute or deliver the Estoppel Certificate within such 10 day period, the Requesting Party may execute an Estoppel Certificate stating that: (i) the Lease is in full force and effect without modification except as may be represented by the Requesting Party, (ii) there are no uncured defaults in the Requesting Party's performance, and (iii) if Lessor is the Requesting Party, not more than one month's rent has been paid in advance. Prospective purchasers and encumbrancers may rely upon the Requesting Party's Estoppel Certificate, and the Responding Party shall be estopped from denying the truth of the facts contained in said Certificate.

(c) If Lessor desires to finance, refinance, or sell the Premises, or any part thereof, Lessee and all Guarantors shall within 10 days after written notice from Lessor deliver to any potential lender or purchaser designated by Lessor such financial statements as may be reasonably required by such lender or purchaser, including but not limited to Lessee's financial statements for the past 3 years. All such financial statements shall be received by Lessor and such lender or purchaser in confidence and shall be used only for the purposes herein set forth.

17. Definition of Lessor. The term "Lessor" as used herein shall mean the owner or owners at the time in question of the fee title to the Premises, or, if this is a sublease, of the Lessee's interest in the prior lease. In the event of a transfer of Lessor's title or interest in the Premises or this Lease, Lessor shall deliver to the transferee or assignee (in cash or by credit) any unused Security Deposit held by Lessor. Upon such transfer or assignment and delivery of the Security Deposit, as aforesaid, the prior Lessor shall be relieved of all liability with respect to the obligations and/or covenants under this Lease thereafter to be performed by the Lessor. Subject to the foregoing, the obligations and/or covenants in this Lease to be performed by the Lessor shall be binding only upon the Lessor as hereinabove defined.

18. Severability. The invalidity of any provision of this Lease, as determined by a court of competent jurisdiction, shall in no way affect the validity of any other provision hereof.

19. Days. Unless otherwise specifically indicated to the contrary, the word "days" as used in this Lease shall mean and refer to calendar days.

20. Limitation on Liability. The obligations of Lessor under this Lease shall not constitute personal obligations of Lessor or its partners, members, directors, officers or shareholders, and Lessee shall look to the Project, and to no other assets of Lessor, for the satisfaction of any liability of Lessor with respect to this Lease, and shall not seek recourse against Lessor's partners, members, directors, officers or shareholders, or any of their personal assets for such satisfaction.

21. Time of Essence. Time is of the essence with respect to the performance of all obligations to be performed or observed by the Parties under this Lease.

22. No Prior or Other Agreements; Broker Disclaimer. This Lease contains all agreements between the Parties with respect to any matter mentioned herein, and no other prior or contemporaneous agreement or understanding shall be effective. Lessor and Lessee each represents and warrants to the Brokers that it has made, and is relying solely upon, its own investigation as to the nature, quality, character and financial responsibility of the other Party to this Lease and as to the use, nature, quality and character of the Premises. Brokers have no responsibility with respect thereto or with respect to any default or breach hereof by either Party.

23. Notices.

23.1 Notice Requirements. All notices required or permitted by this Lease or applicable law shall be in writing and may be delivered in person (by hand or by courier) or may be sent by regular, certified or registered mail or U.S. Postal Service Express Mail, with postage prepaid, or by facsimile transmission, and shall be deemed sufficiently given if served in a manner specified in this Paragraph 23. The addresses noted adjacent to a Party's signature on this Lease shall be that Party's address for delivery or mailing of notices. Either Party may by written notice to the other specify a different address for notice, except that upon Lessee's taking possession of the Premises, the Premises shall constitute Lessee's address for notice. A copy of all notices to Lessor shall be concurrently transmitted to such party or parties at such addresses as Lessor may from time to time hereafter designate in writing.

23.2 Date of Notice. Any notice sent by registered or certified mail, return receipt requested, shall be deemed given on the date of delivery shown on the receipt card, or if no delivery date is shown, the postmark thereon. If sent by regular mail the notice shall be deemed given 72 hours after

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the same is addressed as required herein and mailed with postage prepaid. Notices delivered by United States Express Mail or overnight courier that guarantees next day delivery shall be deemed given 24 hours after delivery of the same to the Postal Service or courier. Notices transmitted by facsimile transmission or similar means shall be deemed delivered upon telephone confirmation of receipt (confirmation report from fax machine is sufficient), provided a copy is also delivered via delivery or mail. If notice is received on a Saturday, Sunday or legal holiday, it shall be deemed received on the next business day.

24. **Waivers.**

(a) No waiver by Lessor of the Default or Breach of any term, covenant or condition hereof by Lessee, shall be deemed a waiver of any other term, covenant or condition hereof, or of any subsequent Default or Breach by Lessee of the same or of any other term, covenant or condition hereof. Lessor's consent to, or approval of, any act shall not be deemed to render unnecessary the obtaining of Lessor's consent to, or approval of, any subsequent or similar act by Lessee, or be construed as the basis of an estoppel to enforce the provision or provisions of this Lease requiring such consent.

(b) The acceptance of Rent by Lessor shall not be a waiver of any Default or Breach by Lessee. Any payment by Lessee may be accepted by Lessor on account of moneys or damages due Lessor, notwithstanding any qualifying statements or conditions made by Lessee in connection therewith, which such statements and/or conditions shall be of no force or effect whatsoever unless specifically agreed to in writing by Lessor at or before the time of deposit of such payment.

(c) THE PARTIES AGREE THAT THE TERMS OF THIS LEASE SHALL GOVERN WITH REGARD TO ALL MATTERS RELATED THERETO AND HEREBY WAIVE THE PROVISIONS OF ANY PRESENT OR FUTURE STATUTE TO THE EXTENT THAT SUCH STATUTE IS INCONSISTENT WITH THIS LEASE.

25. **Disclosures Regarding The Nature of a Real Estate Agency Relationship.**

(a) The Parties acknowledge: (i) receipt from Brokers of a Nevada Real Estate Division "Duties Owed by a Nevada Real Estate Licensee" form, a "Confirmation Regarding Real Estate Agent Relationship" form, and, if one Broker is acting for both Lessor and Lessee, a "Consent to Act" form, and (ii) that they have read and understand such forms and the duties owed to them by Brokers. The Parties also agree to execute and deliver to Brokers said forms NOTE: The use of a broker in a real estate transaction does not relieve a Lessor or Lessee from the responsibility to protect their own interests. Lessor and Lessee should carefully read all agreements to assure that they adequately express their understanding of the transaction. If legal or tax advice is desired, a Party should consult a competent professional.

(b) Brokers have no responsibility with respect to any default or breach hereof by either Party. The Parties agree that no lawsuit or other legal proceeding involving any breach of duty, error or omission relating to this Lease may be brought against Broker more than one year after the Start Date and that the liability (including court costs and attorneys' fees), of any Broker with respect to any such lawsuit and/or legal proceeding shall not exceed the fee received by such Broker pursuant to this Lease; provided, however, that the foregoing limitation on each Broker's liability shall not be applicable to any gross negligence or willful misconduct of such Broker.

(c) Buyer and Seller agree to identify to Brokers as "Confidential" any communication or information given Brokers that is considered by such Party to be confidential.

26. **No Right To Holdover.** Lessee has no right to retain possession of the Premises or any part thereof beyond the expiration or termination of this Lease. In the event that Lessee holds over, then the Base Rent shall be increased to 150% of the Base Rent applicable immediately preceding the expiration or termination. Nothing contained herein shall be construed as consent by Lessor to any holding over by Lessee.

27. **Cumulative Remedies.** No remedy or election hereunder shall be deemed exclusive but shall, wherever possible, be cumulative with all other remedies at law or in equity.

28. **Covenants and Conditions; Construction of Agreement.** All provisions of this Lease to be observed or performed by Lessee are both covenants and conditions. In construing this Lease, all headings and titles are for the convenience of the Parties only and shall not be considered a part of this Lease. Whenever required by the context, the singular shall include the plural and vice versa. This Lease shall not be construed as if prepared by one of the Parties, but rather according to its fair meaning as a whole, as if both Parties had prepared it.

29. **Binding Effect; Choice of Law.** This Lease shall be binding upon the Parties, their personal representatives, successors and assigns and be governed by the laws of the State in which the Premises are located. Any litigation between the Parties hereto concerning this Lease shall be initiated in the county in which the Premises are located.

30. **Subordination; Attornment; Non-Disturbance.**

30.1 **Subordination.** This Lease and any Option granted hereby shall be subject and subordinate to any ground lease, mortgage, deed of trust, or other hypothecation or security device (collectively, "Security Device"), now or hereafter placed upon the Premises, to any and all advances made on the security thereof, and to all renewals, modifications, and extensions thereof. Lessee agrees that the holders of any such Security Devices (in this Lease together referred to as "Lender") shall have no liability or obligation to perform any of the obligations of Lessor under this Lease. Any Lender may elect to have this Lease and/or any Option granted hereby superior to the lien of its Security Device by giving written notice thereof to Lessee, whereupon this Lease and such Options shall be deemed prior to such Security Device, notwithstanding the relative dates of the documentation or recordation thereof.

30.2 **Attornment.** In the event that Lessor transfers title to the Premises, or the Premises are acquired by another upon the foreclosure or termination of a Security Device to which this Lease is subordinated (i) Lessee shall, subject to the non-disturbance provisions of Paragraph 30.3, attorn to such new owner, and upon request, enter into a new lease, containing all of the terms and provisions of this Lease, with such new owner for the remainder of the term hereof, or, at the election of the new owner, this Lease will automatically become a new lease between Lessee and such new owner, and (ii) Lessor shall thereafter be relieved of any further obligations hereunder and such new owner shall assume all of Lessor's obligations, except that such new owner shall not: (a) be liable for any act or omission of any prior lessor or with respect to events occurring prior to acquisition of ownership; (b) be subject to any offsets or defenses which Lessee might have against any prior lessor, (c) be bound by prepayment of more than one month's rent, or (d) be liable for the return of any security deposit paid to any prior lessor which was not paid or credited to such new owner.

30.3 **Non-Disturbance.** With respect to Security Devices entered into by Lessor after the execution of this Lease, Lessee's subordination of this Lease shall be subject to receiving a commercially reasonable non-disturbance agreement (a "Non-Disturbance Agreement") from the Lender which Non-Disturbance Agreement provides that Lessee's possession of the Premises, and this Lease, including any options to extend the term hereof, will not be disturbed so long as Lessee is not in Breach hereof and attorns to the record owner of the Premises. Further, within 60 days after the execution of this Lease, Lessor shall, if requested by Lessee, use its commercially reasonable efforts to obtain a Non-Disturbance Agreement from the holder of any pre-existing Security Device which is secured by the Premises. In the event that Lessor is unable to provide the Non-Disturbance Agreement within said 60 days, then Lessee may, at Lessee's option, directly contact Lender and attempt to negotiate for the execution and delivery of a Non-Disturbance Agreement.

30.4 **Self-Executing.** The agreements contained in this Paragraph 30 shall be effective without the execution of any further documents; provided, however, that, upon written request from Lessor or a Lender in connection with a sale, financing or refinancing of the Premises, Lessee and Lessor shall execute such further writings as may be reasonably required to separately document any subordination, attornment and/or Non-Disturbance Agreement provided for herein.

31. **Attorneys' Fees.** If any Party or Broker brings an action or proceeding involving the Premises whether founded in tort, contract or equity, or to declare rights hereunder, the Prevailing Party (as hereafter defined) in any such proceeding, action, or appeal thereon, shall be entitled to reasonable attorneys' fees. Such fees may be awarded in the same suit or recovered in a separate suit, whether or not such action or proceeding is pursued to decision or judgment. The term, "Prevailing Party" shall include, without limitation, a Party or Broker who substantially obtains or defeats the relief sought, as the case may be, whether by compromise, settlement, judgment, or the abandonment by the other Party or Broker of its claim or defense. The attorneys' fees award shall not be computed in accordance with any court fee schedule, but shall be such as to fully reimburse all attorneys' fees reasonably incurred. In addition, Lessor shall be entitled to attorneys' fees, costs and expenses incurred in the preparation and service of notices of Default and consultations in connection therewith, whether or not a legal action is subsequently commenced in connection with such Default or resulting Breach (\$200 is a reasonable minimum per occurrence for such services and consultation).

32. **Lessor's Access; Showing Premises; Repairs.** Lessor and Lessor's agents shall have the right to enter the Premises at any time, in the case of an emergency, and otherwise at reasonable times after reasonable prior notice for the purpose of showing the same to prospective purchasers, lenders, or tenants, and making such alterations, repairs, improvements or additions to the Premises as Lessor may deem necessary or desirable and the erecting, using and maintaining of utilities, services, pipes and conduits through the Premises and/or other premises as long as there is no material adverse effect on Lessee's use of the Premises. All such activities shall be without abatement of rent or liability to Lessee. In addition, Lessor shall have the right to retain keys to the Premises and to unlock all doors in or upon the Premises other than to files, vaults and safes, and in the case of emergency to enter the Premises by any reasonably appropriate means, and any such entry shall not be deemed a forcible or unlawful entry or detainer of the Premises or an eviction. Lessee waives any charges for damages or injuries or interference with Lessee's property or business in connection therewith.

33. **Auctions.** Lessee shall not conduct, nor permit to be conducted, any auction upon the Premises without Lessor's prior written consent. Lessor shall not be obligated to exercise any standard of reasonableness in determining whether to permit an auction.

34. **Signs.** Lessor may place on the Premises ordinary "For Sale" signs at any time and ordinary "For Lease" signs during the last 6 months of

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the term hereof. Lessor may not place any sign on the exterior of the Building that covers any of the windows of the Premises. Except for ordinary "For Sublease" signs which may be placed only on the Premises, Lessee shall not place any sign upon the Project without Lessor's prior written consent. All signs must comply with all Applicable Requirements.

35. **Termination; Merger.** Unless specifically stated otherwise in writing by Lessor, the voluntary or other surrender of this Lease by Lessee, the mutual termination or cancellation hereof, or a termination hereof by Lessor for Breach by Lessee, shall automatically terminate any sublease or lesser estate in the Premises; provided, however, that Lessor may elect to continue any one or all existing subtenancies. Lessor's failure within 10 days following any such event to elect to the contrary by written notice to the holder of any such lesser interest, shall constitute Lessor's election to have such event constitute the termination of such interest.

36. **Consents.** Except as otherwise provided herein, wherever in this Lease the consent of a Party is required to an act by or for the other Party, such consent shall not be unreasonably withheld or delayed. Lessor's actual reasonable costs and expenses (including but not limited to architects', attorneys', engineers' and other consultants' fees) incurred in the consideration of, or response to, a request by Lessee for any Lessor consent, including but not limited to consents to an assignment, a subletting or the presence or use of a Hazardous Substance, shall be paid by Lessee upon receipt of an invoice and supporting documentation therefor. Lessor's consent to any act, assignment or subletting shall not constitute an acknowledgment that no Default or Breach by Lessee of this Lease exists, nor shall such consent be deemed a waiver of any then existing Default or Breach, except as may be otherwise specifically stated in writing by Lessor at the time of such consent. The failure to specify herein any particular condition to Lessor's consent shall not preclude the imposition by Lessor at the time of consent of such further or other conditions as are then reasonable with reference to the particular matter for which consent is being given. In the event that either Party disagrees with any determination made by the other hereunder and reasonably requests the reasons for such determination, the determining party shall furnish its reasons in writing and in reasonable detail within 10 business days following such request.

37. **Guarantor.**

37.1 **Execution.** The Guarantors, if any, shall each execute a guaranty in the form most recently published by the AIR Commercial Real Estate Association.

37.2 **Default.** It shall constitute a Default of the Lessee if any Guarantor fails or refuses, upon request to provide: (a) evidence of the execution of the guaranty, including the authority of the party signing on Guarantor's behalf to obligate Guarantor, and in the case of a corporate Guarantor, a certified copy of a resolution of its board of directors authorizing the making of such guaranty, (b) current financial statements, (c) an Estoppel Certificate, or (d) written confirmation that the guaranty is still in effect.

38. **Quiet Possession.** Subject to payment by Lessee of the Rent and performance of all of the covenants, conditions and provisions on Lessee's part to be observed and performed under this Lease, Lessee shall have quiet possession and quiet enjoyment of the Premises during the term hereof.

39. **Options.** If Lessee is granted an Option, as defined below, then the following provisions shall apply.

39.1 **Definition.** "Option" shall mean: (a) the right to extend or reduce the term of or renew this Lease or to extend or reduce the term of or renew any lease that Lessee has on other property of Lessor; (b) the right of first refusal or first offer to lease either the Premises or other property of Lessor; (c) the right to purchase, the right of first offer to purchase or the right of first refusal to purchase the Premises or other property of Lessor.

39.2 **Options Personal To Original Lessee.** Any Option granted to Lessee in this Lease is personal to the original Lessee, and cannot be assigned or exercised by anyone other than said original Lessee and only while the original Lessee is in full possession of the Premises and, if requested by Lessor, with Lessee certifying that Lessee has no intention of thereafter assigning or subletting.

39.3 **Multiple Options.** In the event that Lessee has any multiple Options to extend or renew this Lease, a later Option cannot be exercised unless the prior Options have been validly exercised.

39.4 **Effect of Default on Options.**

(a) Lessee shall have no right to exercise an Option: (i) during the period commencing with the giving of any notice of Default and continuing until said Default is cured, (ii) during the period of time any Rent is unpaid (without regard to whether notice thereof is given Lessee), (iii) during the time Lessee is in Breach of this Lease, or (iv) in the event that Lessee has been given 3 or more notices of separate Default, whether or not the Defaults are cured, during the 12 month period immediately preceding the exercise of the Option.

(b) The period of time within which an Option may be exercised shall not be extended or enlarged by reason of Lessee's inability to exercise an Option because of the provisions of Paragraph 39.4(a).

(c) An Option shall terminate and be of no further force or effect, notwithstanding Lessee's due and timely exercise of the Option, if, after such exercise and prior to the commencement of the extended term or completion of the purchase, (i) Lessee fails to pay Rent for a period of 30 days after such Rent becomes due (without any necessity of Lessor to give notice thereof), or (ii) if Lessee commits a Breach of this Lease.

40. **Security Measures.** Lessee hereby acknowledges that the Rent payable to Lessor hereunder does not include the cost of guard service or other security measures, and that Lessor shall have no obligation whatsoever to provide same. Lessee assumes all responsibility for the protection of the Premises, Lessee, its agents and invitees and their property from the acts of third parties. In the event, however, that Lessor should elect to provide security services, then the cost thereof shall be an Operating Expense.

41. **Reservations.**

(a) Lessor reserves the right: (i) to grant, without the consent or joinder of Lessee, such easements, rights and dedications that Lessor deems necessary, (ii) to cause the recordation of parcel maps and restrictions, (iii) to create and/or install new utility raceways, so long as such easements, rights, dedications, maps, restrictions, and utility raceways do not unreasonably interfere with the use of the Premises by Lessee. Lessor may also: change the name, address or title of the Building or Project upon at least 90 days prior written notice; provide and install, at Lessee's expense, Building standard graphics on the door of the Premises and such portions of the Common Areas as Lessor shall reasonably deem appropriate; grant to any lessee the exclusive right to conduct any business as long as such exclusive right does not conflict with any rights expressly given herein; and to place such signs, notices or displays as Lessor reasonably deems necessary or advisable upon the roof, exterior of the Building or the Project or on signs in the Common Areas. Lessee agrees to sign any documents reasonably requested by Lessor to effectuate such rights. The obstruction of Lessee's view, air, or light by any structure erected in the vicinity of the Building, whether by Lessor or third parties, shall in no way affect this Lease or impose any liability upon Lessor.

(b) Lessor also reserves the right to move Lessee to other space of comparable size in the Building or Project. Lessor must provide at least 45 days prior written notice of such move, and the new space must contain improvements of comparable quality to those contained within the Premises. Lessor shall pay the reasonable out of pocket costs that Lessee incurs with regard to such relocation, including the expenses of moving and necessary stationary revision costs. In no event, however, shall Lessor be required to pay an amount in excess of two months Base Rent. Lessee may not be relocated more than once during the term of this Lease.

(c) Lessee shall not: (i) use a representation (photographic or otherwise) of the Building or Project or their name(s) in connection with Lessee's business; or (ii) suffer or permit anyone, except in emergency, to go upon the roof of the Building.

42. **Performance Under Protest.** If at any time a dispute shall arise as to any amount or sum of money to be paid by one Party to the other under the provisions hereof, the Party against whom the obligation to pay the money is asserted shall have the right to make payment "under protest" and such payment shall not be regarded as a voluntary payment and there shall survive the right on the part of said Party to institute suit for recovery of such sum. If it shall be adjudged that there was no legal obligation on the part of said Party to pay such sum or any part thereof, said Party shall be entitled to recover such sum or so much thereof as it was not legally required to pay. A Party who does not initiate suit for the recovery of sums paid "under protest" within 6 months shall be deemed to have waived its right to protest such payment.

43. **Authority; Multiple Parties; Execution.**

(a) If either Party hereto is a corporation, trust, limited liability company, partnership, or similar entity, each individual executing this Lease on behalf of such entity represents and warrants that he or she is duly authorized to execute and deliver this Lease on its behalf. Each Party shall, within 30 days after request, deliver to the other Party satisfactory evidence of such authority.

(b) If this Lease is executed by more than one person or entity as "Lessee", each such person or entity shall be jointly and severally liable hereunder. It is agreed that any one of the named Lessees shall be empowered to execute any amendment to this Lease, or other document ancillary thereto and bind all of the named Lessees, and Lessor may rely on the same as if all of the named Lessees had executed such document.

(c) This Lease may be executed by the Parties in counterparts, each of which shall be deemed an original and all of which together shall constitute one and the same instrument.

44. **Conflict.** Any conflict between the printed provisions of this Lease and the typewritten or handwritten provisions shall be controlled by the typewritten or handwritten provisions.

45. **Offer.** Preparation of this Lease by either party or their agent and submission of same to the other Party shall not be deemed an offer to lease to the other Party. This Lease is not intended to be binding until executed and delivered by all Parties hereto.

46. **Amendments.** This Lease may be modified only in writing, signed by the Parties in interest at the time of the modification. As long as they do not materially change Lessee's obligations hereunder, Lessee agrees to make such reasonable nonmonetary modifications to this Lease as may be reasonably required by a Lender in connection with the obtaining of normal financing or refinancing of the Premises.

47. **Waiver of Jury Trial.** THE PARTIES HEREBY WAIVE THEIR RESPECTIVE RIGHTS TO TRIAL BY JURY IN ANY ACTION OR

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PROCEEDING INVOLVING THE PROPERTY OR ARISING OUT OF THIS AGREEMENT.

48. Arbitration of Disputes. An Addendum requiring the Arbitration of disputes between the Parties and/or Brokers arising out of this Lease is is not attached to this Lease.

50. Americans with Disabilities Act. Since compliance with the Americans with Disabilities Act (ADA) is dependent upon Lessee's specific use of the Premises, Lessor makes no warranty or representation as to whether or not the Premises comply with ADA or any similar legislation. In the event that Lessee's use of the Premises requires modifications or additions to the Premises in order to be in ADA compliance, Lessee agrees to make any such necessary modifications and/or additions at Lessee's expense.

LESSOR AND LESSEE HAVE CAREFULLY READ AND REVIEWED THIS LEASE AND EACH TERM AND PROVISION CONTAINED HEREIN, AND BY THE EXECUTION OF THIS LEASE SHOW THEIR INFORMED AND VOLUNTARY CONSENT THERETO. THE PARTIES HEREBY AGREE THAT, AT THE TIME THIS LEASE IS EXECUTED, THE TERMS OF THIS LEASE ARE COMMERCIALY REASONABLE AND EFFECTUATE THE INTENT AND PURPOSE OF LESSOR AND LESSEE WITH RESPECT TO THE PREMISES.

ATTENTION: NO REPRESENTATION OR RECOMMENDATION IS MADE BY THE AIR COMMERCIAL REAL ESTATE ASSOCIATION OR BY ANY BROKER AS TO THE LEGAL SUFFICIENCY, LEGAL EFFECT, OR TAX CONSEQUENCES OF THIS LEASE OR THE TRANSACTION TO WHICH IT RELATES. THE PARTIES ARE URGED TO:

1. SEEK ADVICE OF COUNSEL AS TO THE LEGAL AND TAX CONSEQUENCES OF THIS LEASE.
2. RETAIN APPROPRIATE CONSULTANTS TO REVIEW AND INVESTIGATE THE CONDITION OF THE PREMISES. SAID INVESTIGATION SHOULD INCLUDE BUT NOT BE LIMITED TO: THE POSSIBLE PRESENCE OF HAZARDOUS SUBSTANCES, THE ZONING AND SIZE OF THE PREMISES, THE STRUCTURAL INTEGRITY, THE CONDITION OF THE ROOF AND OPERATING SYSTEMS, COMPLIANCE WITH THE AMERICANS WITH DISABILITIES ACT AND THE SUITABILITY OF THE PREMISES FOR LESSEE'S INTENDED USE.

WARNING: IF THE PREMISES ARE LOCATED IN A STATE OTHER THAN NEVADA, CERTAIN PROVISIONS OF THE LEASE MAY NEED TO BE REVISED TO COMPLY WITH THE LAWS OF THE STATE IN WHICH THE PREMISES ARE LOCATED.

The parties hereto have executed this Lease at the place and on the dates specified above their respective signatures.

Executed at: 12 Bathurst Mews; W2 2SB London, UK
On: 10/21/2018 | 3:22 PM PDT

Executed at: 6500 Bullring Lane 89130 LV, NV
On: 10/24/2018 2:52 pm

By LESSOR:

By LESSEE:

Ripper Series LLC, Series 3

OWP Ventures, Inc.

DocuSigned by:
By: Jamiser Jenkins
Name Printed: JAMISON JENKINS
Title: Managing Member
Email: _____

By: Craig Ellins
Name Printed: CRAIG ELLINS
Title: CEO
Email: Ellinscraig@gmail.com

By: _____
Name Printed: _____
Title: _____
Email: _____

By: _____
Name Printed: _____
Title: _____
Email: _____

Address: _____
Telephone: () _____
Facsimile: () _____
Federal ID No. _____

Address: 6500 Bullring Lane 89130 Las Vegas, NV
Telephone: (702) 335-6630
Facsimile: () _____
Federal ID No. _____

LESSOR'S
BROKER:

LESSEE'S
BROKER:

Souza10 Real Estate
Jim Souza
Attn: _____
Address: 3471 W. Owuendo Rd Suite 101
Las Vegas, NV 89118
Email: jim@souza10.com
Telephone: () 702-524-3554
Facsimile: () _____

Colliers International
Jeff Naseef
Attn: _____
Address: 3960 Howard Hughes Parkway
Suite 150
Las Vegas, Nevada 89169
Email: jeff.naseef@colliers.com
Telephone: (702) 836-3731
Facsimile: () _____

NOTICE: These forms are often modified to meet changing requirements of law and industry needs. Always write or call to make sure you are utilizing the most current form: AIR Commercial Real Estate Association, 800 W 6th Street, Suite 800, Los Angeles, CA 90017. Telephone No. (213) 687-8777. Fax No.: (213) 687-8616.

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WORK LETTER

Dated October 16, 2018
By and Between (Lessor) Ripper Series LLC, Series 3

(Lessee) OWP Ventures Inc.

Address of Premises: 3471 W Oquendo Rd., Suite 301
Las Vegas, Nevada 89118

1. **The Improvements.** The Premises shall be modified with the following improvements or work: In-leu of free rent, Landlord will agree to paint and re-carpet the entire interior premises. Carpet and paint shall be approved by both Landlord and Tenant. (the "Improvements"). The Improvements shall be of the quality which is standard for the Building, which quality shall be determined by Lessor ("Standard Improvement" - See paragraph 12 below).

2. **Preliminary Plans.** Within _____ days after the Parties have mutually executed and delivered this Lease, Lessor shall prepare preliminary plans and specifications for the completion of the Improvements ("Preliminary Plans"). The Preliminary Plans shall itemize the work to be done by each Party, including, an estimate of the cost any work required of Lessor which is not a Standard Improvement. Lessee shall approve the Preliminary Plans and the preliminary cost estimate or specify with particularity Lessee's objection thereto within _____ days following delivery thereof by Lessor. Lessee's failure to timely approve or disapprove the Preliminary Plans and the preliminary cost estimate shall constitute Lessee's approval thereof. If Lessee shall disapprove all or any part of the Preliminary Plans, and the Preliminary Plans cannot in good faith be modified within 10 days after such disapproval to be acceptable to both Lessor and Lessee, then this Lease shall terminate upon notice thereof by one Party to the other, Lessor shall refund to Lessee any Security Deposit or prepaid rent by Lessee, less the cost of the Preliminary Plans, legal fees and other costs incurred by Lessor in connection with this Lease, and neither Party shall thereafter have any obligation, liability or responsibility to the other Party for any reason whatsoever having to do with this Lease. The Preliminary Plans, when approved by Lessee, shall supersede any prior agreement of the Parties concerning the Improvements.

3. **Final Plans.** After the Parties have, or are deemed to have, mutually approved the Preliminary Plans, Lessor shall prepare final plans and specifications for the completion of the Improvements ("Final Plans"), including an estimate of the cost the Improvements in excess of Lessor's Standard Improvements. Lessee shall approve the Final Plans and the final cost estimate or specify with particularity Lessee's objection thereto within _____ days following delivery thereof by Lessor. Lessee's failure to timely approve or disapprove the Final Plans and the final cost estimate shall constitute Lessee's approval thereof. If Lessee shall disapprove all or any part of the Final Plans, and the Final Plans cannot in good faith be modified within 10 days after such disapproval to be acceptable to both Lessor and Lessee, then this Lease shall terminate upon notice thereof by one Party to the other, Lessor shall refund to Lessee any Security Deposit or prepaid rent by Lessee, less the cost of the Preliminary Plans, Final Plans, legal fees and other costs incurred by Lessor in connection with this Lease, and neither Party shall thereafter have any obligation, liability or responsibility to the other Party for any reason whatsoever having to do with this Lease. The Final Plans, when approved by Lessee, shall supersede the Preliminary Plans and any prior agreement of the Parties concerning the Improvements.

4. **Construction.** If Lessor's estimated cost constructing the Improvements exceeds Lessor's estimated cost of the Standard Improvements, before Lessor is obligated to start construction of the Improvements or perform any acts in furtherance thereof, Lessee shall pay to Lessor in cash a sum equal to such excess. If the Final Plans are approved or deemed approved by Lessor and Lessee, and Lessee pays Lessor for such excess, then Lessor shall construct the Improvements. Lessee shall, within 5 days of demand by Lessor, pay for all non-Standard Improvements.

5. **Completion.** The term "Completion", as used in this Work Letter, is hereby defined to mean the date the building department of the municipality having jurisdiction of the Premises shall have made a final inspection of the Improvements and authorized a final release of restrictions on the use of public utilities in connection therewith and the Premises are in a broom-clean condition. If the Improvements, or any portion thereof, have not reached Completion by the Commencement Date, this Lease shall not be invalid, Lessor shall not be subject to any liability therefore in any respect whatsoever, and as Lessee's sole and exclusive, Lessor shall use commercially reasonable efforts to complete the same. Lessee shall use Lessee's best, good faith, efforts and all due diligence to cooperate with the Lessor to complete all phases of the construction of the Improvements, and, in that regard, shall meet with Lessor on a scheduled basis to be determined by Lessor.

99 **Delay.** If Lessor shall be directly or indirectly delayed at any time in the progress of the planning or construction of the

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RENT ADJUSTMENT(S) STANDARD LEASE ADDENDUM

Dated October 16, 2018

By and Between (Lessor) Ripper Series LLC, Series 3

(Lessee) OWP Ventures, Inc.

Address of Premises: 3471 W Oquendo Rd., Suite 300
Las Vegas, Nevada 89118

Paragraph _____

A. RENT ADJUSTMENTS:

The monthly rent for each month of the adjustment period(s) specified below shall be increased using the method(s) indicated below:

(Check Method(s) to be Used and Fill in Appropriately)

I. Cost of Living Adjustment(s) (COLA)

a. On (Fill in COLA Dates): _____

the Base Rent shall be adjusted by the change, if any, from the Base Month specified below, in the Consumer Price Index of the Bureau of Labor Statistics of the U.S. Department of Labor for (select one): CPI W (Urban Wage Earners and Clerical Workers) or CPI U (All Urban Consumers), for (Fill in Urban Area): _____

_____, All Items (1982-1984 = 100), herein referred to as "CPI".

b. The monthly rent payable in accordance with paragraph A.I.a. of this Addendum shall be calculated as follows: the Base Rent set forth in paragraph 1.5 of the attached Lease, shall be multiplied by a fraction the numerator of which shall be the CPI of the calendar month 2 months prior to the month(s) specified in paragraph A.I.a. above during which the adjustment is to take effect, and the denominator of which shall be the CPI of the calendar month which is 2 months prior to (select one): the first month of the term of this Lease as set forth in paragraph 1.3 ("Base Month") or (Fill in Other "Base Month"): _____. The sum so calculated shall constitute the new monthly rent hereunder, but in no event, shall any such new monthly rent be less than the rent payable for the month immediately preceding the rent adjustment.

c. In the event the compilation and/or publication of the CPI shall be transferred to any other governmental department or bureau or agency or shall be discontinued, then the index most nearly the same as the CPI shall be used to make such calculation. In the event that the Parties cannot agree on such alternative index, then the matter shall be submitted for decision to the American Arbitration Association in accordance with the then rules of said Association and the decision of the arbitrators shall be binding upon the parties. The cost of said Arbitration shall be paid equally by the Parties.

II. Market Rental Value Adjustment(s) (MRV)

a. On (Fill in MRV Adjustment Date(s)): _____

the Base Rent shall be adjusted to the "Market Rental Value" of the property as follows:

1) Four months prior to each Market Rental Value Adjustment Date described above, the Parties shall attempt to agree upon what the new MRV will be on the adjustment date. If agreement cannot be reached within thirty days, then:

(a) Lessor and Lessee shall immediately appoint a mutually acceptable appraiser or broker to establish the new MRV within the next 30 days. Any associated costs will be split equally between the Parties, or

(b) Both Lessor and Lessee shall each immediately make a reasonable determination of the MRV and submit such determination, in writing, to arbitration in accordance with the following provisions:

(i) Within 15 days thereafter, Lessor and Lessee shall each select an appraiser or broker ("Consultant" - check one) of their choice to act as an arbitrator. The two arbitrators so appointed shall immediately select a third mutually acceptable Consultant to act as a third arbitrator.

(ii) The 3 arbitrators shall within 30 days of the appointment of the third arbitrator reach a decision as to what the actual MRV for the Premises is, and whether Lessor's or Lessee's submitted MRV is the closest thereto. The decision of a majority of the arbitrators shall be binding on the Parties. The submitted MRV which is determined to be the closest to the actual MRV shall thereafter be used by the Parties.

(iii) If either of the Parties fails to appoint an arbitrator within the specified 15 days, the arbitrator timely appointed by

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OPTION(S) TO EXTEND STANDARD LEASE ADDENDUM

Dated October 16, 2018

By and Between (Lessor) Ripper Series LLC, Series 3

By and Between (Lessee) OWP Ventures, Inc.

Address of Premises: 3471 W Oquendo Rd., Suite 301
Las Vegas, Nevad 89118

Paragraph _____

A. OPTION(S) TO EXTEND:

Lessor hereby grants to Lessee the option to extend the term of this Lease for One additional 36 month period(s) commencing when the prior term expires upon each and all of the following terms and conditions:

(i) In order to exercise an option to extend, Lessee must give written notice of such election to Lessor and Lessor must receive the same at least 3 but not more than 6 months prior to the date that the option period would commence, time being of the essence. If proper notification of the exercise of an option is not given and/or received, such option shall automatically expire. Options (if there are more than one) may only be exercised consecutively.

(ii) The provisions of paragraph 39, including those relating to Lessee's Default set forth in paragraph 39.4 of this Lease, are conditions of this Option.

(iii) Except for the provisions of this Lease granting an option or options to extend the term, all of the terms and conditions of this Lease except where specifically modified by this option shall apply.

(iv) This Option is personal to the original Lessee, and cannot be assigned or exercised by anyone other than said original Lessee and only while the original Lessee is in full possession of the Premises and without the intention of thereafter assigning or subletting.

(v) The monthly rent for each month of the option period shall be calculated as follows, using the method(s) indicated below: (Check Method(s) to be Used and Fill in Appropriately)

I. Cost of Living Adjustment(s) (COLA)
a. On (Fill in COLA Dates): Fixed 3% annual CPI increase shall commence on November 1, 2021 and any extension there of the Base Rent shall be adjusted by the change, if any, from the Base Month specified below, in the Consumer Price Index of the Bureau of Labor Statistics of the U.S. Department of Labor for (select one): CPI W (Urban Wage Earners and Clerical Workers) or CPI U (All Urban Consumers), for (Fill in Urban Area):

All Items (1982-1984 = 100), herein referred to as "CPI".

b. The monthly rent payable in accordance with paragraph A.I.a. of this Addendum shall be calculated as follows: the Base Rent set forth in paragraph 1.5 of the attached Lease, shall be multiplied by a fraction the numerator of which shall be the CPI of the calendar month 2 months prior to the month(s) specified in paragraph A.I.a. above during which the adjustment is to take effect, and the denominator of which shall be the CPI of the calendar month which is 2 months prior to (select one): the first month of the term of this Lease as set forth in paragraph 1.3 ("Base Month") or (Fill in Other "Base Month"):

The sum so calculated shall constitute the new monthly rent hereunder, but in no event, shall any such new monthly rent be less than the rent payable for the month immediately preceding the rent adjustment.

c. In the event the compilation and/or publication of the CPI shall be transferred to any other governmental department or bureau or agency or shall be discontinued, then the index most nearly the same as the CPI shall be used to make such calculation. In the event that the Parties cannot agree on such alternative index, then the matter shall be submitted for decision to the American Arbitration Association in accordance with the then rules of said Association and the decision of the arbitrators shall be binding upon the parties. The cost of said Arbitration shall be paid equally by the Parties.

II. Market Rental Value Adjustment(s) (MRV)
a. On (Fill in MRV Adjustment Date(s)) _____

the Base Rent shall be adjusted to the "Market Rental Value" of the property as follows:
1) Four months prior to each Market Rental Value Adjustment Date described above, the Parties shall attempt to agree upon what the new MRV will be on the adjustment date. If agreement cannot be reached, within thirty days, then:

(a) Lessor and Lessee shall immediately appoint a mutually acceptable appraiser or broker to establish the new MRV within the next 30 days. Any associated costs will be split equally between the Parties, or

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DEMAND PROMISSORY NOTE

\$ 10,000.00

Las Vegas, Nevada
May 3, 2018

FOR VALUE RECEIVED, OWP VENTURES, INC., a Delaware corporation (“Borrower”), hereby promises to pay to the order of Craig Ellins (the “Payee”), with an address at 6500 Bullring Lane, Las Vegas NV 89130. ON DEMAND, the principal sum of TEN THOUSAND DOLLARS (\$10,000), together with all interest that has accrued thereon from the date hereof in accordance with the terms of this Demand Promissory Note (this “Note”).

The outstanding principal amount of this Note shall bear interest at a rate of six percent (6%) per annum, based on a year of 365 or 366 days, as applicable, for the number of days actually elapsed, until the date on which the last payment of principal and interest under this Note shall have been paid.

This Note may be prepaid, in whole or in part, at any time or from time to time, without premium or penalty. All payments made on this Note shall be applied first to interest accrued to the date of the payment, then to other amounts which may then be due hereunder (other than principal), and then to the outstanding principal amount of this Note.

All payments or prepayments of principal and interest and other sums due pursuant to this Note shall be made by check to Payee at its address set forth above, or in immediately available funds by wire transfer to Payee’s account at such bank as Payee shall have previously designated to Borrower.

Whenever any payment to be made hereunder shall be due on a Saturday, Sunday or public holiday under the laws of the State of Nevada, such payment may be made on the next succeeding business day and such extension of time shall be included in the computation of payment of interest hereunder.

Borrower hereby waives presentment, demand for payment, notice of dishonor, protest and notice of protest of this Note. No waiver of any provision of this Note, or any agreement or instrument evidencing or providing security for this Note, made by agreement of Payee and any other person or party, shall constitute a waiver of any other terms hereof, or otherwise release or discharge the liability of Borrower under this Note. No failure to exercise and no delay in exercising, on the part of Payee, any right, power or privilege under this Note shall operate as a waiver thereof nor shall simple or partial exercise of any right, power or privilege preclude any other or further exercise thereof, or the exercise of any other power, right or privilege. The rights and remedies herein provided are cumulative and are not exclusive of any rights or remedies provided by law.

Any provision of this Note that is prohibited or unenforceable in any jurisdiction shall, as to such jurisdiction, be ineffective to the extent of such prohibition or unenforceability without invalidating the remaining provisions hereof, and any such prohibition or unenforceability in any jurisdiction shall not invalidate or render unenforceable such provision in any other jurisdiction.

This Note is governed by and to be construed in accordance with the laws of the State of Nevada without regard to its doctrine of conflict of laws. Borrower, by its execution hereof (i) agrees that any legal suit, action or proceeding arising from or related to this Note may be instituted in a state or federal court located in the State of Nevada; (ii) waives any objection which it may now or hereafter have to the laying of venue of any such suit, action or proceeding; and (iii) irrevocably submits to the jurisdiction of any such court in any such suit, action or proceeding.

OWP VENTURES, INC.

By: _____
Name: Craig Ellins
Title: Chief Executive Officer

**AMENDED AND RESTATED
PROMISSORY NOTE**

\$307,140.92

Las Vegas, Nevada
February 13, 2019

FOR VALUE RECEIVED, OWP VENTURES, INC., a Delaware corporation (“Borrower”), hereby promises to pay to the order of CRAIG ELLINS (“Payee”), with an address at 6500 Bullring Lane, Las Vegas, Nevada 89130, in lawful money of the United States of America, on the earlier of (i) a Qualified Financing (as defined below); or (ii) February 13, 2022 (the earlier of such dates being the “Maturity Date”), the principal sum of Three Hundred Seven Thousand One Hundred Forty and 92/100 Dollars (\$307,140.92.00), together with accrued interest thereon as set forth below. A “Qualified Financing” shall mean the closing of one or a series of public and/or private offerings of the equity or debt securities of the Borrower or any parent or subsidiary company of Borrower, and/or one or more credit or loan facilities of Borrower or any parent or subsidiary company of Borrower, or any combination of the foregoing, resulting in aggregate gross proceeds to Borrower and/or any parent or subsidiary company of Borrower, after the date hereof, of at least \$5,000,000.

This Amended and Restated Promissory Note (this “Note”) evidences loans made by Borrower to Payee prior to the date hereof, as set forth on Schedule A hereto, pursuant to separate Demand Promissory Notes (the “Demand Notes”) dated as of the date of each such loan, and amends and restates the Demand Notes in their entirety.

Interest shall accrue from the date of each loan evidenced by this Note at a rate of six percent (6%) per annum, based on a year of 365 or 366 days, as applicable, for the number of days actually elapsed, until the date on which the last payment of principal and interest under this Note shall have been paid.

This Note may be prepaid, in whole or in part, at any time or from time to time, without premium or penalty. All payments made on this Note shall be applied first to interest accrued to the date of the payment, then to other amounts which may then be due hereunder (other than principal), and then to the outstanding principal amount of this Note.

All payments or prepayments of principal and interest and other sums due pursuant to this Note shall be made by check to Payee at its address set forth above, or in immediately available funds by wire transfer to Payee's account at such bank as Payee shall have previously designated to Borrower.

Whenever any payment to be made hereunder shall be due on a Saturday, Sunday or public holiday under the laws of the State of Nevada, such payment may be made on the next succeeding business day and such extension of time shall be included in the computation of payment of interest hereunder.

The occurrence of any one or more of the following events shall constitute an "Event of Default" under this Note: (i) Borrower shall fail to pay when due any amount due under this Note and such failure shall not be cured within five days after the date such payment was due; or (ii) Borrower shall commence any case, proceeding or other action under any law relating to bankruptcy, insolvency, reorganization or relief of debtors, seeking to have an order for relief entered with respect to Borrower, or seeking to adjudicate Borrower a bankrupt or insolvent, or seeking reorganization, arrangement or other relief with respect to Borrower or any of its debts, or seeking appointment of a receiver, trustee, custodian or other similar official for Borrower or for all or any part of its assets, or Borrower shall make a general assignment for the benefit of creditors, or there shall be commenced against Borrower any case, proceeding or other action of a nature referred to in this clause (ii), or there shall be commenced against Borrower any case, proceeding or other action seeking issuance of a warrant of attachment, execution, restraint or similar process against all or any substantial part of the assets of Borrower which results in the entry of an order for any such relief, or Borrower shall take any action in furtherance of, or indicating its consent to, approval of, or acquiescence in, any of the acts set forth in this clause (ii), or Borrower shall generally not, or shall be unable to, or shall admit in writing its inability to, pay its debts as they become due.

Upon the occurrence and during the continuance of an Event of Default, the holder of this Note may, at its option, by notice in writing to Borrower, declare this Note to be, and this Note shall forthwith become, due and payable; provided, however, that upon the occurrence of an Event of Default specified in clause (ii) above, this Note shall automatically become due and payable forthwith, without demand or notice of any kind. If an Event of Default occurs, Maker shall pay to the holder of this Note all expenses (including, without limitation, reasonable attorneys' fees and expenses and court fees and court costs) incurred by the holder in connection with obtaining advice as to its rights and remedies in connection with such default and in connection with enforcing and collecting this Note.

Borrower hereby waives presentment, demand for payment, notice of dishonor, protest and notice of protest of this Note. No waiver of any provision of this Note, or any agreement or instrument evidencing or providing security for this Note, made by agreement of Payee and any other person or party, shall constitute a waiver of any other terms hereof, or otherwise release or discharge the liability of Borrower under this Note. No failure to exercise and no delay in exercising, on the part of Payee, any right, power or privilege under this Note shall operate as a waiver thereof nor shall simple or partial exercise of any right, power or privilege preclude any other or further exercise thereof, or the exercise of any other power, right or privilege. The rights and remedies herein provided are cumulative and are not exclusive of any rights or remedies provided by law.

Any provision of this Note that is prohibited or unenforceable in any jurisdiction shall, as to such jurisdiction, be ineffective to the extent of such prohibition or unenforceability without invalidating the remaining provisions hereof, and any such prohibition or unenforceability in any jurisdiction shall not invalidate or render unenforceable such provision in any other jurisdiction.

[Continued on Following Page]

This Note is governed by and to be construed in accordance with the laws of the State of Nevada without regard to its doctrine of conflict of laws. Borrower, by its execution hereof (i) agrees that any legal suit, action or proceeding arising from or related to this Note may be instituted in a state or federal court located in the State of Nevada; (ii) waives any objection which it may now or hereafter have to the laying of venue of any such suit, action or proceeding; and (iii) irrevocably submits to the jurisdiction of any such court in any such suit, action or proceeding.

OWP VENTURES, INC.

By: /s/ Craig Ellins

Name: Craig Ellins

Title: Chief Executive Officer

Accepted and Agreed:

/s/ Craig Ellins

Craig Ellins

Schedule A
Advances

<u>Date of Loan</u>	<u>Loan Amount</u>
October 25, 2018	\$ 57,140.92
October 30, 2018	\$ 100,000.00
November 9, 2018	\$ 50,000.00
November 21, 2018	\$ 50,000.00
November 23, 2018	\$ 50,000.00
TOTAL	<u><u>\$ 307,140.92</u></u>



Service Agreement

Company to be covered:
One World Pharma, Inc.

This Service Agreement (the "Agreement") is by and between Integrity Media, Inc., a Nevada corporation ("IMI"), and **One World Pharma, Inc. (OWP)**, a Nevada corporation (the "COMPANY"). This Agreement is made effective as of **February 18, 2019** (the "Effective Date"). IMI and the COMPANY are referred to herein individually as a "Party" and collectively as the "Parties".

I. SERVICES TO THE COMPANY BY IMI.

IMI agrees to provide the following services to the COMPANY (the "Services") for **February 18, 2019 – February 17, 2020**:

- (1) IMI hereby agrees to provide Investor Relations services to the COMPANY including:
 - (a) IMI will become the COMPANY's Investor Relations agency of record with dedicated phone support and email response for COMPANY shareholders and other interested parties.
 - (b) Press release conception and distribution with actual wire costs to be billed to the COMPANY directly by the preferred newswire service.
 - (c) IMI will negotiate discounted press release distribution.
 - (d) Financial Media Outreach to microcap friendly or journalists in the COMPANY'S industry or industries.
 - (e) Assistance in crafting Investor Relations copy and collateral as reasonably needed by the COMPANY with periodic updates (decks, earnings, etc.)
 - (f) IMI will provide guidance and assistance in choosing any supplemental exposure programs and in assisting the Company's use of ethical and compliant media partners. IMI will negotiate discounts on paid media whenever possible.
 - (g) Message board monitoring and general sentiment review, with subsequent reporting to COMPANY senior management and applied communications.
 - (h) General consulting and assistance in financial communication, positioning and market strategy.
 - (i) IMI will make introductions to potentially beneficial partners, as possible, for business development and other benefits.
 - (j) As desired, IMI will host and officiate a weekly Communications Strategy conference call with Company C-Level execs and consultants.
 - (k) Interview prep and/or public speaking coaching for all events, news ops, etc.

(2) The COMPANY will provide and approve any content it requests IMI to distribute on its behalf. IMI will edit, comment and suggest copy changes for the COMPANY; however, the COMPANY is responsible for creating or supplying all original content and for approval of the finished copy and content and thus will take full responsibility for that content.

(3) The Parties understand that the Services are designed to expose the COMPANY to the investing public. IMI makes no warranties or guarantees that such exposure will create volume, buying, or price appreciation for the COMPANY'S securities.

II. COMPENSATION TO IMI

As compensation for the Services, the COMPANY shall issue to IMI **Restricted Rule 144 shares** of the COMPANY'S common stock (the "Payment Shares"). A certificate for **30,000** shares shall be issued and delivered within 30 calendar days of execution of this agreement. The Payment Shares issued to IMI shall be deemed to be a fully earned, non-refundable, non-apportionable, and non-ratable retainer. Consequently, the Payment Shares shall be deemed to be fully paid and non-assessable and thus not a payment for future services. If the COMPANY decides to terminate this Agreement for any reason whatsoever, it is agreed and understood that IMI will not be requested or demanded by the COMPANY to return any of the Payment Shares. Shares should be issued in the corporate name "Integrity Media Inc."

Following the applicable holding period for the Payment Shares, and upon the written request of IMI, the COMPANY agrees to provide, at its own expense, a valid written legal opinion relative to the sale or proposed sale of the Payment Shares within ten calendar days. The COMPANY further agrees to cooperate with IMI in having the Rule 144 legend removed from the certificate(s) representing the Payment Shares. The COMPANY shall not obstruct IMI's sale of the Payment Shares in any way. The COMPANY agrees to record this agreement in their next available public filing.

As further compensation for the Services, the COMPANY shall pay IMI **\$4,000 per month** due at the beginning of each 30 day period from the contract date.

III. MISCELLANEOUS

- A. Indemnification.** Because IMI must at all times rely upon the accuracy and completeness of information supplied to it by the COMPANY, the COMPANY agrees that IMI will not be held liable for the accuracy of any information provided by the COMPANY. The COMPANY further agrees to indemnify, hold harmless, and defend, IMI, including its officers, directors, agents, attorneys, employees and other representatives, at its expense in any proceeding or suit, which may arise out of or due to (i) the negligence of the COMPANY or its officers, directors, agents, attorneys, employees or other representatives that may arise from the inaccuracy or incompleteness of such material supplied by the COMPANY to IMI, or (ii) any breach of any covenant or warranty of the COMPANY in this Agreement.
- B. Authority; Status.** Each Party represents that it has the authority to enter into this Agreement. Each Party acknowledges and agrees that the relationship between the Parties hereto is that of an independent contractor.

To IMI: Integrity Media, Inc.
Attn: Kurt Divich, President
12106 Rojo Roma Ave.
Las Vegas, Nevada 89138
Telephone: (702) 396-1000

To COMPANY: One Wold Pharma Ventures, Inc
Attn: Craig Ellins
3471 W. Oquendo Rd, Suite 301
Las Vegas, NV 89118

- D. Governing Law; Exclusive Jurisdiction and Venue.** This Agreement and the rights of the Parties hereunder shall be interpreted, construed, and governed according to the laws of the State of California, including all matters of construction, validity, performance, and enforcement and without giving effect to the principles of conflict of laws. The Parties agree that the Courts of the County of Orange, State of California shall have sole and exclusive jurisdiction and venue for the resolution of all disputes arising under the terms of this Agreement and the transactions contemplated herein. The COMPANY also agrees to record this agreement in its next public filing.
- E. Legal Construction.** If one or more of the provisions contained in this Agreement shall for any reason be held to be invalid, illegal, or unenforceable in any respect, the remaining provisions of this Agreement shall remain in full force and effect as if such invalid, illegal, or unenforceable provision had never comprised a part of the Agreement.
- F. Attorneys' Fees.** In the event any Party hereto shall commence legal proceedings against the other to enforce the terms hereof, or to declare rights hereunder, as the result of a breach of any covenant or condition of this Agreement, the prevailing party in any such proceeding shall be entitled to recover from the losing party its costs of suit, including reasonable attorneys' fees, as may be fixed by the court.

IN WITNESS WHEREOF, the Parties have caused their duly authorized officers to execute this Agreement, on the dates below indicated.

ONE WORLD PHARMA, INC.

INTEGRITY MEDIA, INC.

/s/ Craig Ellins

/s/ Kurt Divich

By: Craig Ellins

By: Kurt Divich

Its: CEO

Its: President

OWP VENTURES, INC.

CONVERTIBLE PROMISSORY NOTE PURCHASE AGREEMENT

THIS CONVERTIBLE PROMISSORY NOTE PURCHASE AGREEMENT (this “*Agreement*”), dated as of January 14, 2019 (the “*Effective Date*”), is entered into by and among OWP Ventures, Inc., a Delaware corporation (the “*Company*”), and the undersigned investors (individually an “*Investor*” and collectively, the “*Investors*”).

RECITALS

WHEREAS, the Company has agreed to issue and sell, and Investors have agreed to purchase, Notes (as defined below), subject to the conditions specified herein.

AGREEMENT

NOW, THEREFORE, in consideration of the foregoing, and the representations, warranties, covenants and conditions set forth below, the Company and Investors, intending to be legally bound, hereby agree as follows:

1. Authorization of Notes. The Company has authorized the issuance and sale, in accordance with the terms hereof, of Convertible Promissory Notes in the amounts set forth on each Investor’s respective signature page, substantially in the form attached as Exhibit A hereto (each a “*Note*” and collectively, the “*Notes*”).

2. Sale and Issuance of the Notes. At the Initial Closing, the Company shall sell and issue to each Investor, and each Investor shall purchase and acquire from the Company, upon the terms and conditions set forth herein, a Note in the original principal amount as is set forth on each Investor’s respective signature page.

3. Closing of Sale of Notes.

(a) Closing. The closing of the sale and purchase of the Notes (the “*Initial Closing*”) shall be held on the Effective Date, or at such other time as the Company and the Investors may mutually agree (such date is hereinafter referred to as the “*Closing Date*”). In the event there is more than one closing (each subsequent closing, a “*Subsequent Closing*”), the term “*Closing*” shall apply to both the Initial Closing and the Subsequent Closing unless otherwise specified.

(b) Delivery. At each Closing (i) each Investor shall deliver to the Company a check or wire transfer funds or conversion of indebtedness in the amount of such Investor’s Note amount; and (ii) the Company shall issue and deliver to each Investor a Note in favor of the Investor payable in the principal amount of the Investor’s Note amount.

4. Representations and Warranties of the Company. The Company represents and warrants to the Investors as follows as of the initial closing:

(a) Organization, Good Standing and Qualification. The Company is a corporation duly organized, validly existing and in good standing under the laws of the State of Delaware. The Company has the requisite corporate power to own and operate its properties and assets and to carry on its business as now conducted and as proposed to be conducted. The Company is duly qualified and is authorized to do business as a foreign entity and is in good standing in each jurisdiction in which it does business, except where the failure to so qualify would not have a material adverse effect on the business, financial condition, results of operations, assets or liabilities of the Company.

(b) Corporate Power. The Company will have at the Initial Closing all requisite corporate power to execute and deliver this Agreement and each Note (collectively the “*Note Documents*”) and to carry out and perform its obligations under the terms of the Note Documents.

(c) Authorization. All corporate action on the part of the Company, its directors and its stockholders necessary for the authorization, execution, delivery and performance of this Agreement by the Company and the performance of the Company’s obligations hereunder, including the issuance and delivery of the Notes. The Note Documents, when executed and delivered by the Company, shall constitute valid and binding obligations of the Company enforceable in accordance with their terms, subject to laws of general application relating to bankruptcy, insolvency, the relief of debtors and, with respect to rights to indemnity, subject to federal and state securities laws.

(d) Offering. Assuming the accuracy of the representations and warranties of the Investors contained in Section 5 hereof, the offer, issue, and sale of the Notes are and will be exempt from the registration and prospectus delivery requirements of the Securities Act of 1933, as amended (the “*Act*”), and have been registered or qualified (or are exempt from registration and qualification) under the registration, permit, or qualification requirements of all applicable state securities law.

5. Representations and Warranties of the Investor to the Company. Each Investor represents and warrants to the Company that:

(a) Purchase for Own Account. Each Investor represents that it is acquiring the Notes solely for its own account and beneficial interest for investment and not for sale or with a view to distribution of the Notes or any securities issuable upon conversion thereof (“*Securities*”) or any part thereof, has no present intention of selling (in connection with a distribution or otherwise), granting any participation in, or otherwise distributing the same, and does not presently have reason to anticipate a change in such intention.

(b) Information and Sophistication. Without lessening or obviating the representations and warranties of the Company set forth in Section 4, each Investor hereby: (i) acknowledges that it has received all the information it has requested from the Company and it considers necessary or appropriate for deciding whether to acquire the Notes, (ii) represents that it has had an opportunity to ask questions and receive answers from the Company regarding the terms and conditions of the offering of the Notes and to obtain any additional information necessary to verify the accuracy of the information given to the Investor and (iii) further represents that it has such knowledge and experience in financial and business matters that it is capable of evaluating the merits and risk of this investment.

(c) Ability to Bear Economic Risk. Each Investor acknowledges that investment in the Notes involves a high degree of risk, and represents that it is able, without materially impairing its financial condition, to hold the Notes for an indefinite period of time and to suffer a complete loss of its investment.

(d) Further Limitations on Disposition. Without in any way limiting the representations set forth above, each Investor further agrees not to make any disposition of all or any portion of the Notes unless and until:

(i) There is then in effect a registration statement under the Act covering such proposed disposition and such disposition is made in accordance with such registration statement; or

(ii) Investor shall have notified the Company of the proposed disposition and shall have furnished the Company with a detailed statement of the circumstances surrounding the proposed disposition, and if reasonably requested by the Company, the Investor shall have furnished the Company with an opinion of counsel, reasonably satisfactory to the Company, that such disposition will not require registration under the Act or any applicable state securities laws, provided that no such opinion shall be required for dispositions in compliance with Rule 144.

(iii) Notwithstanding the provisions of paragraphs (i) and (ii) above, no such registration statement or opinion of counsel shall be necessary for a transfer by such Investor to a partner (or retired partner) or member (or retired member) of the Investor in accordance with partnership or limited liability company interests, or transfers by gift, will or intestate succession to any spouse or lineal descendants or ancestors, if all transferees agree in writing to be subject to the terms hereof to the same extent as if they were Investors hereunder.

(e) Accredited Investor Status. Each Investor is an “accredited investor” as such term is defined in Rule 501 under the Act.

(f) Further Assurances. Each Investor agrees and covenants that at any time and from time to time it will promptly execute and deliver to the Company such further instruments and documents and take such further action as the Company may be reasonably require in order to carry out the full intent and purposes of this Agreement and to comply with state or federal securities laws or other regulatory approvals.

6. Miscellaneous.

(a) Binding Agreement. The terms and conditions of this Agreement shall inure to the benefit of and be binding upon the respective successors and assigns of the parties. Nothing in this Agreement, expressed or implied, is intended to confer upon any third party any rights, remedies, obligations, or liabilities under or by reason of this Agreement, except as expressly provided in this Agreement.

(b) Governing Law. This Agreement shall be governed by and construed in accordance with the laws of the State of Delaware, without giving effect to conflicts of laws principles.

(c) Counterparts. This Agreement may be executed in counterparts, each of which shall be deemed an original, but all of which taken together shall constitute one and the same instrument.

(d) Titles and Subtitles. The titles and subtitles used in this Agreement are used for convenience only and are not to be considered in construing or interpreting this Agreement.

(e) Notices. All notices required or permitted hereunder shall be in writing and shall be deemed effectively given: (a) upon personal delivery to the party to be notified, (b) when sent by confirmed telex, electronic mail or facsimile if sent during normal business hours of the recipient, if not, then on the next business day, (c) five (5) days after having been sent by registered or certified mail, return receipt requested, postage prepaid, or (d) one (1) day after deposit with a nationally recognized overnight courier, specifying next day delivery, with written verification of receipt. All communications shall be sent to the Investors at the addresses set forth on each Investor's respective signature page, or at such other addresses as the Investors may designate by ten (10) days' advance written notice to the other party hereto. All communications shall be sent to 2110 E. 5th Avenue, Ronkonkoma, NY 11779, Attn: Craig Ellins, or at such other address as the Company or may designate by ten (10) days' advance written notice to the Investor.

(f) Modification; Waiver. No modification or waiver of any provision of this Agreement, other than pursuant to Section 3(b), or consent to departure therefrom shall be effective unless in writing and approved by the Company and Investors holding at least a majority of the aggregate principal amount of the Notes then outstanding (the "**Required Investors**"). Any provision of the Notes may be amended or waived by the written consent of the Company and Required Investors.

(g) Expenses. The Company and each Investor shall each bear its respective expenses and legal fees incurred with respect to this Agreement and the transactions contemplated herein.

(h) Delays or Omissions. It is agreed that no delay or omission to exercise any right, power or remedy accruing to the Investors upon any breach or default of the Company under this Agreement or any Note shall impair any such right, power or remedy, nor shall it be construed to be a waiver of any such breach or default, or any acquiescence therein, or of or in any similar breach or default thereafter occurring; nor shall any waiver of any single breach or default be deemed a waiver of any other breach or default theretofore or thereafter occurring. It is further agreed that any waiver, permit, consent or approval of any kind or character by Investors of any breach or default under this Agreement, or any waiver by Investors of any provisions or conditions of this Agreement must be in writing and shall be effective only to the extent specifically set forth in writing and that all remedies, either under this Agreement, or by law or otherwise afforded to the Investors, shall be cumulative and not alternative. If any action at law or in equity (including arbitration) is necessary to enforce or interpret the terms of this Agreement, the prevailing party shall be entitled to reasonable attorneys' fees, costs and disbursements in addition to any other relief to which such party may be entitled.

(i) Entire Agreement. This Agreement and the Exhibits hereto constitute the full and entire understanding and agreement between the parties with regard to the subjects hereof and no party shall be liable or bound to any other party in any manner by any representations, warranties, covenants and agreements except as specifically set forth herein.

[Signature Pages Follow]

IN WITNESS WHEREOF, the parties have executed this Note Purchase Agreement as of the date first written above.

COMPANY:

OWP VENTURES, INC.

By: /s/ Craig Ellins

Name: Craig Ellins

Title: Chief Executive Officer

Company Signature Page to Note Purchase Agreement

IN WITNESS WHEREOF, the Investor has executed this Note Purchase Agreement as of January 18, 2019. The Investor hereby authorizes the Company to append this counterpart signature page to this Agreement as evidence thereof. The undersigned hereby subscribes for the purchase of a Note (as defined in this Agreement) in the original principal amount specified below.

Original Principal Amount of Note Subscribed For: \$500,000.00

Acknowledged and Accepted:

INVESTOR:

The Sanguine Group LLC.
(Print Full Name of Investor)

By: /s/ Robert du Punton
Name: Robert du Punton
Title: Director

Address: 6231 PGA Blvd. Suite 104-570

Palm Beach Gardens, FL.33418

Investor Signature Page to Note Purchase Agreement

Exhibit A

Form of Convertible Promissory Note

THIS CONVERTIBLE PROMISSORY NOTE AND THE UNDERLYING SECURITIES HAVE NOT BEEN REGISTERED UNDER THE SECURITIES ACT OF 1933, AS AMENDED. NO SALE OR DISPOSITION MAY BE EFFECTED EXCEPT IN COMPLIANCE WITH RULE 144 UNDER SAID ACT OR AN EFFECTIVE REGISTRATION STATEMENT RELATED THERETO OR AN OPINION OF COUNSEL FOR THE HOLDER SATISFACTORY TO THE COMPANY THAT SUCH REGISTRATION IS NOT REQUIRED UNDER THE ACT OR RECEIPT OF A NO-ACTION LETTER FROM THE SECURITIES AND EXCHANGE COMMISSION.

CONVERTIBLE PROMISSORY NOTE

\$500,000

January 18, 2019

For value received OWP VENTURES, INC., a Delaware corporation (the "**Company**") promises to pay to the order of The Sanguine Group LLC ("**Holder**") the principal sum of FIVE HUNDRED THOUSAND DOLLARS (500,000.00), with interest on the outstanding principal amount at the rate of six percent (6%) per annum, on January 18, 2022 (the "**Maturity Date**"). Interest shall commence with the date hereof and shall accrue on the outstanding principal amount until paid in full or this Note has been converted as provided below. Interest shall be computed on the basis of a year of 365 days for the actual number of days elapsed.

1. All payments of interest and principal shall be in lawful money of the United States of America. All payments shall be applied first to accrued interest, and thereafter to principal.

2. (a) In the event that the Company consummates the closing of a public or private offering of its Equity Securities (as defined below) resulting in gross proceeds to the Company of at least \$500,000 (excluding the conversion this Note) (a "**Qualified Financing**") at any time prior to the repayment of this Note, then the outstanding principal balance of this Note, together with any accrued and unpaid interest thereon, or any portion thereof, shall automatically be converted into such Equity Securities at the lower of a conversion price (i) equal to eighty percent (80%) of the purchase price paid by the investors purchasing the Equity Securities in the Qualified Financing, or (ii) reflecting a price per share of common stock of the Company of \$0.424 per share, as equitably adjusted for any stock split or stock dividends effected after the date hereof (the "**Fixed Conversion Price**"). For purposes of this Note, the term "**Equity Securities**" shall mean (i) any shares of common stock or preferred stock of the Company, (ii) any security convertible or exchangeable for common stock or preferred stock of the Company, and (iii) any other rights to purchase or otherwise acquire common stock or preferred stock of the Company, in each case issued in a Qualified Financing following the date hereof, except that Equity Securities shall not include any security granted, issued and/or sold by the Company to any officer, employee, director, advisor or consultant in such capacity.

(b) In case of any reorganization, consolidation or merger involving the Company prior to the Maturity Date, in which the stockholders of the Company receive securities of another entity (including any parent company of the company with which the Company merges or is merged into) (the "**Successor Issuer**") in exchange for their shares of Company common stock, this Note shall automatically be converted into that number of shares of common stock of the Successor Issuer as the Holder would have been entitled to receive upon consummation of such event, if the Holder had converted all of the principal and interest outstanding under this Note immediately prior thereto at the Fixed Conversion Price.

(c) In the event the Company fails to pay the outstanding obligations under this Note on the Maturity Date, Holder shall thereafter have the option at any time and from time to time, prior to the date on which the Company makes payment in full of the outstanding principal amount of this Note together with all accrued interest thereon, to convert all or any portion of the outstanding principal amount of this Note plus all accrued and unpaid interest thereon into common stock of the Company at the Fixed Conversion Price.

(d) Before the Holder shall be entitled to convert this Note into Equity Securities pursuant to this Section 2, the Holder shall give written notice to the Company at its principal corporate office, of the election to convert the same and shall state therein the name or names in which the Equity Securities are to be issued. The Company shall, as soon as practicable thereafter, issue and deliver to Holder or to the nominee or nominees of Holder, a certificate or certificates for the Equity Securities to which the Holder shall be entitled as aforesaid. Conversion shall be deemed to have been effected on the date when delivery of notice of an election to convert and surrender of the Note to be converted is made, or if applicable, on the effective date of the Qualified Financing. All Equity Securities which may be issued upon conversion of the Note will, upon issuance, be duly issued, fully paid and non-assessable and free from all taxes, liens, and charges with respect to the issuance thereof.

(e) Notwithstanding anything contained herein to the contrary, the Holder shall not be entitled to convert this Note if as a result thereof the Holder would beneficially own in excess 4.99% or more of the outstanding shares of common stock of the Company or a Successor Issuer, as applicable, at any time that such common stock is registered under Section 12 of the Securities Exchange Act of 1934, as amended (the “**1934 Act**”). For the purposes of the immediately preceding sentence, beneficial ownership shall be determined in accordance with Section 13(c) of the of the 1934 Act and Regulation 13d-3 thereunder. The Holder may void the limitation described in this 2(e) upon 65 days prior notice to the Company.

3. By its acceptance of this Note, the Holder makes the following representations and warranties:

(a) The Holder represents and warrants that it is acquiring this Note and will acquire any Equity Securities on conversion of this Note solely for its account for investment and not with a view to or for sale or distribution of the Note or Equity Securities or any part thereof. The Holder also represents that the entire legal and beneficial interests of the Note and Equity Securities the Holder is acquiring is being acquired for, and will be held for, its account only.

(b) The Holder understands that the Note and Equity Securities have not been registered under the Securities Act of 1933, as amended (the “**Act**”) on the basis that no distribution or public offering of the stock of the Company is to be effected. The Holder realizes that the basis for the exemption may not be present if, notwithstanding its representations, the Holder has a present intention of acquiring the securities for a fixed or determinable period in the future, selling (in connection with a distribution or otherwise), granting any participation in, or otherwise distributing the securities. The Holder has no such present intention.

(c) The Holder recognizes that the Note and Equity Securities must be held indefinitely unless they are subsequently registered under the Act or an exemption from such registration is available. The Holder recognizes that the Company has no obligation to register the Note or Equity Securities, or to comply with any exemption from such registration.

(d) The Holder is aware that neither the Note nor the Equity Securities may be sold pursuant to Rule 144 adopted under the Act unless certain conditions are met, including, among other things, the existence of a public market for the shares, the availability of certain current public information, the resale following the required holding period under Rule 144 and the number of shares being sold during any three month period not exceeding specified limitations. The Holder is aware that the conditions for resale set forth in Rule 144 have not been satisfied and that the Company presently has no plans to satisfy these conditions in the foreseeable future.

4. This Note may be prepaid at any time without the consent of the Holder.

5. The Company shall pay all reasonable attorneys' fees and court costs incurred by the Holder in enforcing and collecting this Note.

6. The Company hereby waives demand, notice, presentment, protest and notice of dishonor.

7. This Note shall be governed by and construed under the laws of the State of Nevada, as applied to agreements among Nevada residents, made and to be performed entirely within the State of Nevada, without giving effect to conflicts of laws principles.

8. This Note may be transferred only upon its surrender to the Company for registration of transfer, duly endorsed, or accompanied by a duly executed written instrument of transfer in form satisfactory to the Company. Thereupon, this Note shall be reissued to, and registered in the name of, the transferee, or a new Note for like principal amount and interest shall be issued to, and registered in the name of, the transferee. Interest and principal shall be paid solely to the registered holder of this Note. Such payment shall constitute full discharge of the Company's obligation to pay such interest and principal.

OWP VENTURES, INC.

By: /s/ Craig Ellins

Name: Craig Ellins

Title: Chief Executive Officer



WWC, P.C. CERTIFIED PUBLIC ACCOUNTANTS

February 22, 2019

U.S. Securities and Exchange Commission
Office of the Chief Accountant
100F Street Northeast
Washington, DC 20549-2000

RE: One World Pharma, Inc.
File No. 333-200529

Dear Sir or Madam:

We have read Item 4.01 of Form 8-K dated February 22, 2019 of One World Pharma, Inc. ("the Registrant") and are in agreement with the statements contained therein as it pertains to our firm.

We have no basis to agree or disagree with any other statements of the Registrant contained in Item 4.01.

Sincerely,

/s/ WWC, P.C.

WWC, P.C.
Certified Public Accountants

Subsidiaries

Subsidiary	State/Country of Incorporation
OWP Ventures, Inc.(1)	Delaware
One World Pharma, S.A.S.(2)	Bogotá Colombia

(1) Wholly-owned subsidiary of One World Pharma, Inc. subsequent to merger on February 21, 2019

(2) Wholly-owned subsidiary of OWP Ventures, Inc.

ONE WORLD PHARMA SAS
AUDITED FINANCIAL STATEMENTS
For the Year Ended December 31, 2017

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REPORT OF INDEPENDENT REGISTERED PUBLIC ACCOUNTING FIRM

To the Board of Directors and
Stockholders of One World Pharma, Inc.

Opinion on the Financial Statements

We have audited the accompanying balance sheets of One World Pharma, Inc. (the Company) for the period from inception (July 14, 2017) to December 31, 2017, and the related statements of operations, comprehensive income, stockholders' equity, and cash flows for the period from inception (July 14, 2017) to December 31, 2017, and the related notes and schedules (collectively referred to as the financial statements). In our opinion, the financial statements present fairly, in all material respects, the financial position of the Company as of December 31, 2017, and the results of its operations and its cash flows for the period from inception (July 14, 2017) to December 31, 2017, in conformity with accounting principles generally accepted in the United States of America.

Basis for Opinion

These financial statements are the responsibility of the Company's management. Our responsibility is to express an opinion on the Company's financial statements based on our audits. We are a public accounting firm registered with the Public Company Accounting Oversight Board (United States) (PCAOB) and are required to be independent with respect to the Company in accordance with the U.S. federal securities laws and the applicable rules and regulations of the Securities and Exchange Commission and the PCAOB.

We conducted our audits in accordance with the standards of the PCAOB. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement, whether due to error or fraud. The Company is not required to have, nor were we engaged to perform, an audit of its internal control over financial reporting. As part of our audits, we are required to obtain an understanding of internal control over financial reporting, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control over financial reporting. Accordingly, we express no such opinion.

Our audits included performing procedures to assess the risks of material misstatement of the financial statements, whether due to error or fraud, and performing procedures that respond to those risks. Such procedures included examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements. Our audits also included evaluating the accounting principles used and significant estimates made by management, as well as evaluating the overall presentation of the financial statements. We believe that our audits provide a reasonable basis for our opinion.

The accompanying financial statements have been prepared assuming that the Company will continue as a going concern. As discussed in Note 2 to the financial statements, the Company suffered a net loss from operations and has a net capital deficiency, which raises substantial doubt about its ability to continue as a going concern. Managements plans regarding those matters are also discussed in Note 2. The financial statements do not include any adjustments that might result from the outcome of this uncertainty.

/s/ M&K CPAS, PLLC

We have served as the Company's auditor since 2018.
Houston, TX
February 22, 2019

**ONE WORLD PHARMA SAS
BALANCE SHEET**

**December 31,
2017**

Assets	
Current assets:	
Cash	\$ 4,739
Prepaid expenses	4,165
Total current assets	<u>8,904</u>
Total Assets	<u><u>\$ 8,904</u></u>
Liabilities and Stockholders' (Deficit)	
Current liabilities:	
Accounts payable	\$ 1,225
Accrued expenses	2,288
Total current liabilities	<u>3,513</u>
Total Liabilities	<u>3,513</u>
Stockholders' (Deficit):	
Common stock, COP\$500,000 par value, 100 shares authorized; 100 shares issued and outstanding at December 31, 2017	
	16,461
Additional paid-in capital	80,058
Accumulated other comprehensive income	1,900
Accumulated (deficit)	(93,028)
Total Stockholders' (Deficit)	<u>5,391</u>
Total Liabilities and Stockholders' (Deficit)	<u><u>\$ 8,904</u></u>

The accompanying notes are an integral part of these financial statements.

ONE WORLD PHARMA SAS
STATEMENT OF OPERATIONS AND COMPREHENSIVE INCOME

	Inception (July 14, 2017) to December 31, 2017
Revenue:	\$ -
Expenses:	
General and administrative	76,606
Professional fees	16,422
Total operating expenses	<u>93,028</u>
Operating loss	<u>(93,028)</u>
Net loss	<u>\$ (93,028)</u>
Other comprehensive income:	
Gain on foreign currency translation	<u>\$ 1,900</u>
Net other comprehensive loss	<u>\$ (91,128)</u>
Weighted average number of common shares outstanding - basic and fully diluted	<u>100</u>
Net loss per share - basic and fully diluted	<u>\$ (930.28)</u>

The accompanying notes are an integral part of these financial statements.

ONE WORLD PHARMA SAS
STATEMENT OF STOCKHOLDERS' EQUITY (DEFICIT) AND COMPREHENSIVE INCOME

	<u>Common Stock</u>		<u>Additional Paid-In Capital</u>	<u>Accumulated Other Comprehensive</u>	<u>Accumulated</u>	<u>Total Stockholders' Equity (Deficit)</u>
	<u>Shares</u>	<u>Amount</u>		<u>Income (Loss)</u>	<u>Deficit</u>	
Balance, July 14, 2017	-	\$ -	\$ -	\$ -	\$ -	\$ -
Common stock sold for cash	100	16,461	80,058	-	-	96,519
Gain on foreign currency translation	-	-	-	1,900	-	1,900
Net loss	-	-	-	-	(93,028)	(93,028)
Balance, December 31, 2017	<u>100</u>	<u>\$ 16,461</u>	<u>\$ 80,058</u>	<u>\$ 1,900</u>	<u>\$ (93,028)</u>	<u>\$ 5,391</u>

The accompanying notes are an integral part of these financial statements.

**ONE WORLD PHARMA SAS
STATEMENT OF CASH FLOWS**

	Inception (July 14, 2017) to December 31, 2017
Cash flows from operating activities	
Net loss	\$ (93,028)
Adjustments to reconcile net loss to net cash used in operating activities:	
Decrease (increase) in assets:	
Prepaid expenses	(4,165)
Increase (decrease) in liabilities:	
Accounts payable	1,225
Accrued expenses	2,288
Net cash used in operating activities	<u>(93,680)</u>
Cash flows from financing activities	
Proceeds from sale of common stock	96,519
Net cash provided by financing activities	<u>96,519</u>
Effect of exchange rate changes on cash	<u>1,900</u>
Net increase (decrease) in cash	4,739
Cash - beginning	-
Cash - ending	<u>\$ 4,739</u>
Supplemental disclosures:	
Interest paid	\$ -
Income taxes paid	<u>\$ -</u>

The accompanying notes are an integral part of these financial statements.

ONE WORLD PHARMA SAS
Notes to Financial Statements

Note 1 – Nature of Business and Significant Accounting Policies

Nature of Business

One World Pharma SAS (the Company) is located in Colombia, and is legally constituted as a simplified stock company. Registered in the Chamber of Commerce of Bogotá on July 14, 2017. Its sole headquarters is located in Bogotá, at Calle.

Its main activity is the transformation of cannabis for medical and scientific purposes, which includes manufacture, acquisition in any capacity, import, export, storage, transportation, marketing, and distribution of psychoactive and non-psychoactive cannabis derivatives.

Basis of Presentation

The accompanying financial statements have been prepared in accordance with accounting principles generally accepted in the United States of America (U.S. GAAP) and the rules of the Securities and Exchange Commission (SEC). The Company has adopted a December 31 year-end.

Foreign Currency Translation

The functional currency of the Company is Columbian Peso (COP). The Company has maintained its financial statements using the functional currency, and translated those financial statements to the US Dollar (USD) throughout this report. Monetary assets and liabilities denominated in currencies other than the functional currency are translated into the functional currency at rates of exchange prevailing at the balance sheet dates. Transactions denominated in currencies other than the functional currency are translated into the functional currency at the exchange rates prevailing at the dates of the transaction. Exchange gains or losses arising from foreign currency transactions are included in the determination of net income (loss) for the respective periods.

Comprehensive Income

The Company follows ASC 220, Reporting Comprehensive Income, which establishes standards for reporting and displaying comprehensive income, its components, and accumulated balances in a full-set of general-purpose financial statements. Accumulated other comprehensive income represents the accumulated balance of foreign currency translation adjustments.

Use of Estimates

The preparation of financial statements in conformity with accounting principles generally accepted in the United States requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities, and the disclosure of contingent assets and liabilities at the date of the financial statements, and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates.

Fair Value of Financial Instruments

The Company adopted ASC 820, Fair Value Measurements and Disclosures (ASC 820). ASC 820 defines fair value, establishes a three-level valuation hierarchy for disclosures of fair value measurement and enhances disclosure requirements for fair value measures. The three levels are defined as follows:

- Level 1 inputs to the valuation methodology are quoted prices (unadjusted) for identical assets or liabilities in active markets.
- Level 2 inputs to the valuation methodology include quoted prices for similar assets and liabilities in active markets, and inputs that are observable for the asset or liability, either directly or indirectly, for substantially the full term of the financial instrument.
- Level 3 inputs to valuation methodology are unobservable and significant to the fair measurement.

The carrying value of cash, accounts receivable, accounts payables and accrued expenses are estimated by management to approximate fair value primarily due to the short-term nature of the instruments.

Cash and Cash Equivalents

Cash and cash equivalents include cash on hand, cash on deposit with various financial institutions in Columbia, and all highly-liquid investments with original maturities of three months or less at the time of purchase. We have not held any cash equivalents to date.

ONE WORLD PHARMA SAS
Notes to Financial Statements

Property and Equipment

Property and equipment are stated at cost, less accumulated depreciation, and we depreciate it on a straight-line basis over the estimated useful lives of the assets. Additions and improvements (including interest costs for construction of qualifying long-lived assets) are capitalized. Maintenance and repair expenses are charged to expense as incurred. The cost of property and equipment sold or disposed of and the related accumulated depreciation are eliminated from the property and related accumulated depreciation accounts, and any gain or loss is credited or charged to other income (expense).

We generally provide for depreciation over the following estimated useful service lives. Additionally, if there are indicators that certain assets may be potentially impaired, we will analyze such assets in accordance with the related GAAP standard. The estimated useful lives for significant property and equipment categories are as follows:

Software	3 years
Furniture and Fixtures and Office Equipment	5 years
Equipment	7 years

Revenue Recognition

The Company recognizes revenue when products are fully delivered, or services have been provided and collection is reasonably assured.

The Company has adopted ASC 606 — Revenue from Contracts with Customers. Under ASC 606, the Company recognizes revenue from the commercial sales of products, licensing agreements and contracts to perform pilot studies by applying the following steps: (1) identify the contract with a customer; (2) identify the performance obligations in the contract; (3) determine the transaction price; (4) allocate the transaction price to each performance obligation in the contract; and (5) recognize revenue when each performance obligation is satisfied. We have not yet generated any revenue.

Basic and Diluted Loss Per Share

The basic net loss per common share is computed by dividing the net loss by the weighted average number of common shares outstanding. Diluted net loss per common share is computed by dividing the net loss adjusted on an “as if converted” basis, by the weighted average number of common shares outstanding plus potential dilutive securities. For the year ended December 31, 2017, potential dilutive securities had an anti-dilutive effect and were not included in the calculation of diluted net loss per common share.

Income Taxes

The Company recognizes deferred tax assets and liabilities based on differences between the financial reporting and tax basis of assets and liabilities using the enacted tax rates and laws that are expected to be in effect when the differences are expected to be recovered. The Company provides a valuation allowance for deferred tax assets for which it does not consider realization of such assets to be more likely than not.

Uncertain Tax Positions

In accordance with ASC 740, “Income Taxes” (“ASC 740”), the Company recognizes the tax benefit from an uncertain tax position only if it is more likely than not that the tax position will be capable of withstanding examination by the taxing authorities based on the technical merits of the position. These standards prescribe a recognition threshold and measurement attribute for the financial statement recognition and measurement of a tax position taken or expected to be taken in a tax return. These standards also provide guidance on de-recognition, classification, interest and penalties, accounting in interim periods, disclosure, and transition.

Various taxing authorities periodically audit the Company’s income tax returns. These audits include questions regarding the Company’s tax filing positions, including the timing and amount of deductions and the allocation of income to various tax jurisdictions. In evaluating the exposures connected with these various tax filing positions, including state and local taxes, the Company records allowances for probable exposures. A number of years may elapse before a particular matter, for which an allowance has been established, is audited and fully resolved. The Company has not yet undergone an examination by any taxing authorities.

The assessment of the Company’s tax position relies on the judgment of management to estimate the exposures associated with the Company’s various filing positions.

Various taxing authorities periodically audit the Company’s income tax returns. These audits include questions regarding the Company’s tax filing positions, including the timing and amount of deductions and the allocation of income to various tax jurisdictions. In evaluating the exposures connected with these various tax filing positions, including state and local taxes, the Company records allowances for probable exposures. A number of years may elapse before a particular matter, for which an allowance has been established, is audited and fully resolved. The Company has not yet undergone an examination by any taxing authorities.

ONE WORLD PHARMA SAS
Notes to Financial Statements

Recent Accounting Pronouncements

In June 2018, the Financial Accounting Standards Board (“FASB”) issued Accounting Standards Update (“ASU”) 2018-07, *Compensation-Stock Compensation (Topic 718): Improvements to Nonemployee Share-Based Payment Accounting*, which expands the scope of Topic 718 to include share-based payment transactions for acquiring goods and services from nonemployees. An entity should apply the requirements of Topic 718 to nonemployee awards except for specific guidance on inputs to an option pricing model and the attribution of cost (that is, the period of time over which share-based payment awards vest and the pattern of cost recognition over that period). The new guidance is effective for all entities for annual periods, and interim periods within those annual periods, beginning after December 15, 2017, with early adoption permitted. The Company does not expect the adoption of this ASU to have a material impact on its financial statements.

In February 2018, the FASB issued ASU No. 2018-02, *Reclassification of Certain Tax Effects from Accumulated Other Comprehensive Income*. The guidance permits entities to reclassify tax effects stranded in Accumulated Other Comprehensive Income as a result of tax reform to retained earnings. This new guidance is effective for annual and interim periods in fiscal years beginning after December 15, 2018. Early adoption is permitted in annual and interim periods and can be applied retrospectively or in the period of adoption. The Company is currently in the process of evaluating the impact of adoption on its financial statements.

In May 2017, the FASB issued ASU 2017-09, *Compensation-Stock Compensation (Topic 718): Scope of Modification Accounting*, which clarifies when a change to the terms or conditions of a share-based payment award must be accounted for as a modification. The new guidance requires modification accounting if the fair value, vesting condition or the classification of the award is not the same immediately before and after a change to the terms and conditions of the award. The new guidance is effective for all entities for annual periods, and interim periods within those annual periods, beginning after December 15, 2017, with early adoption permitted. The Company does not expect the adoption of this ASU to have a material impact on its financial statements.

In May 2014, the FASB issued ASU No. 2014-09, *Revenue from Contracts with Customers*. Since ASU 2014-09 was issued, several additional ASUs have been issued to clarify various elements of the guidance. These standards provide guidance on recognizing revenue, including a five-step model to determine when revenue recognition is appropriate. The standard requires that an entity recognize revenue to depict the transfer of control of promised goods or services to customers in an amount that reflects the consideration to which the entity expects to be entitled in exchange for those goods or services. We adopted the new standard to be effective upon inception. We have completed an initial evaluation of the potential impact from adopting the new standard, including a detailed review of performance obligations for all material revenue streams. Based on this initial evaluation, adoption does not have a material impact on our financial position, results of operations, or cash flows. Related disclosures have been expanded in line with the requirements of the standard.

There are no other recently issued accounting pronouncements that the Company has yet to adopt that are expected to have a material effect on its financial position, results of operations, or cash flows.

ONE WORLD PHARMA SAS
Notes to Financial Statements

Note 2 – Going Concern

As shown in the accompanying financial statements, the Company has incurred recurring losses from operations resulting in an accumulated deficit of (\$93,028), and as of December 31, 2017, the Company's cash on hand may not be sufficient to sustain operations. These factors raise substantial doubt about the Company's ability to continue as a going concern. Management is actively pursuing new customers to increase revenues. In addition, the Company is currently seeking additional sources of capital to fund short term operations. Management believes these factors will contribute toward achieving profitability. The accompanying financial statements do not include any adjustments that might be necessary if the Company is unable to continue as a going concern.

The financial statements do not include any adjustments that might result from the outcome of any uncertainty as to the Company's ability to continue as a going concern. These financial statements also do not include any adjustments relating to the recoverability and classification of recorded asset amounts, or amounts and classifications of liabilities that might be necessary should the Company be unable to continue as a going concern.

Note 3 – Related Party Transactions

On July 18, 2017, the Company issued 100 shares of stock in aggregate to the three founders of the Company for \$96,519 in cash, or 289,530,000 COP (original authorized price of 500,000 COP per share). The authorized price per share was subsequently amended and increased to 2,895,300 COP on April 12, 2018.

Note 4 – Fair Value of Financial Instruments

Under FASB ASC 820-10-5, fair value is defined as the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date (an exit price). The standard outlines a valuation framework and creates a fair value hierarchy in order to increase the consistency and comparability of fair value measurements and the related disclosures. Under GAAP, certain assets and liabilities must be measured at fair value, and FASB ASC 820-10-50 details the disclosures that are required for items measured at fair value.

The Company has certain financial instruments that must be measured under the new fair value standard. The Company's financial assets and liabilities are measured using inputs from the three levels of the fair value hierarchy. The three levels are as follows:

Level 1 - Inputs are unadjusted quoted prices in active markets for identical assets or liabilities that the Company has the ability to access at the measurement date.

Level 2 - Inputs include quoted prices for similar assets and liabilities in active markets, quoted prices for identical or similar assets or liabilities in markets that are not active, inputs other than quoted prices that are observable for the asset or liability (e.g., interest rates, yield curves, etc.), and inputs that are derived principally from or corroborated by observable market data by correlation or other means (market corroborated inputs).

Level 3 - Unobservable inputs that reflect our assumptions about the assumptions that market participants would use in pricing the asset or liability.

ONE WORLD PHARMA SAS
Notes to Financial Statements

The following schedule summarizes the valuation of financial instruments at fair value on a recurring basis in the balance sheet as of December 31, 2017:

	Fair Value Measurements at December 31, 2017		
	Level 1	Level 2	Level 3
Assets			
Cash	\$ 4,739	\$ -	\$ -
Total assets	4,739	-	-
Liabilities			
None	-	-	-
Total liabilities	-	-	-
	<u>\$ 4,739</u>	<u>\$ -</u>	<u>\$ -</u>

There were no transfers of financial assets or liabilities between Level 1, Level 2 and Level 3 inputs for the year ended December 31, 2017.

Note 5 – Prepaid Expenses

The Company prepaid \$4,165 of legal and travel fees that were expensed in 2018.

Note 6 – Stockholders' Equity

Company is authorized to issue an aggregate of 100 shares of common stock with a par value of \$500,000 (COP). As of December 31, 2017, there were 100 shares of common stock outstanding.

On July 18, 2017, the Company issued 100 shares of stock in aggregate to the three founders of the Company for \$96,519 in cash, or 289,530,000 COP (original authorized price of 500,000 COP per share). The authorized price per share was subsequently amended and increased to 2,895,300 COP on April 12, 2018.

Note 7 – Income Taxes

The income tax expense comprises the current tax and the deferred tax.

The current tax payable is based on the tax earnings recorded during the year. The tax profit differs from the earnings reported in the state of profit or loss and another integral result, due to the items of income or expenses taxable or deductible in other years and items that are never taxable or deductible. The Company's liability for the current tax is calculated using the tax rates promulgated or substantially approved at the end of the reporting period. The Company determines the provision for income tax and supplementary and income tax for equity (CREE) based on the taxable income or presumptive rent, the largest, estimated at rates specified in the tax law.

The deferred tax is recognized on the temporary differences between the carrying amount of the assets and liabilities included in the financial statements and the corresponding tax bases used to determine the tax profit. Deferred tax liability is generally recognized for all temporary tax differences. A deferred tax asset shall be recognized, because of all deductible temporary differences, to the extent that the entity is likely to have future fiscal gains against which to charge those deductible temporary differences.

Current and deferred taxes shall be recognized in profits or losses, except when related to items related to another integral result directly in the equity, in which case the current or deferred tax is also recognized in Another integral result or directly in the patrimony, respectively.

Note 8 – Subsequent Events

On May 30, 2018, the Company and its shareholders entered into a share exchange agreement whereby the Company's shareholders sold 100% of the Company's issued and outstanding shares to OWP Ventures, Inc. in exchange for 10,200,000 shares of OWP Ventures, Inc. As a result of the transaction, the Company is now a wholly-owned subsidiary of the OWP Ventures, Inc.

OWP VENTURES, INC.
CONDENSED CONSOLIDATED BALANCE SHEETS

	<u>September 30,</u> <u>2018</u>	<u>December 31,</u> <u>2017</u>
	(Unaudited)	
Assets		
Current assets:		
Cash	\$ 115,094	\$ 4,739
Note receivable	50,000	-
Other current assets	153,288	4,165
Total current assets	<u>318,382</u>	<u>8,904</u>
Fixed assets, net	<u>253,398</u>	<u>-</u>
Total Assets	<u>\$ 571,780</u>	<u>\$ 8,904</u>
Liabilities and Stockholders' (Deficit)		
Current liabilities:		
Accounts payable	\$ 45,107	\$ 1,225
Accrued expenses	29,142	2,288
Advances from shareholders	208,156	-
Total current liabilities	<u>282,405</u>	<u>3,513</u>
Total Liabilities	<u>282,405</u>	<u>3,513</u>
Stockholders' (Deficit):		
Preferred stock, \$0.0001 par value, 5,000,000 shares authorized; no shares issued and outstanding at September 30, 2018 and December 31, 2017, respectively	-	-
Common stock, \$0.0001 par value, 200,000,000 shares authorized; 33,154,762 and -0- shares issued and outstanding at September 30, 2018 and December 31, 2017, respectively	3,315	-
Common stock, \$2,895,300 COP par value, 100 shares authorized; -0- and 100 shares issued and outstanding at September 30, 2018 and December 31, 2017, respectively	-	16,461
Additional paid-in capital	938,731	80,058
Subscriptions receivable, consisting of 21,049,900 and -0- shares at September 30, 2018 and December 31, 2017, respectively	(2,105)	-
Accumulated other comprehensive income	20,453	1,900
Accumulated (deficit)	(671,019)	(93,028)
Total Stockholders' (Deficit)	<u>289,375</u>	<u>5,391</u>
Total Liabilities and Stockholders' (Deficit)	<u>\$ 571,780</u>	<u>\$ 8,904</u>

See accompanying notes to financial statements.

OWP VENTURES, INC.
CONDENSED CONSOLIDATED STATEMENTS OF OPERATIONS AND COMPREHENSIVE INCOME
(Unaudited)

	Nine Months Ending September 30, 2018	From Inception (July 14, 2017) to September 30, 2017
	<u>\$</u>	<u>\$</u>
Revenue:	-	-
Expenses:		
General and administrative	388,044	1,011
Professional fees	287,840	-
Total operating expenses	<u>675,884</u>	<u>1,011</u>
Operating loss	<u>(675,884)</u>	<u>(1,011)</u>
Other income:		
Interest income	10,000	-
Interest expense	(5,135)	-
Total other income	<u>4,865</u>	<u>-</u>
Net loss	<u>\$ (671,019)</u>	<u>\$ (1,011)</u>
Other comprehensive income:		
Gain (loss) on foreign currency translation	<u>\$ 18,553</u>	<u>\$ (527)</u>
Net other comprehensive loss	<u>\$ (652,466)</u>	<u>\$ (1,538)</u>
Weighted average number of common shares outstanding - basic and fully diluted	<u>31,003,247</u>	<u>100</u>
Net loss per share - basic and fully diluted	<u>\$ (0.02)</u>	<u>\$ (10.11)</u>

See accompanying notes to financial statements.

OWP VENTURES, INC.
CONDENSED CONSOLIDATED STATEMENTS OF CASH FLOWS
(Unaudited)

	Nine Months Ending September 30, 2018	From Inception (July 14, 2017) to September 30, 2017
Cash flows from operating activities		
Net loss	\$ (671,019)	\$ (1,011)
Adjustments to reconcile net loss to net cash used in operating activities:		
Depreciation and amortization expense	850	-
Decrease (increase) in assets:		
Prepaid expenses	(149,123)	(11,974)
Increase (decrease) in liabilities:		
Accounts payable	43,882	-
Accrued expenses	26,854	-
Net cash used in operating activities	<u>(748,556)</u>	<u>(12,985)</u>
Cash flows from investing activities		
Cash acquired in merger	4,739	-
Investment in note receivable	(50,000)	-
Purchase of fixed assets	(254,248)	-
Net cash used in investing activities	<u>(299,509)</u>	<u>-</u>
Cash flows from financing activities		
Proceeds from advances from shareholders	208,156	-
Proceeds from contributed capital	136,440	-
Proceeds from sale of common stock	800,010	58,976
Net cash provided by financing activities	<u>1,144,606</u>	<u>58,976</u>
Effect of exchange rate changes on cash	<u>18,553</u>	<u>527</u>
Net increase (decrease) in cash	115,094	46,518
Cash - beginning	-	-
Cash - ending	<u>\$ 115,094</u>	<u>\$ 46,518</u>
Supplemental disclosures:		
Interest paid	<u>\$ 244</u>	<u>\$ -</u>
Income taxes paid	<u>\$ -</u>	<u>\$ -</u>

See accompanying notes to financial statements.

OWP VENTURES, INC. AND SUBSIDIARY
Notes to Condensed Consolidated Financial Statements
(Unaudited)

Note 1 – Nature of Business and Significant Accounting Policies

Nature of Business

OWP Ventures, Inc. was incorporated in Delaware on March 27, 2018. OWP Ventures, Inc. (“OWP,” the “Company,” “we,” “our” or “us”) is a holding company formed to enter and support the cannabis industry. Through its subsidiary, One World Pharma S.A.S (“OWP SAS”), a licensed cannabis cultivation, production and distribution (export) company located in Popayán, Colombia (nearest major city is Cali). OWP intends to become a global leader in the production and manufacturing of raw cannabis and hemp plant ingredients for both medical and industrial uses.

Basis of Presentation

The accompanying consolidated financial statements have been prepared in accordance with accounting principles generally accepted in the United States of America (U.S. GAAP) and the rules of the Securities and Exchange Commission (SEC). The Company has adopted a December 31 year-end.

Principles of Consolidation

The accompanying consolidated financial statements include the accounts of the following entities, all of which were under common control and ownership at September 30, 2018:

Name of Entity	State of Incorporation	Relationship
OWP Ventures, Inc. ⁽¹⁾	Delaware	Parent
One World Pharma S.A.S. ⁽²⁾	Colombia	Subsidiary

(1) Holding company in the form of a corporation.

(2) Wholly-owned subsidiary as of May 30, 2018, located in Colombia and legally constituted as a simplified stock company registered in the Chamber of Commerce of Bogotá on July 14, 2017. Its sole headquarters is located in Bogotá.

The consolidated financial statements herein contain the operations of the wholly-owned subsidiary listed above. All significant inter-company transactions have been eliminated in the preparation of these financial statements. The Company’s headquarters are located in Las Vegas, Nevada and substantially all of its production efforts are within Popayán, Colombia.

These statements reflect all adjustments, consisting of normal recurring adjustments, which in the opinion of management are necessary for fair presentation of the information contained therein.

Foreign Currency Translation

The functional currency of the Company is Colombian Peso (COP). The Company has maintained its financial statements using the functional currency, and translated those financial statements to the US Dollar (USD) throughout this report. Monetary assets and liabilities denominated in currencies other than the functional currency are translated into the functional currency at rates of exchange prevailing at the balance sheet dates. Transactions denominated in currencies other than the functional currency are translated into the functional currency at the exchange rates prevailing at the dates of the transaction. Exchange gains or losses arising from foreign currency transactions are included in the determination of net income (loss) for the respective periods.

Comprehensive Income

The Company has adopted ASC 220, Reporting Comprehensive Income, which establishes standards for reporting and displaying comprehensive income, its components, and accumulated balances in a full-set of general-purpose financial statements. Accumulated other comprehensive income represents the accumulated balance of foreign currency translation adjustments.

OWP VENTURES, INC. AND SUBSIDIARY
Notes to Condensed Consolidated Financial Statements
(Unaudited)

Use of Estimates

The preparation of financial statements in conformity with accounting principles generally accepted in the United States requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities, and the disclosure of contingent assets and liabilities at the date of the financial statements, and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates.

Segment Reporting

ASC Topic 280, "Segment Reporting," requires use of the "management approach" model for segment reporting. The management approach model is based on the way a company's management organizes segments within the company for making operating decisions and assessing performance. The Company operates as a single segment and will evaluate additional segment disclosure requirements as it expands its operations.

Fair Value of Financial Instruments

The Company adopted ASC 820, Fair Value Measurements and Disclosures (ASC 820). ASC 820 defines fair value, establishes a three-level valuation hierarchy for disclosures of fair value measurement and enhances disclosure requirements for fair value measures. The three levels are defined as follows:

- Level 1 inputs to the valuation methodology are quoted prices (unadjusted) for identical assets or liabilities in active markets.
- Level 2 inputs to the valuation methodology include quoted prices for similar assets and liabilities in active markets, and inputs that are observable for the asset or liability, either directly or indirectly, for substantially the full term of the financial instrument.
- Level 3 inputs to valuation methodology are unobservable and significant to the fair measurement.

The carrying value of cash, accounts receivable, accounts payables and accrued expenses are estimated by management to approximate fair value primarily due to the short-term nature of the instruments.

Cash and Cash Equivalents

Cash and cash equivalents include cash on hand, cash on deposit with various financial institutions in Columbia, and all highly-liquid investments with original maturities of three months or less at the time of purchase. We have not held any cash equivalents to date.

Cash in Excess of FDIC Insured Limits

The Company maintains its cash in bank deposit accounts which, at times, may exceed federally insured limits. Accounts are guaranteed by the Federal Deposit Insurance Corporation (FDIC) up to \$250,000, under current regulations. The Company did not have any funds in excess of FDIC insured limits at September 30, 2018, and has not experienced any losses in such accounts.

Property and Equipment

Property and equipment are stated at cost, less accumulated depreciation, and we depreciate it on a straight-line basis over the estimated useful lives of the assets. Additions and improvements (including interest costs for construction of qualifying long-lived assets) are capitalized. Maintenance and repair expenses are charged to expense as incurred. The cost of property and equipment sold or disposed of and the related accumulated depreciation are eliminated from the property and related accumulated depreciation accounts, and any gain or loss is credited or charged to other income (expense).

We generally provide for depreciation over the following estimated useful service lives. Additionally, if there are indicators that certain assets may be potentially impaired, we will analyze such assets in accordance with the related GAAP standard. The estimated useful lives for significant property and equipment categories are as follows:

Software	3 years
Furniture and Fixtures and Office Equipment	5 years
Machinery	7 years

OWP VENTURES, INC. AND SUBSIDIARY
Notes to Condensed Consolidated Financial Statements
(Unaudited)

Revenue Recognition

The Company recognizes revenue when products are fully delivered, or services have been provided and collection is reasonably assured.

The Company has adopted ASC 606 — Revenue from Contracts with Customers. Under ASC 606, the Company recognizes revenue from the commercial sales of products, licensing agreements and contracts by applying the following steps: (1) identify the contract with a customer; (2) identify the performance obligations in the contract; (3) determine the transaction price; (4) allocate the transaction price to each performance obligation in the contract; and (5) recognize revenue when each performance obligation is satisfied. We have not yet generated any revenue.

Basic and Diluted Loss Per Share

The basic net loss per common share is computed by dividing the net loss by the weighted average number of common shares outstanding. Diluted net loss per common share is computed by dividing the net loss adjusted on an “as if converted” basis, by the weighted average number of common shares outstanding plus potential dilutive securities. For the nine months ending September 30, 2018 and the period from inception (July 14, 2017) to September 30, 2017, potential dilutive securities had an anti-dilutive effect and were not included in the calculation of diluted net loss per common share.

Income Taxes

The Company recognizes deferred tax assets and liabilities based on differences between the financial reporting and tax basis of assets and liabilities using the enacted tax rates and laws that are expected to be in effect when the differences are expected to be recovered. The Company provides a valuation allowance for deferred tax assets for which it does not consider realization of such assets to be more likely than not.

Uncertain Tax Positions

In accordance with ASC 740, “Income Taxes” (“ASC 740”), the Company recognizes the tax benefit from an uncertain tax position only if it is more likely than not that the tax position will be capable of withstanding examination by the taxing authorities based on the technical merits of the position. These standards prescribe a recognition threshold and measurement attribute for the financial statement recognition and measurement of a tax position taken or expected to be taken in a tax return. These standards also provide guidance on de-recognition, classification, interest and penalties, accounting in interim periods, disclosure, and transition.

Various taxing authorities periodically audit the Company’s income tax returns. These audits include questions regarding the Company’s tax filing positions, including the timing and amount of deductions and the allocation of income to various tax jurisdictions. In evaluating the exposures connected with these various tax filing positions, including state and local taxes, the Company records allowances for probable exposures. A number of years may elapse before a particular matter, for which an allowance has been established, is audited and fully resolved. The Company has not yet undergone an examination by any taxing authorities.

The assessment of the Company’s tax position relies on the judgment of management to estimate the exposures associated with the Company’s various filing positions.

Various taxing authorities periodically audit the Company’s income tax returns. These audits include questions regarding the Company’s tax filing positions, including the timing and amount of deductions and the allocation of income to various tax jurisdictions. In evaluating the exposures connected with these various tax filing positions, including state and local taxes, the Company records allowances for probable exposures. A number of years may elapse before a particular matter, for which an allowance has been established, is audited and fully resolved. The Company has not yet undergone an examination by any taxing authorities.

OWP VENTURES, INC. AND SUBSIDIARY
Notes to Condensed Consolidated Financial Statements
(Unaudited)

Recent Accounting Pronouncements

In June 2018, the Financial Accounting Standards Board (“FASB”) issued Accounting Standards Update (“ASU”) 2018-07, *Compensation-Stock Compensation (Topic 718): Improvements to Nonemployee Share-Based Payment Accounting*, which expands the scope of Topic 718 to include share-based payment transactions for acquiring goods and services from nonemployees. An entity should apply the requirements of Topic 718 to nonemployee awards except for specific guidance on inputs to an option pricing model and the attribution of cost (that is, the period of time over which share-based payment awards vest and the pattern of cost recognition over that period). The new guidance is effective for all entities for annual periods, and interim periods within those annual periods, beginning after December 15, 2017, with early adoption permitted. The Company does not expect the adoption of this ASU to have a material impact on its financial statements.

In February 2018, the FASB issued ASU No. 2018-02, *Reclassification of Certain Tax Effects from Accumulated Other Comprehensive Income*. The guidance permits entities to reclassify tax effects stranded in Accumulated Other Comprehensive Income as a result of tax reform to retained earnings. This new guidance is effective for annual and interim periods in fiscal years beginning after December 15, 2018. Early adoption is permitted in annual and interim periods and can be applied retrospectively or in the period of adoption. The Company is currently in the process of evaluating the impact of adoption on its financial statements.

In May 2017, the FASB issued ASU 2017-09, *Compensation-Stock Compensation (Topic 718): Scope of Modification Accounting*, which clarifies when a change to the terms or conditions of a share-based payment award must be accounted for as a modification. The new guidance requires modification accounting if the fair value, vesting condition or the classification of the award is not the same immediately before and after a change to the terms and conditions of the award. The new guidance is effective for all entities for annual periods, and interim periods within those annual periods, beginning after December 15, 2017, with early adoption permitted. The Company does not expect the adoption of this ASU to have a material impact on its financial statements.

In May 2014, the FASB issued ASU No. 2014-09, *Revenue from Contracts with Customers*. Since ASU 2014-09 was issued, several additional ASUs have been issued to clarify various elements of the guidance. These standards provide guidance on recognizing revenue, including a five-step model to determine when revenue recognition is appropriate. The standard requires that an entity recognize revenue to depict the transfer of control of promised goods or services to customers in an amount that reflects the consideration to which the entity expects to be entitled in exchange for those goods or services. We adopted the new standard to be effective upon inception. We have completed an initial evaluation of the potential impact from adopting the new standard, including a detailed review of performance obligations for all material revenue streams. Based on this initial evaluation, adoption does not have a material impact on our financial position, results of operations, or cash flows. Related disclosures have been expanded in line with the requirements of the standard.

There are no other recently issued accounting pronouncements that the Company has yet to adopt that are expected to have a material effect on its financial position, results of operations, or cash flows.

OWP VENTURES, INC. AND SUBSIDIARY
Notes to Condensed Consolidated Financial Statements
(Unaudited)

Note 2 – Going Concern

As shown in the accompanying consolidated financial statements, the Company has incurred recurring losses from operations resulting in an accumulated deficit of (\$671,019), and as of September 30, 2018, the Company's cash on hand may not be sufficient to sustain operations. These factors raise substantial doubt about the Company's ability to continue as a going concern. Management is actively pursuing new customers to increase revenues. In addition, the Company is currently seeking additional sources of capital to fund short term operations. Management believes these factors will contribute toward achieving profitability. The accompanying consolidated financial statements do not include any adjustments that might be necessary if the Company is unable to continue as a going concern.

The consolidated financial statements do not include any adjustments that might result from the outcome of any uncertainty as to the Company's ability to continue as a going concern. These financial statements also do not include any adjustments relating to the recoverability and classification of recorded asset amounts, or amounts and classifications of liabilities that might be necessary should the Company be unable to continue as a going concern.

Note 3 – Merger

Common Stock Issued for Merger

On May 30, 2018, the Company issued an aggregate 10,200,000 shares of common stock to the shareholders of One World Pharma SAS as part of a stock purchase agreement whereby OWP Ventures, Inc. acquired 100% of the common stock of One World Pharma SAS. OWP Ventures, Inc. was formed on March 27, 2018 as a vehicle to raise funds and acquire One World Pharma SAS.

Note 4 – Related Party Transactions

Contributed Capital

During the nine months ended September 30, 2018, the founders contributed a total of \$136,440 of capital.

Advances from Shareholders

See Note 10 for disclosures on short-term related party loans.

Common Stock Sales

On March 27, 2018, the Company sold 100 shares of common stock at \$0.10 per share to its Chief Executive Officer for proceeds of \$10 as part of the formation of the entity.

On March 27, 2018, the Company sold 4,844,900 shares of common stock at \$0.0001 per share to its Chief Executive Officer on subscriptions receivable. The proceeds of \$485 were subsequently received on November 9, 2018.

On March 27, 2018, the Company sold an aggregate 16,205,000 shares of common stock to nine of the Company's founders at \$0.0001 per share on subscriptions receivable. The total proceeds of \$1,620 were subsequently received between November 5, 2018 and February 5, 2019.

OWP VENTURES, INC. AND SUBSIDIARY
Notes to Condensed Consolidated Financial Statements
(Unaudited)

Note 5 – Fair Value of Financial Instruments

Under FASB ASC 820-10-5, fair value is defined as the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date (an exit price). The standard outlines a valuation framework and creates a fair value hierarchy in order to increase the consistency and comparability of fair value measurements and the related disclosures. Under GAAP, certain assets and liabilities must be measured at fair value, and FASB ASC 820-10-50 details the disclosures that are required for items measured at fair value.

The Company has certain financial instruments that must be measured under the new fair value standard. The Company's financial assets and liabilities are measured using inputs from the three levels of the fair value hierarchy. The three levels are as follows:

Level 1 - Inputs are unadjusted quoted prices in active markets for identical assets or liabilities that the Company has the ability to access at the measurement date.

Level 2 - Inputs include quoted prices for similar assets and liabilities in active markets, quoted prices for identical or similar assets or liabilities in markets that are not active, inputs other than quoted prices that are observable for the asset or liability (e.g., interest rates, yield curves, etc.), and inputs that are derived principally from or corroborated by observable market data by correlation or other means (market corroborated inputs).

Level 3 - Unobservable inputs that reflect our assumptions about the assumptions that market participants would use in pricing the asset or liability.

The following schedule summarizes the valuation of financial instruments at fair value on a recurring basis in the balance sheet as of September 30, 2018 and December 31, 2017, respectively:

	Fair Value Measurements at September 30, 2018		
	Level 1	Level 2	Level 3
Assets			
Cash	\$ 115,094	\$ -	\$ -
Note Receivable	-	50,000	-
Total assets	115,094	50,000	-
Liabilities			
None	-	-	-
Total liabilities	-	-	-
	\$ 115,094	\$ 50,000	\$ -
Fair Value Measurements at December 31, 2017			
	Level 1	Level 2	Level 3
Assets			
Cash	\$ 4,739	\$ -	\$ -
Total assets	4,739	-	-
Liabilities			
None	-	-	-
Total liabilities	-	-	-
	\$ 4,739	\$ -	\$ -

There were no transfers of financial assets or liabilities between Level 1, Level 2 and Level 3 inputs for the year ended September 30, 2018 or December 31, 2017.

OWP VENTURES, INC. AND SUBSIDIARY
Notes to Condensed Consolidated Financial Statements
(Unaudited)

Note 6 – Note Receivable

Note receivable consisted of \$50,000 and \$-0- owed by KRG Logistics, Inc. (“KRG”) as of September 30, 2018 and December 31, 2017, respectively.

On July 2, 2018, the Company loaned \$50,000 to KRG in exchange for a 90-day, unsecured promissory note, requiring the repayment of \$60,000, consisting of \$50,000 of principal and \$10,000 of interest on October 2, 2018. The promissory note provides OWP with a right of first refusal to purchase KRG at terms to be determined, or the right to apply the total amount due from KRG against amounts that may be owed by OWP to KRG for services provided to OWP, which could include sublease rent, logistics operations, import and export services and any other services provided KRG at the lowest current rates charged to any other customer(s). The note has been extended until June 30, 2019.

Note 7 – Other Current Assets

Other current assets included the following as of September 30, 2018 and December 31, 2017, respectively:

	September 30, 2018	December 31, 2017
Interest receivable	\$ 10,000	\$ -
Security deposit	50,000	-
Prepaid expenses	93,288	4,165
	<u>\$ 153,288</u>	<u>\$ 4,165</u>

Note 8 – Fixed Assets

Fixed assets consist of the following at September 30, 2018 and December 31, 2017, respectively:

	September 30, 2018	December 31, 2017
Office equipment	\$ 7,196	\$ -
Furniture and fixtures	15,192	-
Machinery	84,750	-
Construction in progress	147,110	-
	<u>254,248</u>	<u>-</u>
Less: accumulated depreciation	(850)	-
Total	<u>\$ 253,398</u>	<u>\$ -</u>

Depreciation and amortization expense totaled \$850 and \$-0- for the nine months ended September 30, 2018 and 2017, respectively.

Note 9 – Accrued Expenses

Accrued expenses consisted of the following at September 30, 2018 and December 31, 2017, respectively:

	September 30, 2018	December 31, 2017
Accrued payroll	\$ 22,076	\$ 2,288
Accrued withholding taxes	1,683	-
Accrued ICA fees	492	-
Accrued interest	4,891	-
	<u>\$ 29,142</u>	<u>\$ 2,288</u>

OWP VENTURES, INC. AND SUBSIDIARY
Notes to Condensed Consolidated Financial Statements
(Unaudited)

Note 10 – Advances from Shareholders

Advances from shareholders consist of the following at September 30, 2018 and December 31, 2017, respectively:

	September 30, 2018	December 31, 2017
On various dates between May 3, 2018 and May 29, 2018, our CEO advanced the Company short-term unsecured demand loans, bearing interest at 6% per annum, in an aggregate amount of \$207,000.	\$ 207,000	\$ -
During the nine months ended September 30, 2018, the Company received an unsecured short-term loan in the amount of \$1,156 due on demand from one of the founders of One World Pharma S.A.S.	1,156	-
Total advances from shareholders	\$ 208,156	\$ -

The Company recorded interest expense in the amount of \$5,135 for the nine months ended September 30, 2018.

Note 11 – Stockholders' Equity

The Company is authorized to issue an aggregate of 200,000,000 shares of common stock with a par value of \$0.0001. As of September 30, 2018, there were 33,154,762 shares of common stock issued and outstanding.

Common Stock Sales

On September 20, 2018, the Company sold 238,095 shares of common stock at \$0.42 per share for proceeds of \$100,000.

On July 28, 2018, the Company sold 476,191 shares of common stock at \$0.42 per share for proceeds of \$200,000.

On June 15, 2018, the Company sold 1,190,476 shares of common stock at \$0.42 per share for proceeds of \$500,000.

On March 27, 2018, the Company sold 100 shares of common stock at \$0.10 per share to its Chief Executive Officer for proceeds of \$10 as part of the formation of the entity.

On March 27, 2018, the Company sold 4,844,900 shares of common stock at \$0.0001 per share to its Chief Executive Officer on subscriptions receivable. The proceeds of \$485 were subsequently received on November 9, 2018.

On March 27, 2018, the Company sold an aggregate 16,205,000 shares of common stock to nine of the Company's founders at \$0.0001 per share on subscriptions receivable. The total proceeds of \$1,620 were subsequently received between November 5, 2018 and February 5, 2019.

Contributed Capital

On various dates between April 16, 2018 and June 15, 2018, the founders contributed a total \$136,440 of capital.

Common Stock Issued for Share Exchange

On May 30, 2018, the Company issued an aggregate of 10,200,000 shares of common stock to the shareholders of One World Pharma SAS as part of a stock purchase agreement whereby OWP Ventures, Inc. acquired 100% of the common stock of One World Pharma SAS.

Note 12 – Income Taxes

The income tax expense comprises the current tax and the deferred tax.

The current tax payable is based on the tax earnings recorded during the year. The tax profit differs from the earnings reported in the state of profit or loss and another integral result, due to the items of income or expenses taxable or deductible in other years and items that are never taxable or deductible. The Company's liability for the current tax is calculated using the tax rates promulgated or substantially approved at the end of the reporting period. The Company determines the provision for income tax and supplementary and income tax for equity (CREE) based on the taxable income or presumptive rent, the largest, estimated at rates specified in the tax law.

The deferred tax is recognized on the temporary differences between the carrying amount of the assets and liabilities included in the financial statements and the corresponding tax bases used to determine the tax profit. Deferred tax liability is generally recognized for all temporary tax differences. A deferred tax asset shall be recognized, because of all deductible temporary differences, to the extent that the entity is likely to have future fiscal gains against which to charge those deductible temporary differences.

Current and deferred taxes shall be recognized in profits or losses, except when related to items related to another integral result directly in the equity, in which case the current or deferred tax is also recognized in Another integral result or directly in the patrimony, respectively.

OWP VENTURES, INC. AND SUBSIDIARY
Notes to Condensed Consolidated Financial Statements
(Unaudited)

Note 13 – Subsequent Events

Purchase of Punto Group, Corp.

Pursuant to a Stock Purchase Agreement dated November 22, 2018 (the “Purchase Agreement”) between Lei Wang (“Wang”) and OWP Ventures, Inc., on November 30, 2018, Wang (i) sold to OWP 3,500,000 shares of common stock (the “Shares”) of One World Pharma Inc. f/k/a Punto Group, Inc. held by Wang for a purchase price of \$350,000, and (ii) released One World Pharma Inc. from all existing claims held by him against One World Pharma Inc., including liabilities in the amount of approximately \$128,000. The Shares represented 66.2% of the issued and outstanding shares of the common stock of One World Pharma Inc.

Convertible Promissory Notes

On January 14, 2019, the Company received proceeds of \$500,000 on an unsecured convertible promissory note that carries a 6% interest rate from The Sanguine Group LLC. The Note was due January 14, 2022. In the event that the Company consummates the closing of a public or private offering of its equity securities, resulting in gross proceeds of at least \$500,000 (“Qualified Financing”) at any time prior to the repayment of this note, then the outstanding principal and unpaid interest shall automatically be converted into such equity securities at a conversion price equal to the lesser of (i) eighty percent (80%) of the purchase price paid by the investors purchasing the equity securities in the Qualified Financing, or (ii) \$0.424 per share. The Company’s obligations under this Note are secured by a lien on the assets of the Company. A Qualified Financing subsequently occurred on February 4, 2019, at which time the principal and interest were converted into 1,253,493 shares of the Company’s common stock.

On November 30, 2018, the Company received proceeds of \$300,000 on a secured convertible note that carries a 6% interest rate from CSW Ventures, LP. The proceeds were used to fund the Company’s purchase of 3,500,000 shares of common stock of One World Pharma, Inc., as noted above. The Note is due on demand. In the event that the Company consummates the closing of a public or private offering of its equity securities, resulting in gross proceeds of at least \$500,000 (“Qualified Financing”) at any time prior to the repayment of this note, then the outstanding principal and unpaid interest may, at the option of the holder, be converted into such equity securities at a conversion price equal to eighty percent (80%) of the purchase price paid by the investors purchasing the equity securities in the Qualified Financing. The Company’s obligations under this Note are secured by a lien on the assets of the Company.

Promissory Notes, Related Party

On various dates between October 25, 2018 and November 23, 2018, our CEO advanced funds to the Company totaling \$307,141 under short-term unsecured demand loans, bearing interest at 6% per annum. On February 13, 2019, these promissory notes were exchanged for an amended and restated promissory note in the principal amount of \$307,141 (the “Amended Note”). The Amended Note bears interest at 6% and is payable upon the earlier of (i) the closing of one or a series of public and/or private offerings of the equity or debt securities of the Company and/or one or more credit or loan facilities, resulting in aggregate gross proceeds of at least \$5,000,000, or (ii) February 13, 2022.

Common Stock Sales

On various dates between December 14, 2018 and February 21, 2019, the Company sold an aggregate 4,000,000 shares of common stock at \$0.50 per share for total proceeds of \$2,000,000.

On October 4, 2018, the Company sold 357,143 shares of common stock at \$0.42 per share for proceeds of \$150,000.

Common Stock Issued for Services

On October 24, 2018, the Company issued 50,000 shares of common stock to a consultant pursuant to a release and settlement agreement. The total fair value of the common stock was \$21,000 based on recent independent third-party sales at \$0.42 per share.

On November 1, 2018, the Company issued 630,000 shares of common stock to a consultant for services. The total fair value of the common stock was \$264,600 based on recent independent third-party sales at \$0.42 per share.

Common Stock Options Issued for Services

On February 8, 2019, the Company awarded cashless options to a service provider to acquire up to 100,000 shares of common stock, exercisable at \$0.50 per share over a thirty-six (36) month period from the issue date. The options vest as to (i) 8,333 shares on the 8th day of each subsequent month for the following eleven months, and (ii) 8,337 shares on the one-year anniversary of the effective date.

On February 8, 2019, the Company awarded cashless options to one of our directors to acquire up to 125,000 shares of common stock, exercisable at \$0.50 per share over a thirty-six (36) month period from the issue date. The options vest as to (i) 10,416 shares on the 8th day of each subsequent month for the following eleven months, and (ii) 10,424 shares on the one-year anniversary of the effective date.

On January 28, 2019, the Company awarded cashless options to a service provider to acquire up to 500,000 shares of common stock, exercisable at \$0.50 per share over a thirty-six (36) month period from the issue date. The options vest as to (i) 41,666 shares on the 8th day of each subsequent month for the following eleven months, and (ii) 41,674 shares on the one-year anniversary of the effective date.

On January 28, 2019, the Company awarded cashless options to a service provider to acquire up to 100,000 shares of common stock, exercisable at \$0.50 per share over a thirty-six (36) month period from the issue date. The options vest as to (i) 8,333 shares on the 8th day of each subsequent month for the following eleven months, and (ii) 8,337 shares on the one-year anniversary of the effective date.

Common Stock Issuance for Debt Conversion

On February 4, 2019, the Company issued 1,253,493 shares of common stock pursuant to the conversion of \$501,397 of debt, consisting of \$500,000 of principal and \$1,397 of interest, on the convertible promissory note with The Sanguine Group LLC entered into on January 14, 2019.

OWP VENTURES, INC. / PUNTO GROUP, CORP.
PRO FORMA CONSOLIDATED STATEMENTS OF FINANCIAL CONDITION
(Unaudited)

	As of September 30, 2018			
	OWP Ventures, Inc.	Punto Group, Corp.	Elimination	Pro Forma Combined
ASSETS				
Current assets	\$ 318,382	\$ -	\$ -	\$ 318,382
Other assets	253,398	-	-	253,398
Total assets	\$ 571,780	\$ -	\$ -	\$ 571,780
LIABILITIES AND EQUITY (DEFICIT)				
Current liabilities	\$ 282,405	\$ 124,244	\$ -	\$ 406,649
Total liabilities	282,405	124,244	-	406,649
Stockholders' equity (deficit):				
Preferred Stock	-	-	-	-
Common stock	3,315	5,290	(3,315)	5,290
Additional paid-in capital	938,731	24,510	(649,356)	313,885
Stock Receivable	(2,105)	-	2,105	-
Accumulated other comprehensive income	20,453	-	(20,453)	-
Accumulated deficit	(671,019)	(154,044)	671,019	(154,044)
Total stockholders' equity (deficit)	289,375	(124,244)	-	165,131
Total liabilities and stockholders' equity (deficit)	\$ 571,780	\$ -	\$ -	\$ 571,780

	As of December 31, 2017			
	OWP Ventures, Inc.	Punto Group, Corp.	Elimination	Pro Forma Combined
ASSETS				
Current assets	\$ 8,904	\$ -	\$ -	\$ 8,904
Total assets	\$ 8,904	\$ -	\$ -	\$ 8,904
LIABILITIES AND EQUITY (DEFICIT)				
Current liabilities	\$ 3,513	\$ 98,345	\$ -	\$ 101,858
Total liabilities	3,513	98,345	-	101,858
Stockholders' equity (deficit):				
Preferred Stock	-	-	-	-
Common stock	96,519	5,290	(96,519)	5,290
Additional paid-in capital	-	24,510	5,391	29,901
Accumulated other comprehensive income	1,900	-	(1,900)	-
Accumulated deficit	(93,028)	(128,145)	93,028	(128,145)
Total stockholders' equity (deficit)	5,391	(98,345)	-	(92,954)
Total liabilities and stockholders' equity (deficit)	\$ 8,904	\$ -	\$ -	\$ 8,904

OWP VENTURES, INC. / PUNTO GROUP, CORP.
PRO FORMA STATEMENTS OF OPERATIONS
(Unaudited)

	For the Nine Months Ended		
	September 30, 2018		
	OWP Ventures, Inc.	Punto Group, Corp.	Pro Forma Combined
Revenue	\$ -	\$ -	\$ -
Operating expenses	675,884	25,900	701,784
Net operating loss	(675,884)	(25,900)	(701,784)
Other income (expense)	4,865	-	4,865
Net loss	<u>\$ (671,019)</u>	<u>\$ (25,900)</u>	<u>\$ (696,919)</u>
Gain on foreign currency translation	18,553	-	18,553
Net other comprehensive loss	<u>\$ (652,466)</u>	<u>\$ (25,900)</u>	<u>\$ (678,366)</u>
Weighted average number of common shares outstanding - basic and fully diluted	<u>31,015,979</u>	<u>1,322,500</u>	<u>1,322,500</u>
Net loss per share - basic and fully diluted	<u>\$ (0.02)</u>	<u>\$ (0.02)</u>	<u>\$ (0.53)</u>

	For the Nine Months Ended		
	September 30, 2017		
	OWP Ventures, Inc.	Punto Group, Corp.	Pro Forma Combined
Revenue	\$ -	\$ -	\$ -
Operating expenses	1,011	26,276	27,287
Net operating loss	(1,011)	(26,276)	(27,287)
Other income (expense):	-	-	-
Net loss	<u>\$ (1,011)</u>	<u>\$ (26,276)</u>	<u>\$ (27,287)</u>
Loss on foreign currency translation	(527)	-	(527)
Net other comprehensive loss	<u>\$ (1,538)</u>	<u>\$ (26,276)</u>	<u>\$ (27,814)</u>
Weighted average number of common shares outstanding - basic and fully diluted	<u>100</u>	<u>1,322,500</u>	<u>1,322,500</u>
Net loss per share - basic and fully diluted	<u>\$ (10.11)</u>	<u>\$ (0.02)</u>	<u>\$ (0.02)</u>

	For the Year Ended December 31, 2017		
	<u>OWP Ventures, Inc.</u>	<u>Punto Group, Corp.</u>	<u>Pro Forma Combined</u>
Revenue	\$ -	\$ -	\$ -
Operating expenses	<u>93,028</u>	<u>56,880</u>	<u>149,908</u>
Net operating loss	<u>(93,028)</u>	<u>(56,880)</u>	<u>(149,908)</u>
Other income (expense):	-	-	-
Net loss	<u>\$ (93,028)</u>	<u>\$ (56,880)</u>	<u>\$ (149,908)</u>
Gain on foreign currency translation	<u>1,900</u>	<u>-</u>	<u>1,900</u>
Net other comprehensive loss	<u>\$ (91,128)</u>	<u>\$ (56,880)</u>	<u>\$ (148,008)</u>
Weighted average number of common shares outstanding - basic and fully diluted	<u>100</u>	<u>1,322,500</u>	<u>1,322,500</u>
Net loss per share - basic and fully diluted	<u>\$ (930.28)</u>	<u>\$ (0.04)</u>	<u>\$ (0.11)</u>