

EQUIPMENT LEASE AND PROFESSIONAL SERVICES AGREEMENT
BETWEEN HYDROPONICS SOLUTIONS AND
HERBAL WELLNESS CENTER

This Equipment Lease ("Lease") and Professional Services ("Services") Agreement ("Agreement") is made effective as of July 1, 2018, between HYDROPONICS SOLUTIONS, LLC ("Lessor" or "HYDRO") of 777 E Missouri Avenue Suite 200, Phoenix, Arizona 85014 and HERBAL WELLNESS CENTER, INC. ("Lessee" or "HWC") of 4126 W Indian School Road, Phoenix, Arizona 85019 and states the agreement of the parties as follows:

EQUIPMENT SUBJECT TO LEASE. The Lessor shall lease the equipment listed on a subsequent Equipment Schedule and future equipment put into service for a period of one year with yearly renewals of the Equipment.

The total lease payments invoiced are based on equipment installed that month, period of time previously installed equipment has been in use until the time the equipment is returned. These monthly invoices will be reviewed and approved by HWC management within 30 days of issuance.

DESCRIPTION OF PROFESSIONAL SERVICES. (collectively, the "Services"):

Purchase and Supply:
Cultivation Supplies & Materials
Extraction Supplies & Materials
Infusion Kitchen Supplies & Materials
General Operating Supplies

Contractor Services:
Repairs & Maintenance
Build Outs
Additions/Remodels

Charges for these services will be on a monthly basis determined by the services and materials purchased, delivered, and/or installed at the direction of HWC. These monthly invoices will be reviewed and approved by HWC management within 30 days of issuance.

PAYMENT TERMS: Net 30 days from invoice.

SERVICE CHARGE. If any Lease installment is not paid within 5 day(s) after the due date, the Lessee shall pay to the Lessor a service charge at a rate of \$50 per day as the payment remains outstanding.

NON-SUFFICIENT FUNDS. The Lessee shall be charged \$200 for each check that is returned to the Lessor for lack of sufficient funds.

AGREEMENT TERM. This Agreement shall begin on the above effective date and shall terminate on June 30, 2029, unless otherwise terminated in a manner consistent with the terms of this Agreement. Either part may cancel agreement with written notice and acceptance by the other party. This agreement will renew on a yearly basis unless otherwise terminated under the terms of the Agreement or may be terminated upon 30 day notice of a material default that is not cured within that same period.

LOCATION OF EQUIPMENT. The equipment shall be located at 4215 N 40th Ave; Phoenix, AZ 85019, during the lease term, and shall not be removed from that location without the Lessor's prior written consent.

CARE AND OPERATION OF EQUIPMENT. The equipment may only be used and operated in a careful and proper manner. Its use must comply with all laws, ordinances and regulations relating to the possession, use or maintenance of the equipment, including registration and/or licensing requirements, if any.

ALTERATIONS. Lessee shall make no alterations to the equipment without the prior written consent of the Lessor. All alterations shall be the property of the Lessor and subject to the terms of this Agreement.

MAINTENANCE AND REPAIR. The Lessee shall maintain at the Lessee's cost, the equipment in good repair and operating condition, allowing for reasonable wear and tear. Such costs shall include labor, material, parts and similar items.

LESSOR'S RIGHT OF INSPECTION. The Lessor shall have the right to inspect the equipment during the Lessee's normal business hours.

RETURN OF EQUIPMENT. At the end of the Lease term, the Lessee shall be obligated to return the equipment to the Lessor at the Lessee's expense.

OPTION TO RENEW. If the Lessee is not in default upon the expiration of this lease, the Lessee shall have the option to renew this Lease for a similar item on such terms as the parties may agree at the time of such renewal.

ACCEPTANCE OF EQUIPMENT. The Lessee shall inspect each item of equipment delivered pursuant to this Lease. The Lessee shall immediately notify the Lessor of any discrepancies between such item of equipment and the description of the equipment in the Equipment

Schedule. If the Lessee fails to provide such notice before accepting delivery of the equipment as specified in the Equipment Schedule.

OWNERSHIP AND STATUS OF EQUIPMENT. The equipment will be deemed to be personal property, regardless of the manner in which it may be attached to any other property. The Lessor shall be deemed to have retained title to the equipment at all times, unless the Lessor transfers the title by sale. The Lessee shall immediately advise the Lessor regarding any notice of any claim, levy, lien or any legal process issued against the equipment.

WARRANTY. The Lessor makes no warranties, express or implied, as to the equipment leased. The Lessee assumes the responsibility for the condition of the equipment.

RISK OF LOSS OR DAMAGE. The Lessee assumes all risks of loss or damage to the equipment from any cause, and agrees to return it to the Lessor in the condition received from the Lessor, with the exception of normal wear and tear, unless otherwise provided in this lease.

INDEMNITY OF LESSOR FOR LOSS OR DAMAGES. Unless otherwise provided in this Lease, if the equipment is damaged or lost, the Lessor shall have the option of requiring the Lessee to repair the equipment to a state of good working order, or replace the equipment with like equipment to a state of good working order, or replace the equipment with like equipment in good repair, which equipment shall become the property of the Lessor and subject to this Lease.

LIABILITY AND INDEMNITY. Liability for injury, disability and death of workers and other persons caused by operating, handling or transporting the equipment during the term of this Agreement is the obligation of the Lessee and the Lessee shall indemnify and hold the Lessor harmless from and against all such liability. Lessee shall maintain liability insurance of at least \$1,000,000.00.

CASUALTY INSURANCE. The Lessee shall insure the equipment in an amount of at least \$1,000,000.00.

TAXES AND FEES. During the term of the Lease, the Lessee shall pay all applicable taxes, assessments and license and registration fees on the equipment.

DEFAULT. The occurrence of any of the following shall constitute a default under this Agreement.

- A. The failure to make a required payment on this Agreement when due.
- B. The violation of any other provision or requirement that is not corrected with 30 days after written notice of the violation is given.
- C. The insolvency or bankruptcy of the Lessee.

D. The subject of any of Lessee's property to any levy, seizure, assignment, application or sale for or by any creditor or government agency.

RIGHTS ON DEFAULT. In addition to any other rights afforded to the Lessor by law, if the Lessee is in default under this Agreement, without notice to or demand on the Lessee, the Lessor may take possession of the equipment as provided by law, deduct the costs of recovery (including any attorney fees and legal costs), repair and related costs and hold the Lessee responsible for any deficiency. The rights and remedies of the Lessor provided by law and this Agreement shall be cumulative in nature. The Lessor shall be obligated to re-lease the equipment, or otherwise mitigate the damages from the default, only as required by law.

NOTICE. All notices required or permitted under this Agreement shall be deemed delivered when delivered in person or by mail, postage prepaid, addressed to the appropriate party at the address shown for that party at the beginning of this Agreement.

ASSIGNMENT. The Lessee shall not assign or sublet any interest in this Agreement or the equipment or permit the equipment to be used by anyone other than the Lessee or Lessee's employees, without Lessor's prior written consent.

ENTIRE AGREEMENT AND MODIFICATION. This Agreement constitutes the entire agreement between the Parties. No modification or amendment of this Agreement shall be effective unless in writing and signed by both parties. This Agreement replaces any and all prior agreements between the parties.

GOVERNING LAW. This Agreement shall be construed in accordance with the laws of the State of Arizona.

SEVERABILITY. If any portion of this Agreement shall be held to be invalid or unenforceable for any reason, the remaining provisions shall continue to be valid and enforceable. If a court finds that any provision of this Agreement is invalid or unenforceable, but that by limiting such provision, it would become valid and enforceable, then such provision shall be deemed to be written, construed and enforced so limited.

WAIVER. The failure of either party to enforce any provision of this Agreement shall not be construed as a waiver or limitation of that party's right to subsequently enforce and compel strict compliance with every provision of this Agreement.

CERTIFICATION. Lessee certifies that the application, statements, trade references and financial reports submitted to Lessor are and correct any material misrepresentation will constitute a default under this Agreement.

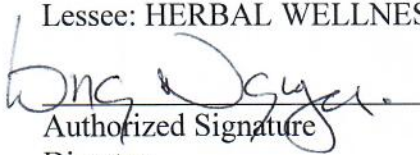
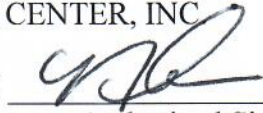
ARBITRATION. Any controversy or claim relating to this Agreement, including the construction or application of this Agreement, will be settled by binding arbitration under the

rules of the American Arbitration Association and any judgment granted by the arbitration(s) may be enforced in any court of proper jurisdiction.

Lessor and Service Provider: HYDROPONICS SOLUTIONS, LLC


Authorized Signature

Lessee: HERBAL WELLNESS CENTER, INC

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Authorized Signature Authorized Signature
Director Director