

## PROMISSORY NOTE

Date: January 15, 2026

**FOR VALUE RECEIVED**, Black Rose Industries LLC, a Michigan limited liability company and Verde Industries LLC, a Michigan limited liability company (“Borrower”), promises to pay to the order of JLB Monarch Holdings LLC, a Michigan limited liability company (“Lender”), the principal sum of One Hundred Forty-Five Thousand Eight Hundred Ninety and 23/100 Dollars (US \$145,890.23) (the “Principal”), together with interest as provided herein, pursuant to the terms of this Promissory Note (this “Note”).

### 1. INTEREST.

Interest shall accrue on the unpaid Principal balance at a fixed rate equal to eleven percent (11.00%) per annum (the “Interest Rate”), computed on the basis of a 365-day year for the actual number of days elapsed.

### 2. PAYMENT TERMS; AMORTIZATION.

Borrower shall pay Lender twenty-four (24) monthly installments. Each installment shall be in the amount of Six Thousand Eight Hundred Thirty-One and 32/100 Dollars (US \$6,831.32), due on the first (1st) day of each month, commencing March 1, 2026, and continuing on the same day of each successive month through February 1, 2028 (the “Maturity Date”). Interest shall be calculated using the Interest Rate and the actual number of days elapsed between payment dates. An amortization schedule consistent with the foregoing is attached as Exhibit A (the “Amortization Schedule”).

### 3. APPLICATION OF PAYMENTS.

Unless otherwise required by applicable law, each payment shall be applied in the following order: (i) late charges; (ii) costs and expenses payable under this Note; (iii) accrued interest; and (iv) Principal.

### 4. PREPAYMENT.

Borrower may prepay this Note in whole or in part at any time without premium or penalty. Any partial prepayment shall be applied to Principal.

### 5. LATE CHARGES.

If any payment is not received within five (5) days after its due date, Borrower shall pay a late charge equal to five percent (5.0%) of the overdue payment amount.

### 6. SECURITY INTEREST; COLLATERAL.

This Note is secured by a first-priority security interest in substantially all equipment of the business operated by Six12 Ventures LLC (the “Company”), to the fullest extent permitted by applicable law and cannabis regulatory requirements, pursuant to a Security Agreement executed at Closing (the “Security Agreement”). The collateral includes, without limitation, equipment, furniture, and fixtures whether now owned or hereafter acquired (collectively, the “Collateral”). Borrower and the Company shall execute and

deliver such documents and take such actions as Lender reasonably requests to perfect and maintain Lender's security interest, including filing UCC-1 financing statements.

#### **7. PERSONAL GUARANTY (JOINT AND SEVERAL).**

The obligations of Borrower under this Note are jointly and severally personally guaranteed by Michael Atkins and Ryan Fitzsimmons (each, a "Guarantor" and collectively, the "Guarantors") pursuant to separate Personal Guaranty Agreements executed as of the date hereof, attached as Exhibit B and Exhibit C.

#### **8. EVENTS OF DEFAULT.**

Each of the following constitutes an "Event of Default": (a) failure to pay any amount due under this Note within ten (10) days after written notice; (b) any material breach of the Security Agreement or any Personal Guaranty; (c) insolvency, bankruptcy, or similar proceeding by or against Borrower; (d) the imposition of any lien on the Collateral (other than permitted liens) that is not promptly discharged; or (e) suspension, revocation, or material adverse action by the Michigan Cannabis Regulatory Agency or applicable municipality that materially impairs the business and is not cured within applicable timeframes.

#### **9. REMEDIES; ACCELERATION.**

Upon an Event of Default, Lender may declare the entire unpaid Principal balance, all accrued interest, and all other amounts due hereunder immediately due and payable, and may exercise all rights and remedies available at law or in equity, including rights under the Security Agreement and Article 9 of the Uniform Commercial Code as adopted in Michigan.

#### **10. COSTS OF COLLECTION.**

Borrower shall pay all reasonable costs of collection incurred by Lender in enforcing this Note, including reasonable attorneys' fees and expenses, whether or not suit is filed.

#### **11. GOVERNING LAW; VENUE.**

This Note shall be governed by and construed in accordance with the laws of the State of Michigan. Any action arising out of or relating to this Note shall be brought in the state courts located in Kent County, Michigan (or, if jurisdiction is proper, the federal courts located in the Western District of Michigan), and each party consents to such venue and jurisdiction.

#### **12. COUNTERPARTS; ELECTRONIC SIGNATURES.**

This Note may be executed in counterparts and by electronic signatures (including PDF), each of which is deemed an original and all of which together constitute one instrument.

**IN WITNESS WHEREOF**, Borrower has executed this Note as of the date first written above.

**BORROWER:**

Verde Industires, LLC

By: \_\_\_\_\_

Name: Michael Atkins

Title: Managing Member

**LENDER:**

JLB MONARCH HOLDINGS LLC

By: \_\_\_\_\_

Name: Jonathan Borisch

Title: Managing Member

**BORROWER:**

Black Rose Industries, LLC

By: 

Name: Ryan Fitzsimmons

Title: Managing Member

**ALEXANDER BETTERLY**

Notary Public, State of Michigan

County of Ingham

My Commission Expires 04-14-2030

Acting in the County of Ingham





02/10/2026