

DOCKET NO. LLI-CV23-6035109-S	:	SUPERIOR COURT
	:	
APRIL ARRASATE	:	J.D. OF LITCHFIELD
Plaintiff,	:	
	:	AT TORRINGTON
VS.	:	
	:	
LINARES FAYE FARMS, LLC;	:	
CONNECTICUT SOCIAL EQUITY, LLC;	:	
CONNECTICUT SOCIAL EQUITY	:	
HOLDINGS, LLC (DBA LINARES FAYE	:	
CAPITAL LLC); ARTHUR LINARES;	:	
LUIS LINARES; AND BRIAN FAYE,	:	
Defendants.	:	MAY 23, 2024

REVISED COMPLAINT

INTRODUCTION

1. The Plaintiff, April Arrasate, submits this Revised Complaint against the Defendants, Luis Linares, Arthur Linares, Brian Faye, and the entities they control, Linares Faye Farms, LLC, Connecticut Social Equity, LLC, and Connecticut Social Equity Holdings, LLC (dba Linares Faye Capital, LLC).

2. Defendants made numerous promises to Ms. Arrasate as reflected in the parties' assumption agreement and lease in connection with Defendants' plan to operate a cannabis production facility in accordance with Connecticut's statutory scheme, as described more fully below.

3. Ms. Arrasate's background, experience, and reputation in the cannabis industry resulted in her bringing a valuable business opportunity to Defendants, including the rights for Defendants to purchase a contiguous 78 acre property with acreage in Morris and Bethlehem, Connecticut, for which Ms. Arrasate obtained zoning approval to grow cannabis.

4. As part of the agreements, a portion of the property was to be partitioned and sold to Ms. Arrasate, including the house thereon, for her use as a residence with her young son (the

"Carve-out Property"). Until the date of that partition, which was to be completed by August 23, 2023, Ms. Arrasate leases the Carve-out Property.

5. However, Defendants have violated numerous provisions of these contracts, including, but not limited to, by refusing to partition and sell the Carve-out Property as promised, refusing to pay a contractually agreed \$125,000 fee, failing to install a residential well and make other agreed improvements to the Carve-out Property, repeatedly interfering with Ms. Arrasate's quiet enjoyment of the Carve-out Property, and damaging the Carve-out Property and Ms. Arrasate's personal property in various other ways.

6. Worse yet, the manner in which Defendants have conducted themselves is in bad faith, unethical and unscrupulous, as set forth more fully herein.

7. In addition, the individual Defendants' conduct as described herein, including by issuing hunting permits on the property Ms. Arrasate leased, including the woods she has the exclusive right to enjoy and which she frequents with her young son and dog, *without notifying her*, was reckless and caused Ms. Arrasate extreme distress.

PARTIES

8. The Plaintiff, April Arrasate, is an individual and resides at 266 Watertown Road, Morris, Connecticut.

9. The Defendants, Arthur Linares, Luis Linares, and Brian Faye, are individuals who, upon information and belief, reside in Connecticut.

10. Linares Faye Farms, LLC, Connecticut Social Equity, LLC, and Connecticut Social Equity Holdings, LLC (dba Linares Faye Capital, LLC), are Connecticut limited liability companies, with a principal place of business in Southington, Connecticut, and whose controlling members include Arthur Linares, Luis Linares, and Brian Faye.

COUNT ONE: BREACH OF CONTRACT - ASSIGNMENT AND ASSUMPTION AGREEMENT (ARRASATE VS. CONNECTICUT SOCIAL EQUITY, LLC, LINARES FAYE FARMS, LLC, AND ARTHUR LINARES)

11. On or about August 23, 2022, the Plaintiff, April Arrasate, entered into an assignment and assumption agreement with Connecticut Social Equity, LLC (and executed on its behalf by "backer" Arthur Linares). A copy of the agreement is attached as Exhibit A.

12. The contract was amended in or about September, 2022, to include Linares Faye Farms, LLC as a party. A copy of the amendment is attached as Exhibit B.

13. Prior to the creation of the assignment and assumption agreement, Ms. Arrasate obtained the rights to purchase a 78 acre property with acreage in Morris, Connecticut, and Bethlehem, Connecticut, and with an address of 266 Watertown Road, Morris, CT (the "Property").

14. Ms. Arrasate obtained zoning approval from the Town of Morris for the Property to be used to grow cannabis pursuant to Connecticut's statutory scheme, the Responsible and Equitable Regulation of Adult-Use Cannabis Act (or "RERACA"), codified at Conn. Gen. Stat. § 21a-420 *et seq.*

15. Via the assignment and assumption agreement, Ms. Arrasate transferred the purchase rights to the Property to Defendants Connecticut Social Equity, LLC, Linares Faye Farms, LLC, and/or individual "backer" Arthur Linares, in exchange for, among other things (a) partition of an approximately 20 acre portion of the Property (including portions in Morris and Bethlehem), to be sold to Ms. Arrasate (the "Carve-out Property"); (b) sale of the Carve-out Property to Ms. Arrasate for \$1.00; and (c) payment of a \$125,000 penalty if (a) and (b) were not accomplished within one year.

16. Defendants purchased the Property, and have begun operations, including large-scale outdoor cannabis production pursuant to Connecticut's statutory scheme.

17. Despite demand, and an opportunity to cure, Defendants Connecticut Social Equity, LLC, Linares Faye Farms, LLC, and/or individual "backer" Arthur Linares, have breached the agreement in numerous ways, including, but not limited to, by failing and refusing to partition and sell the Carve-out Property to Ms. Arrasate, failing and refusing to install a residential well on the Carve-out Property, leasing the entire Property to Connecticut Social Equity, LLC, including the Carve-out Property, despite the existing lease of the Carve-out Property, and refusing to make a required \$125,000 payment.

18. Ms. Arrasate has been damaged by Defendants' breaches of the assignment and assumption agreement.

COUNT TWO: BREACH OF CONTRACT - LEASE (ARRASATE VS. ARTHUR LINARES; CONNECTICUT SOCIAL EQUITY, LLC; LINARES FAYE FARMS, LLC; AND CONNECTICUT SOCIAL EQUITY HOLDINGS, LLC D/B/A LINARES FAYE CAPITAL, LLC)

19. On or about August 23, 2022, Ms. Arrasate entered into a 20 year lease agreement with Arthur Linares, to lease the Carve-out Property until its partition and sale to Ms. Arrasate as required under the assignment and assumption agreement. A copy of the lease is attached as Exhibit C.

20. On or about September 29, 2022, the parties amended the agreement to include Linares Faye Farms, LLC, Connecticut Social Equity, LLC, and/or Connecticut Social Equity Holdings LLC d/b/a Linares Faye Capital, LLC, as a counter-party(ies) to the lease. A copy of the amendment is attached as Exhibit D.

21. Ms. Arrasate has timely paid all rent due under the lease, and fulfilled all her obligations as tenant under the lease and under Connecticut's statutory scheme governing the landlord-tenant relationship, as codified at Conn. Gen. Stat. §47a-1 *et seq.*

22. Defendants have violated the terms of the lease and their obligations as landlord under Conn. Gen. Stat. §47a-7, including, but not limited to, by repeatedly trespassing, damaging Ms. Arrasate's personal property, damaging the Carve-out Property, including violations of local ordinances, failing to record the lease on Town land records, and by repeatedly interfering with her quiet enjoyment of the Carve-out Property, including, but not limited to, by issuing hunting permits without notice to Ms. Arrasate, where she resides with her small child.

23. Ms. Arrasate has been damaged by Defendants' breaches of the lease agreement and violations of Conn. Gen. Stat. §47a-7.

COUNT THREE: BREACH OF THE IMPLIED COVENANT OF GOOD FAITH AND FAIR DEALING (ARRASATE VS. ARTHUR LINARES; LUIS LINARES; BRIAN FAYE; CONNECTICUT SOCIAL EQUITY, LLC; LINARES FAYE FARMS, LLC; AND CONNECTICUT SOCIAL EQUITY HOLDINGS, LLC D/B/A LINARES FAYE CAPITAL, LLC

24. Paragraphs 1-23 are incorporated herein as Paragraphs 1-23 of Count Three.

25. The assignment and assumption agreement and lease agreement entered into between Ms. Arrasate and Defendants both include an implied covenant of good faith and fair dealing.

26. Defendants, including the individual defendants acting in their individual capacities, have repeatedly engaged in bad faith conduct by the manner in which they caused, and continue to cause, breach of the agreements, including by acting with malice, deception, and by their intentional evasion of the spirit of the bargains set forth in the contracts. They have berated Ms. Arrasate, including with infantilizing, sexist behavior, and have gone so far as to demand that *she* hire an attorney through whom to speak to "their attorney", solely for the purpose of causing Ms. Arrasate unnecessary expense and frustration.

27. Ms. Arrasate has been damaged by Defendants' breach of the implied covenant of good faith and fair dealing, including by being compelled to expend attorneys' fees to enforce her rights under the contracts and her statutory rights as tenant.

COUNT FOUR: VIOLATION OF CUTPA

28. Paragraphs 1-27 are incorporated herein as Paragraphs 1-27 of Count Four.

29. Defendants' obligations under the lease are governed by Conn. Gen. Stat. §47a-7. Defendant Connecticut Social Equity, LLC, its "backers" and its principals, are obligated to operate their cannabis business pursuant to Conn. Gen. Stat. § 21a-420, et seq.

30. Defendants' violations of their contractual and statutory responsibilities are unscrupulous, unethical, and in bad faith.

31. Defendants' violations as described herein violate the Connecticut Unfair Trade Practices Act, codified at Conn. Gen. Stat. § 42-110a et seq. ("CUTPA")

32. Plaintiff has been damaged by Defendants' violations of CUTPA, including by being compelled to expend attorneys' fees to enforce her rights under the contracts and her statutory rights as tenant.

33. Plaintiff brings this Count pursuant to Conn. Gen. Stat. §42-110g.

COUNT FIVE - RECKLESSNESS (ARRASATE VS. ARTHUR LINARES, LUIS LINARES, AND BRIAN FAYE)

34. Defendants Arthur Linares, Luis Linares, and Brian Faye knew that Ms. Arrasate, her young son, and her dog, frequent the outdoor portions of the Carve-Out Property she leases, including acres of woods located thereon, which they know she has the exclusive right to use and enjoy under her lease.

35. With conscious and callous disregard for her safety, and that of her young son and dog, Defendants Arthur Linares, Luis Linares, and Brian Faye issued hunting permits to several unnamed individuals, including the unlimited right to use bows and arrows, shotguns, muzzleloaders, centerfire rifles and revolvers in the woods on the Carve-Out Property Ms. Arrasate, her son, and dog frequent and that she has the exclusive right to use and enjoy.

36. In an extreme departure from ordinary care, Defendants Arthur Linares, Luis Linares, and Brian Faye never notified Ms. Arrasate that they issued these permits.

37. Upon her own investigation and discovery of two of the permits, Ms. Arrasate immediately, through counsel, notified Defendants Arthur Linares, Luis Linares, and Brian Faye, through their counsel, and demanded that they revoke the permits.

38. Doubling down on their recklessness and conscious and callous disregard for her safety, and that of her young son and dog, Defendants Arthur Linares, Luis Linares, and Brian Faye lied, claiming they never issued any such permits, until they were shown copies of two of the permits she discovered, signed by Brian Faye.

39. Despite claimed assurances from their counsel that any such permits have been revoked, Ms. Arrasate continues to hear gunshots, particularly coming from the vicinity of the Bethlehem portion of the Carve-Out Property.

40. As a result of their reckless conduct, Ms. Arrasate has sustained damages and will in the future continue to sustain damages, including severe emotional distress, due to the extreme danger created by the Defendants' permitting several individuals, including some hitherto unknown and un-named individuals, to hunt using guns on the Carve-Out Property that Defendants know she has an exclusive right to use and enjoy, without notifying her.

COUNT SIX - NEGLIGENT INFLICTION OF EMOTIONAL DISTRESS (ARRASATE VS. ARTHUR LINARES, LUIS LINARES, AND BRIAN FAYE)

41. Defendants Arthur Linares, Luis Linares, and Brian Faye knew that Ms. Arrasate, her young son, and her dog, frequent the outdoor portions of the Carve-Out Property she leases, including acres of woods located thereon, which they know she has the exclusive right to use and enjoy under her lease.

42. With conscious and callous disregard for her safety, and that of her young son and dog, Defendants Arthur Linares, Luis Linares, and Brian Faye issued hunting permits to several unnamed individuals, including the unlimited right to use bows and arrows, shotguns, muzzleloaders, centerfire rifles and revolvers in the woods on the Carve-Out Property Ms. Arrasate, her son and dog frequent and that she leases and has the exclusive right to use and enjoy.

43. In an extreme departure from ordinary care, Defendants Arthur Linares, Luis Linares, and Brian Faye never notified Ms. Arrasate that they issued these permits, creating a situation where she, her son, or her dog might be mistaken for wild animals and shot.

44. Upon her discovery of two of the permits, Ms. Arrasate immediately, through counsel, notified Defendants Arthur Linares, Luis Linares, and Brian Faye, through their counsel, and demanded that they revoke the permits.

45. Doubling down on their recklessness and conscious and callous disregard for her safety, and that of her young son and dog, Defendants Arthur Linares, Luis Linares, and Brian Faye lied, claiming they never issued any such permits, until they were shown copies of two of the permits she discovered, signed by Brian Faye.

46. Despite claimed assurances from their counsel that any such permits have been revoked, Ms. Arrasate continues to hear gunshots, particularly coming from the vicinity of the Bethlehem portion of the Carve-Out Property.

47. The above-described conduct of Defendants Arthur Linares, Luis Linares, and Brian Faye created an unreasonable risk of causing Ms. Arrasate to suffer emotional distress, which was a foreseeable result of their conduct, and which these Defendants knew might result in illness or bodily harm.

48. As a result of these Defendants' above-described conduct, Ms. Arrasate has suffered and will continue to suffer damages, including emotional distress.

COUNT SEVEN - NEGLIGENCE (ARRASATE VS. ALL DEFENDANTS)

49. Plaintiff incorporates paragraphs 1-33, and 41-48 above, as if fully set forth herein.

50. Each of the Defendants had a duty to refrain from negligently injuring the Plaintiff, her personal property, and the Carve-out Property in which she has an ownership interest.

51. The Defendants breached their duty to exercise the same care as a reasonably prudent person or entity would under the circumstances, in numerous ways, including, but not limited to

- a. causing, or directing, the digging of wells, test pits, and other work that caused flooding of and water damage to the Carve-out Property, the residence on the Carve-out property in which Ms. Arrasate resides, and her personal property;

- b. causing, or directing, that permits be granted to hunters to shoot guns, and/or other weapons on the Carve-out Property with no notice to Ms. Arrasate, and thereafter allowing such activity to take place, also without notice to Ms. Arrasate;

- c. causing, or directing, that unauthorized alterations be made to the Carve-out Property, including, but not limited to, attempts to alter the agreed boundaries by attempting to create an unauthorized parking lot on the Carve-out Property, and/or other unauthorized alterations and/or destruction of the Carve-out Property;

- d. failing to maintain the residence on the Carve-out Property in the same habitable state it was in at the time it was leased, including, but not limited to, failing to prevent the roof from leaking, failing to prevent seepage, and failing to maintain access to utilities; and

- e. invading Ms. Arrasate's privacy with repeated intrusions and trespasses on the Carve-out Property by Defendants and/or their agents, with no notice to Ms. Arrasate, including, but not limited to, negligently causing local police to invade Ms. Arrasate's residence in the middle of the night, due to alarm systems that Defendants negligently operated elsewhere on the Property, in connection with their cannabis business.

52. As a result of the Defendants' negligent conduct, Ms. Arrasate has been caused to sustain damages, including, but not limited to, emotional distress which has led to or may lead to bodily injury, and damage to her personal property, and to the Carve-out property in which she has an ownership interest.

COUNT EIGHT - TORTIOUS INTERFERENCE WITH CONTRACT (ARRASATE VS CONNECTICUT SOCIAL EQUITY, LLC)

53. Plaintiff incorporates paragraphs 1-33, and 41-52 above, as if fully set forth herein.

54. Defendant Connecticut Social Equity, LLC is aware of Ms. Arrasate's Lease of the Carve-out Property, and Assignment and Assumption Agreement.

55. Defendant Connecticut Social Equity, LLC, after learning of Ms. Arrasate's contracts noted above, nevertheless subsequently entered into its own lease agreement, purporting to lease the entire Property, including the Carve-out Property, and recording its improperly claimed interest on town land records.

56. Defendant Connecticut Social Equity, LLC's intent in leasing the entire Property, is to interfere with Ms. Arrasate's contractual rights as expressed in the Lease and the Assignment and Assumption Agreement.

57. As a result, Ms. Arrasate has sustained damages and loss, including, but not limited to, her contractual expectancy interest in purchase of the Carve-out Property, and destruction to and improper alteration of, the Carve-out Property, and Ms. Arrasate's personal property.

COUNT NINE - TORTIOUS INTERFERENCE WITH BUSINESS RELATIONS (ARRASATE VS. ARTHUR LINARES, CONNECTICUT SOCIAL EQUITY, LLC, AND LINARES FAYE FARMS, LLC)

58. Plaintiff incorporates paragraphs 1-33, and 41-57 above, as if fully set forth herein.

59. Defendant Arthur Linares, individually, and/or as controlling principal or "backer" of the Defendant LLCs, is aware that Ms. Arrasate has beneficial business relationships with

numerous parties in the cannabis industry, including with producers, dispensaries, growers, financiers, and various industry service-providers.

60. Mr. Linares has, upon information and belief, on numerous occasions intentionally interfered with Ms. Arrasate's beneficial business relationships, including, but not limited to, by attempting to sell the Property (including the Carve-out Property), and the business entities with ownership interests in the Carve-out Property (including, but not limited to, Linares Faye Farms LLC, and Connecticut Social Equity, LLC) at a buy/sell event in Boston, Massachusetts on or about September 7, 2023, at which numerous of Ms. Arrasate's colleagues and business relations were present), without any notice to Ms. Arrasate of these plans, despite the obvious impact they would have on her contractual and/or other interests in the Carve-out Property.

61. As a result of this intentional interference, Ms. Arrasate has suffered actual loss, including financial and reputational loss.

PLAINTIFF,
APRIL ARRASATE

By /s/ John C. Pitblado
John C. Pitblado
Carlton Fields, P.A.P.C.
1 State Street, Suite 1800
Hartford, CT 06103
Tel 860-392-5000
Fax 860-392-5058
Juris No. 420124

PRAYER FOR RELIEF

WHEREFORE, Plaintiff claims money damages.

WHEREFORE, Plaintiff claims specific performance of Defendants' obligation to partition and sell her the Carve-out Property.

WHEREFORE, Plaintiff claims punitive damages as to Count Three as prescribed by law, including attorney's fees.

WHEREFORE, Plaintiff claims punitive damages, including attorney's fees and double and treble damages as to Count Four as prescribed under Conn. Gen. Stat. §42-110g.

The amount in demand, exclusive of interests and costs, is in excess of fifteen thousand dollars (\$15,000.00)

I hereby certify that I have knowledge of the financial responsibilities of the Plaintiff and deem them sufficient to pay the costs.

THE PLAINTIFF,
APRIL ARRASATE

By /s/ John C. Pitblado
John C. Pitblado
Carlton Fields, P.A.P.C.
1 State Street, Suite 1800
Hartford, CT 06103
jpitblado@carltonfields.com
Tel 860-392-5000
Fax 860-392-5058
Juris No. 420124

CERTIFICATION

This is to certify that on this 23rd day of May, 2024, a copy of the foregoing has or will immediately be served upon the following counsel of record via email and/or U.S. Mail:

Steven J. Stafstrom, Jr.
Pullman & Comley, LLC
850 Main Street P.O. Box 7006
Bridgeport, CT 06601-7006
Juris No. 47892
Telephone 203 330 2000
Facsimile 203 576 8888
sstafstrom@pullcom.com

/s/ John C. Pitblado
John C. Pitblado

EXHIBIT A

ASSIGNMENT AND ASSUMPTION AGREEMENT

This Assignment and Assumption Agreement (the "**Agreement**"), effective as of AUGUST 23, 2022 (the "**Effective Date**"), is by and between April Arrasate ("**Assignor**"), and CONNECTICUT SOCIAL EQUITY LLC, a Connecticut LLC ("**Assignee**").

WHEREAS, Assignor has entered into a certain Real Estate Purchase Agreement, dated as of April 25, 2022 (as amended, the "**Purchase Agreement**"), pursuant to which Assignor has the right to purchase the property located at 266 Watertown Rd, Morris, CT 06763-1902 (the "**Property**"); and

WHEREAS, the Assignee wishes to acquire the right to purchase the Property from the Assignor under the Purchase Agreement, and the Assignor is willing to assign the right to purchase the Property under the Purchase Agreement, on the terms and conditions set forth herein;

NOW, THEREFORE, in consideration of the mutual covenants, terms, and conditions set forth herein, and for other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the parties agree as follows:

1. Assignment and Assumption. Assignor hereby sells, assigns, grants, conveys and transfers to Assignee all of Assignor's right, title and interest in and to the Purchase Agreement the "**Assignment**"). Assignee hereby accepts such assignment and assumes all of Assignor's duties and obligations under the Purchase Agreement and agrees to pay, perform and discharge, as and when due, all of the obligations of Assignor under the Purchase Agreement accruing on and after the Effective Date. This Assignment is subject to the approval of the seller under the Purchase Agreement.

2. Consideration. In consideration for the Assignment, the Assignee hereby agrees to pay the Assignor a cash fee of \$50,000, which shall be due and payable in full upon the closing of the purchase of the Property by the Assignee (the "**Closing**").

3. Covenants of the Assignee. The Assignee further covenants and agrees as follows:

(a) Following the Closing, the Assignee agrees to sell to Assignor the existing house on the Property and the land set forth on Exhibit A attached hereto (the "**Carve-out Property**"), for an aggregate purchase price of \$1.00, subject only to Assignee obtaining the appropriate zoning and other approvals required in order to sell the Carve-out Property to Assignee (the "**Approvals**"). In connection therewith, Assignee agrees to diligently pursue obtaining all the Approvals. In the event that the Assignee does not Close on the purchase of the Property for any reason in accordance with the terms of the Purchase Agreement, or is unable to for any reason, to obtain all the Approvals within 12 months of the Closing then, in addition to any other specific performance or other remedies available to Assignor, the Assignee shall pay to Assignor a cash fee of \$125,000.

(b) From and after the Closing, and until such time as the Carve-out Property has been sold to Assignor as set forth in Section 3(a) above, the Assignee shall lease the

Carve-out Property to Assignor for an annual rent of \$120.00 all as set forth pursuant to the Lease Agreement set forth in Exhibit B hereto.

4. Terms of the Purchase Agreement. The terms of the Purchase Agreement, including, but not limited to, the representations, warranties, covenants, agreements and indemnities are incorporated herein by this reference. The parties hereto acknowledge and agree that the representations, warranties, covenants, agreements and indemnities contained in the Purchase Agreement shall not be superseded hereby but shall remain in full force and effect to the full extent provided therein. In the event of any conflict or inconsistency between the terms of the Purchase Agreement and the terms hereof, the terms of the Purchase Agreement shall govern.

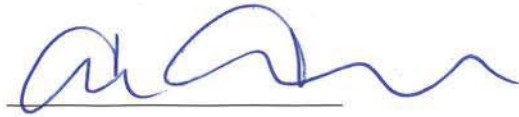
5. Governing Law. This Agreement shall be governed by and construed in accordance with the internal laws of the State of California without giving effect to any choice or conflict of law provision or rule (whether of the State of California or any other jurisdiction).

6. Counterparts. This Agreement may be executed in counterparts, each of which shall be deemed an original, but all of which together shall be deemed to be one and the same agreement. A signed copy of this Agreement delivered by facsimile, email or other means of electronic transmission shall be deemed to have the same legal effect as delivery of an original signed copy of this Agreement.

7. Further Assurances. Each of the parties hereto shall execute and deliver, at the reasonable request of the other party hereto, such additional documents, instruments, conveyances and assurances and take such further actions as such other party may reasonably request to carry out the provisions hereof and give effect to the transactions contemplated by this Agreement.

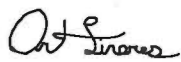
[SIGNATURE PAGE FOLLOWS]

IN WITNESS WHEREOF, THE PARTIES HAVE EXECUTED THIS AGREEMENT TO BE
EFFECTIVE AS OF THE DATE FIRST ABOVE WRITTEN.



Name: April Arrasate, as Assignor

_____, AS
ASSIGNEE

By  _____

Name: ARTHUR LINARES

Title: BACKER

EXHIBIT A
CARVE-OUT PROPERTY

EXHIBIT B
LEASE AGREEMENT

EXHIBIT B

ASL
JA
THIS FIRST AMENDMENT TO ASSIGNMENT AND ASSUMPTION AGREEMENT ("First Amendment") is made and entered into as of the 29th day of September, 2022 ("Effective Date"), by and between Accelerated Properties Morris, LLC as Assignee and April Arrasate, as Assignor. The parties shall be referred to as "Assignee" and "Assignor" in the remaining provisions of this First Amendment

RECITALS

WHEREAS, Connecticut Social Equity, LLC, ("CTSE") and April Arrasate, entered into that certain Assignment and Assumption Agreement dated August 23, 2022 (the "Original Agreement");

WHEREAS, CTSE holds a cannabis license in the state of Connecticut;

WHEREAS LinarisFaye Capital, LLC is a controlling partner of CTSE;

WHEREAS, LinarisFaye LLC and CTSE have created a real estate holding company that will purchase and hold the property subject to the partition and lease obligations set forth in the Original Agreement as amended by this First Amendment;

WHEREAS, The Parties wish to correct the names of the parties and to clarify and/or amend some terms of the Original Agreement;

NOW THEREFORE, in consideration of the foregoing and for other good and valuable consideration, the receipt whereof is hereby acknowledged, the parties agree as follows:

1. **Recitals and Exhibits.** The foregoing Recitals are true and correct and are incorporated herein by this reference as if fully set forth. All capitalized terms used herein and not otherwise defined herein, shall have the meanings ascribed to such terms in the Original Agreement. Unless the context clearly indicates otherwise, all references to the "Agreement" in the Original Agreement shall be deemed to refer to the Original Agreement as amended by and through this First Amendment. All Exhibits and their contents are explicitly agreed to by the parties as binding terms of the Agreement.

2. **Amendment to the Original Assignment and Assumption.** The following sections of the Original Agreement shall be deleted in their entirety and replaced with the following:

a.) **Governing Law.** This Agreement shall be governed by and construed in accordance with the internal laws of the State of Connecticut without giving effect to any choice or conflict of law provision or rule (whether of the State of Connecticut or any other jurisdiction).

b.) **Consideration.** In consideration for the Assignment, the Assignee has paid the Assignor a cash fee of \$50,000 which payment is hereby acknowledged.

3. **Exhibit A:** Exhibit A in the Original Agreement shall be replaced with the following:

EXHIBIT A

CARVE-OUT PROPERTY

"Carve-out Property" is defined as the area described in this Exhibit A together with Easements affording Assignor access from the public way to the existing house on the Property (***"Driveway Easement"***) and from the existing house on the property to the portion of the Carve-out Property located in the town of Bethlehem (***"Cross Parcel Easement"***).

"Remaining Parcel" is defined as the Assignee's remaining property following partition and sale of the Carve-out Property.

Easements: Upon partition and sale of the property as defined in section 3(a) of the Original Agreement, Assignor shall be granted an express easement in the form of a right of way through the Remaining Parcel as depicted in this Exhibit (the ***"Cross-Parcel Easement"***) for all of the purposes for which a way may be used, including, but not limited to the installation of subsurface utilities, and (b) the parties will enter into a reciprocal driveway easement (the ***"Driveway Easement"***) located on the existing driveway running from Watertown Road to the house on the Carve-out Property and providing pedestrian and vehicular access, together with subsurface utility installation (the Cross Parcel Easement and the Driveway Easement collectively the ***"Easements"***). The Easements will run with the land, be recorded with the town and will be binding on all future owners of the Carve-out Property and the Remaining Parcel. The Cross-Parcel Easement will be at least twenty feet wide and will be designed to allow Assignor vehicular access to the portion of the Carve-out Property that includes the property located in the Town of Bethlehem and all of the property west of the Assignee's southern field, and to any adjacent property that Assignor now has an interest in or may own in the future. The Driveway Easement will provide that Assignee is responsible for the maintenance of the driveway in good condition and for all costs of snow and ice removal from the driveway. With respect to the Easements, each party shall pay for their own care, maintenance, repair and replacement of their respective utilities located within the Easements; however to the extent that any damage is caused to another parties' utilities or to the Easements by one party or any agent, servant or employee of a party (***"Causing Party"***), the Causing Party shall be responsible for the entire cost to rectify or cure the damage to the utility or the Easements; and the Causing Party shall indemnify and hold harmless the other parties hereto against all liabilities, damage, cost and expenses arising from such incident by the Causing Party. Both parties will maintain liability insurance sufficient to cover the other party in case of an accident and name the other party as an additional insured on that policy.

License to Dig Wells: Assignor grants Assignee a license to enter upon the Carve-out Property at reasonable times and on reasonable notice, to install, operate and maintain no more wells as is necessary for Assignee's use of the Remaining Parcel for the purposes of cannabis cultivation and product manufacturing; provided, (a) Assignee agrees to install a new well to service the Carve-out Property and connect that well to the existing house (b) no well to be installed by Assignee for Assignee's use shall be located on the Carve-out Property so as to violate the requirements of any local health ordinance or bylaw or preclude the installation of a new leaching field or other septic system components on the Carve-out Property. (c) No well may be installed within 75 feet of a structure on the Carve-out Property without Assignor's prior written consent. (d) If Assignee

installs a well on the portion of the Carve-out Property located in Bethlehem, Assignee agrees to install a well for Assignor on that portion of the property. This license is personal to the Assignee and does not pass with land, however the subsequent landowner may continue to pass through the land to maintain existing wells at subsequent owner's expense.

Map Clarity: At the time of signing this Agreement, the parties do not have a complete survey of the property. This USDA agricultural map is the best indicator of the lot lines to date (shown in red). The parties agree that the area inside the blue line is intended to comprise the Remaining Parcel following partition and the remainder area including the yellow is to comprise the Carve-out Property to be sold to Assignor. The Easements are highlighted in orange (Driveway Easement) and in pink (Cross Parcel Easement.).

For clarity, the Parties agree that the Carve-out Property includes the yellow area North of the driveway while Assignee's property includes the property South of the driveway subject to the reciprocal Driveway Easement. Additionally, the line splitting the yellow and blue areas across the Southern field is meant to run continuously as though the current driveway went all the way to the tree line from the East to the West of the field. The Carve-out Property is to contain the land west of the Southern field, from the tree line to the western boundary. The strip of Assignee's Property connecting the upper and lower fields of the Assignee's Property is intended to connect Assignee's upper and lower fields to create a contiguous parcel for the passage of vehicles and product between the two. This strip will be a maximum of twenty feet wide and will serve as the setback for any structure or fencing installed by Assignee.



[END OF EXHIBIT A]

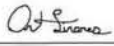
All parties to this First Amendment understand and agree they have had the opportunity to review this First Amendment, and to have this First Amendment reviewed by their own attorney prior to signing this First Amendment.

In Witness Whereof, the parties hereto have executed this First Amendment as of the date set forth above.



APRIL ARRASATE, AS ASSIGNOR

 Linares Faye Farms LLC
~~XCELERATED PROPERTIES MORRIS,~~
~~LLC,~~ AS ASSIGNEE

By 

Name: ART LINARIS

EXHIBIT C

CONNECTICUT RESIDENTIAL LEASE AGREEMENT

1. Date of Lease; Parties

This Lease is made on AUGUST 23, 202², between ARTHUR LINARES, Landlord, and April Arrasate, as Tenant. The parties shall be referred to as "Landlord" and "Tenant" in the remaining provisions of this Lease.

2. House Leased

Landlord hereby leases to Tenant the house and grounds located at 266 Watertown Rd, Morris, CT 06763-1902 as more fully set forth on Exhibit A hereto (the "Premises").

3. Term of Lease

The term of this Lease is 20 years. It begins on Closing Date, 2022 and ends on _____, 20____ at 11:59 p.m. ("Termination Date"). Tenant shall have the right, at her sole discretion, to terminate this Lease upon 30 days prior written notice.

4. Rent; Time and Manner of Payment of Rent

The total annual rent for the term of this Lease is \$120.00. The rent must be paid in annual installments of \$120.00 to the Landlord on the first day of each year for the term of the Lease.

5. Use of Premises

The Premises may be used by Tenant as Tenant desires. Tenant may keep the pets.

6. Condition of Premises

It is understood that Tenant will take possession of the Premises in its present condition. Tenant understands that Landlord intends to operate a cannabis business on the neighboring property.

Any appliances located in the Premises on the date of this Lease are furnished solely for the convenience of Tenant and are included as part of this Lease.

7. Requirements of Law

Tenant shall comply with all the sanitary laws, ordinances and rules, and all orders of the local department of health or health district or other authorities, including zoning authorities, affecting the cleanliness, occupancy, use and preservation of the interior and exterior of the Premises.

8. Access to Premises

Tenant understands that Landlord, Landlord's agents, servants and contractors may enter into and

upon the Premises, or any part thereof, at any time in event of emergency without Tenant's consent. Landlord shall give reasonable advance notice to Tenant of Landlord or Landlord's agents, servants or

contractor's request to enter into the interior of the unit at any reasonable time for any reasonable purpose. Tenant shall not unreasonably withhold consent to Landlord's request for entry for a reasonable purpose, as defined under Connecticut General Statutes Sec. 47a-16(a).

9. Fuel, Heat, Gas, Electricity, Telephone and other Utilities

Landlord and Tenant agree Tenant shall pay for all of the charges for the following items:

Fuel (including fireplace wood, propane, oil & gas) needed to heat the Premises; Cable Television and Internet. The parties understand that the Premises electricity will have to be metered separately, until that time, Landlord shall pay electrical.

10. Alterations by Tenant

Tenant shall be allowed to make any and all alterations, additions, or improvements to the Premises (including, without limitation, those, which are of a more or less permanent nature, such as new floors, partitions, wallpaper and paneling) as Tenant in its sole discretion shall determine to make, without the prior consent of Landlord.

11. Assignment and Sublease

This Lease may not be assigned, without the advance written consent of Landlord. Such consent shall not be unreasonably withheld.

12. Quiet Enjoyment by Tenant

As long as Tenant pays the rent and is not in default on any of the conditions of this Lease, Tenant shall peaceably and quietly have, hold and enjoy the Premises during the term of the Lease.

13. Waiver by Landlord or Tenant Limited

If either Landlord or Tenant waives or fails to enforce any of their rights under the Lease, this does not waive or void any other rights under the Lease, unless prohibited by law. Further, if Landlord or Tenant waives or fails to enforce any of their rights under a specific paragraph of the Lease, such waiver or failure to enforce such rights is limited to the specific instance in question and is not a waiver of any later breaches of such paragraph.

14. Invalidity or Illegality of Part of Lease

If any part of this Lease is determined to be invalid or illegal, then only that specific part shall be void, it shall have no effect, and it shall be disregarded. Notwithstanding, all other parts of the Lease shall remain in full force and effect.

15. Modification or Change of Lease

This Lease and the provisions herein shall only be changed or modified by a written agreement signed by both Landlord and Tenant.

16. Persons Bound by Lease

It is the intent of the parties that this Lease shall be binding upon Landlord and Tenant and upon any parties who may in the future succeed to their interests.

17. Purchase of Premises

The Premises are subject to a purchase and sale agreement between the Landlord and the Tenant as set forth in the Assignment and Assumption Agreement dated as of _____, 2022.

18. Captions for Paragraphs of Lease

The captions of the various paragraphs of this Lease are for convenience and reference purposes only. They are of no other effect.

19. Review by Counsel

All parties to this Lease understand and agree they have had the opportunity to review this Lease, and to have this Lease reviewed by their own attorney prior to signing this Lease.

Arthur Linares Print Name ARTHUR LINARES

Landlord's Signature

April Arce Print Name April Arce

Landlord's Signature

EXHIBIT D

FIRST AMENDMENT TO LEASE AGREEMENT

THIS FIRST AMENDMENT TO LEASE AGREEMENT ("First Amendment") is made and entered into as of the 29th day of September, 2022 ("Effective Date"), by and between ~~Accelerated Properties Morris, LLC~~ ^{Linoris Faye Morris LLC} as Landlord and April Arrasate, as Tenant. The parties shall be referred to as "Landlord" and "Tenant" in the remaining provisions of this First Amendment

RECITALS

WHEREAS, Connecticut Social Equity, LLC, ("CTSE") and April Arrasate, entered into that certain Lease Agreement dated August 23, 2022 (the "Original Lease");

WHEREAS, the Original Lease is subject to an Assignment and Assumption Agreement dated August 23, 2022 and Amendments thereto;

WHEREAS, CTSE holds a cannabis license in the state of Connecticut;

WHEREAS LinarisFaye Capital, LLC is a controlling partner of CTSE;

WHEREAS, LinarisFaye LLC and CTSE have created a real estate holding company that will purchase property and Lease it to CTSE;

WHEREAS, The Parties wish to amend the names of the parties and to clarify and/or amend the terms of the Original Lease;

NOW THEREFORE, in consideration of the foregoing and for other good and valuable consideration, the receipt whereof is hereby acknowledged, the parties agree as follows:

1. **Recitals and Exhibits.** The foregoing Recitals are true and correct and are incorporated herein by this reference as if fully set forth. All capitalized terms used herein and not otherwise defined herein, shall have the meanings ascribed to such terms in the Original Lease. Unless the context clearly indicates otherwise, all references to the "Lease" in the Original Lease shall be deemed to refer to the Original Lease as amended by and through this First Amendment. All Exhibits and their contents are explicitly agreed to by the parties as binding terms of the Lease.

2. **Amendment to the Lease.** The following sections of the Original Lease shall be deleted in their entirety and replaced with the following:

a.) **Date of Lease; Parties.** This Lease is made on September, 2022, between ~~Accelerated Properties Morris, LLC~~ ^{Linoris Faye Morris LLC} as Landlord, and April Arrasate, as Tenant. The parties shall be referred to as "Landlord" and "Tenant" in the remaining provisions of this Lease.

b.) **Term of Lease.** The term of this Lease is 20 years. It begins on the Closing date and ends twenty years thereafter. ("Termination Date"). Tenant shall have the right, at her sole discretion, to terminate this Lease upon 30 days prior written notice. The

term "Closing" is defined as the date that Landlord closes on the Property as defined in the Assignment and Assumption Agreement dated August 23, 2022.

- c.) **Requirements of Law:** Tenant shall comply with all the sanitary laws, ordinances and rules, and all orders of the local department of health or health district or other authorities, including zoning authorities, affecting the cleanliness, occupancy, use and preservation of the interior and exterior of the Premises. There should not be any use of property by the Tenant that violates Landlord's license to operate a cannabis business.
- d.) **Fuel, Heat, Gas, Electricity, Telephone and other Utilities:** Landlord and Tenant agree Tenant shall pay for all of the charges for the following items: Fuel (including fireplace wood, propane, oil & gas) needed to heat the Premises; Cable Television and Internet.

The parties understand that the Premises electricity is currently intertwined with Landlord's. Landlord will pay for electricity for one year and during that time will have the right to use that electricity to serve Landlord's Remaining Parcel. Should Landlord upgrade or modify the utilities, Tenant has the right to tie into said utilities. No upgrade or modification of the current utilities by Landlord shall interrupt services to the Tenant without Tenant's prior written consent.

3. Exhibit A: Exhibit A in the Original Lease shall be replaced with the following:

EXHIBIT A

"Premises" is defined as the area described in this Exhibit together with Easements affording Tenant access from the public way to the existing house on the Property (**"Driveway Easement"**) and from the existing house on the property to the portion of the Carve-out Property located in the town of Bethlehem (**"Cross Parcel Easement"**).

"Remaining Parcel" is defined as the Landlord's remaining property following partition and sale of the Carve-out Property as mandated by the Assignment and Assumption Agreement and Amendments thereto.

Easements: During the term of this Lease, Tenant shall be granted an express easement in the form of a right of way through the Remaining Parcel as depicted in this Exhibit (the **"Cross-Parcel Easement"**) for all of the purposes for which a way may be used, including, but not limited to the installation of subsurface utilities, and (b) the parties will enter into a reciprocal driveway easement (the **"Driveway Easement"**) located on the existing driveway running from Watertown Road to the house on the Premises and providing pedestrian and vehicular access, together with subsurface utility installation (the Cross Parcel Easement and the Driveway Easement collectively the **"Easements"**). The Easements will run with the land, be recorded with the town and will be binding on all future owners of the Premises and the Remaining Parcel. The Cross-Parcel Easement will be at least twenty feet wide and will be designed to allow Tenant vehicular access to the portion of the Premises that includes the property located in the Town of Bethlehem, and to any adjacent property that Tenant now has an interest in or may own in the future. The Driveway Easement will provide that Landlord is responsible for the maintenance of the driveway in good condition and for all costs of snow and ice removal from the driveway. With respect to the Easements, each party shall pay for their own care, maintenance, repair and replacement of their respective utilities located within the Easements; however to the extent that any damage is caused to another parties' utilities or to the Easements by one party or any agent, servant or employee of a party (**"Causing Party"**), the Causing Party shall be responsible for the entire cost to rectify or cure the damage to the utility or the Easements; and the Causing Party shall indemnify and hold harmless the other parties hereto against all liabilities, damage, cost and expenses arising from such incident by the Causing Party. Both parties will maintain liability insurance sufficient to cover the other party in case of an accident and name the other party as an additional insured on that policy.

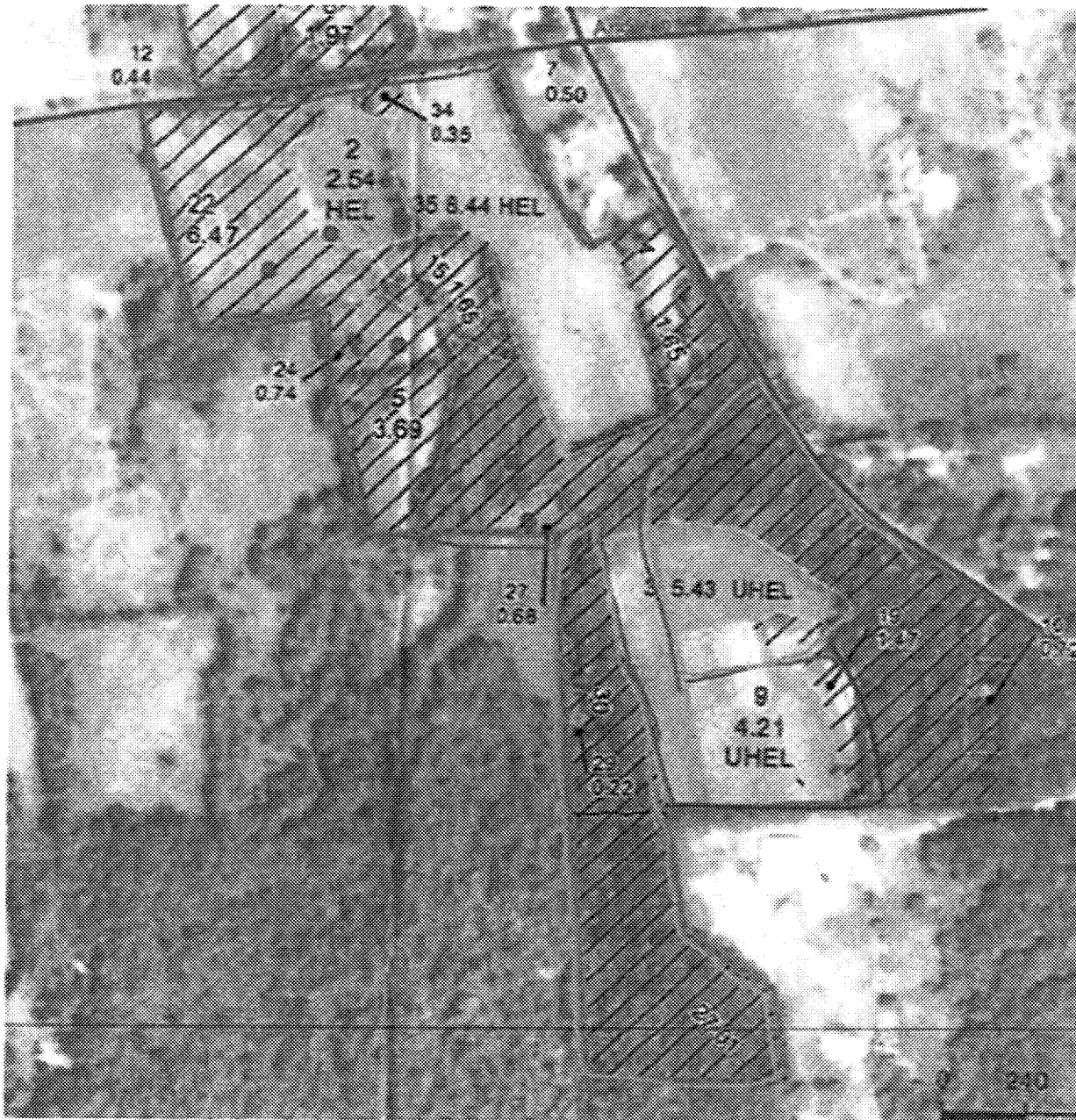
License to Dig Wells: Tenant grants Landlord a license to enter upon the Premises at reasonable times and on reasonable notice, to install, operate and maintain no more wells as necessary for Landlord's use of the Remaining Parcel for the purposes of cannabis cultivation and product manufacturing; provided, (a) Landlord agrees to install a new well to service the Premises and connect that well to the existing house (b) no well to be installed by Landlord for Landlord's use shall be located on the Premises so as to violate the requirements of any local health ordinance or bylaw or preclude the installation of a new leaching field or other septic system components on the Premises. (c) No well may be installed within 75 feet of a structure on the Premises without Tenant's prior written consent. (d) If Landlord installs a well on the portion of the Premises located in Bethlehem, Landlord agrees to install a well for Tenant on that portion of the property.

This license is personal to the Landlord and does not pass with land, however the subsequent landowner may continue to pass through the land to maintain existing wells at subsequent owner's expense.

Map Clarity: At the time of signing this Agreement, the parties do not have a complete survey of the property. This USDA agricultural map is the best indicator of the lot lines to date (shown in red). The parties agree that the area inside the blue line is intended to comprise the Remaining Parcel following partition and the remainder area including the yellow is to comprise the Carve-out Property to be sold to Tenant. The Easements are highlighted in orange (Driveway Easement) and in pink (Cross Parcel Easement.).

For clarity, the Parties agree that the Carve-out Property includes the yellow area North of the driveway while Landlord's property includes the property South of the driveway subject to the reciprocal Driveway Easement. Additionally, the line splitting the yellow and blue areas across the Southern field is meant to run continuously as though the current driveway went all the way to the tree line from the East to the West of the field. The Carve-out Property is to contain the land west of the Southern field, from the tree line to the western boundary. The strip of Landlord's Property connecting the upper and lower fields of the Landlord's Property is intended to connect Landlord's upper and lower fields to create a contiguous parcel for the passage of vehicles and product between the two. This strip will be a maximum of twenty feet wide and will serve as the setback for any structure or fencing installed by Landlord.

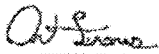




[END OF EXHIBIT A]

All parties to this First Amendment understand and agree they have had the opportunity to review this Lease, and to have this Lease reviewed by their own attorney prior to signing this Lease.

In Witness Whereof, the parties hereto have executed this First Amendment as of the date set forth above.


Landlord's Signature
Print Name: ~~XCELERATED PROPERTIES MORRIS, LLC~~
BY: ARTHUR LINARES

Linares Faye Farms LLC

ASL
AA


Tenant's Signature
Print Name: APRIL ARRASATE