



MEMORANDUM

TO: Alcoholic Beverage Control Board

DATE: January 30, 2023

FROM: Kristina Serezhenkov, OLE

RE: #2787 Olsen's Liquor Store

Requested Action: Transfer of ownership with security interest

Statutory and Regulatory Authority: AS 04.06.090(b): "The board shall review all applications for licenses made under this title and may order the director to issue, renew, revoke, transfer, or suspend licenses and permits authorized under this title."

AS 04.11.360(4): "An application requesting approval of a transfer of a license to another person under this title shall be denied if the transferor has not paid all debts or taxes arising from the conduct of the business licensed under this title unless

- (A) the transferor gives security for the payment of the debts or taxes satisfactory to the creditor or taxing authority; or
- (B) the transfer is under a promise given as collateral by the transferor to the transferee in the course of an earlier transfer of the license under which promise the transferor is obliged to transfer the license back to the transferee in the event of default in payment for property conveyed as part of the earlier transfer of the license..."

AS 04.11.670: "A license issued under this title is not subject to foreclosure, and may not be used as collateral to secure a debt. However, if a license is transferred to another person, the transferor may secure payment for real and personal property conveyed to the transferee upon the promise of the transferee to transfer the license back to the transferor upon default in payment."

3 AAC 304.106(a): "If a former licensee seeks to compel the transfer of a license because of a promise under [AS 04.11.670](#) given as collateral by the current licensee to the former licensee in the course of an earlier transfer of the license, followed by a default in payment in connection with property conveyed or a lease made in the course of the previous transfer, the board will deny the transfer if creditors are not satisfied under [AS 04.11.360\(4\)\(A\)](#) unless it clearly appears that the former licensee, at the time of the previous transfer, complied with the following notice

requirements:

- (1) a leasehold conveyance or contract of sale of property made in the course of the previous license transfer was recorded in the manner provided for recordation of real estate conveyances, and the transferor, at the time of the previous transfer, made a UCC filing statement in which a security interest in the license was claimed under [AS 04.11.670](#) and [AS 04.11.360\(4\)\(B\)](#); the documents recorded under this paragraph

- must contain the following statement: "Under the terms of [AS 04.11.670](#), [AS 04.11.360\(4\)\(B\)](#), and [3 AAC 304.106](#), the transferor/lessor retains a security interest in the liquor license that is the subject of this conveyance, and may, as a result, be able to obtain a retransfer of the license without satisfaction of other creditors."; and
- (2) all documents prepared in connection with the previous transfer of the liquor license, including all leases, contracts, and other relevant memoranda, were filed with the board at the time of the previous transfer; the documentation must include a statement of the book and page number showing where the lease or contract, and UCC filing statement, bearing the disclosure statement required in (1) of this subsection, are recorded; and
 - (3) the notice of the previous transfer required by [AS 04.11.310\(a\)](#) was made in writing and published, as required under [3 AAC 304.125](#), once a week for three weeks in a newspaper of general circulation before the transfer, in addition to any other notice of the application that might have been required by the board at the time of the previous transfer; the published notice must contain the following statement: "Under the terms of [AS 04.11.360\(4\)\(B\)](#), [AS 04.11.670](#), and [3 AAC 304.106](#), the transferor/lessor retains a security interest in the liquor license that is the subject of this conveyance, and may, as a result, be able to obtain a retransfer of the license without satisfaction of other creditors."

Staff Rec.: Consider the transfer with a security interest.

Background: A completed transfer application has been received for liquor license 2787. Staff has reviewed and determined that both the transfer application and Security Interest notices and documents have been completed to meet the requirements laid out in 3 AAC 304.106(a); signed recorded copies of all Security Interest documents will be required before the transfer is effectuated

Attachments: Security Interest Documents
AB-01
AB-02

UCC FINANCING STATEMENT
FOLLOW INSTRUCTIONS

A. NAME & PHONE OF CONTACT AT FILER (optional) Michele Rupp 907.257.7808								
B. E-MAIL CONTACT AT FILER (optional) rupp.michele@dorsey.com								
C. SEND ACKNOWLEDGMENT TO: (Name and Address) <table border="1"> <tr> <td>Ryan Cole & Michael R. Mills</td> <td></td> </tr> <tr> <td>Dorsey & Whitney LLP</td> <td></td> </tr> <tr> <td>1031 W. 4th Ave., Ste. 600</td> <td></td> </tr> <tr> <td>Anchorage, AK 99501</td> <td></td> </tr> </table>	Ryan Cole & Michael R. Mills		Dorsey & Whitney LLP		1031 W. 4th Ave., Ste. 600		Anchorage, AK 99501	
Ryan Cole & Michael R. Mills								
Dorsey & Whitney LLP								
1031 W. 4th Ave., Ste. 600								
Anchorage, AK 99501								

THE ABOVE SPACE IS FOR FILING OFFICE USE ONLY

1. DEBTOR'S NAME: Provide only one Debtor name (1a or 1b) (use exact, full name; do not omit, modify, or abbreviate any part of the Debtor's name); if any part of the Individual Debtor's name will not fit in line 1b, leave all of item 1 blank, check here and provide the Individual Debtor information in item 10 of the Financing Statement Addendum (Form UCC1Ad)

1a. ORGANIZATION'S NAME DariaJohn, LLC, dba Olsen's Liquor Store				
OR	1b. INDIVIDUAL'S SURNAME	FIRST PERSONAL NAME	ADDITIONAL NAME(S)/INITIAL(S)	SUFFIX
1c. MAILING ADDRESS	CITY	STATE	POSTAL CODE	COUNTRY
PO BOX 376	Dillingham	AK	99576	USA

2. DEBTOR'S NAME: Provide only one Debtor name (2a or 2b) (use exact, full name; do not omit, modify, or abbreviate any part of the Debtor's name); if any part of the Individual Debtor's name will not fit in line 2b, leave all of item 2 blank, check here and provide the Individual Debtor information in item 10 of the Financing Statement Addendum (Form UCC1Ad)

2a. ORGANIZATION'S NAME				
OR	2b. INDIVIDUAL'S SURNAME	FIRST PERSONAL NAME	ADDITIONAL NAME(S)/INITIAL(S)	SUFFIX
2c. MAILING ADDRESS	CITY	STATE	POSTAL CODE	COUNTRY

3. SECURED PARTY'S NAME (or NAME of ASSIGNEE of ASSIGNOR SECURED PARTY): Provide only one Secured Party name (3a or 3b)

3a. ORGANIZATION'S NAME Kvichak Pacific, LLC				
OR	3b. INDIVIDUAL'S SURNAME	FIRST PERSONAL NAME	ADDITIONAL NAME(S)/INITIAL(S)	SUFFIX
3c. MAILING ADDRESS	CITY	STATE	POSTAL CODE	COUNTRY
P.O. BOX 91006	Anchorage	AK	99501	USA

4. COLLATERAL: This financing statement covers the following collateral:

All present and future rights of the Debtor to (i) all furniture, fixtures, equipment, inventory and supplies, (ii) all accounts, all payments and rights to payment from all sources, including, without limitation, those that are not evidenced by instruments or chattel paper, and whether or not they have been earned by performance, (iii) deposit accounts, (iv) proceeds of letters of credit of which the Debtor is named beneficiary, (v) general intangibles, (vi) contract rights, (vii) chattel paper, (viii) instruments, (ix) documents, (x) insurance proceeds, and (xi) all other indebtedness and obligations whatsoever owing to or owned or acquired by the Debtor, together with all instruments and all documents of title representing any of the foregoing, all rights in any property that the same may represent, and all right, title, security and guarantees with respect to each of the foregoing, whether now owned or hereafter acquired.

State of Alaska Package Store License #2787. Under the terms of AS 04.11.670, AS 04.11.360(4)(B), and 3 AAC 304.106, Kvichak Pacific, LLC, as transferor, retains a security interest in the liquor license that is the subject of this conveyance, and may, as a result, be able to obtain a retransfer of the license without satisfaction of other creditors.

5. Check only if applicable and check only one box: Collateral is held in a Trust (see UCC1Ad, item 17 and Instructions) being administered by a Decedent's Personal Representative

6a. Check only if applicable and check only one box:
 Public-Finance Transaction Manufactured-Home Transaction A Debtor is a Transmitting Utility

6b. Check only if applicable and check only one box:
 Agricultural Lien Non-UCC Filing

7. ALTERNATIVE DESIGNATION (if applicable): Lessee/Lessor Consignee/Consignor Seller/Buyer Bailee/Bailor Licensee/Licenser

8. OPTIONAL FILER REFERENCE DATA:

UCC FINANCING STATEMENT ADDENDUM

FOLLOW INSTRUCTIONS

9. NAME OF FIRST DEBTOR: Same as line 1a or 1b on Financing Statement; if line 1b was left blank because individual Debtor name did not fit, check here

9a. ORGANIZATION'S NAME DariaJohn, LLC dba Olsen's Liquor Store	
OR	9b. INDIVIDUAL'S SURNAME
	FIRST PERSONAL NAME
	ADDITIONAL NAME(S)/INITIAL(S)
	SUFFIX

THE ABOVE SPACE IS FOR FILING OFFICE USE ONLY

10. DEBTOR'S NAME: Provide (10a or 10b) only one additional Debtor name or Debtor name that did not fit in line 1b or 2b of the Financing Statement (Form UCC1) (use exact, full name; do not omit, modify, or abbreviate any part of the Debtor's name) and enter the mailing address in line 10c

10a. ORGANIZATION'S NAME	
OR	10b. INDIVIDUAL'S SURNAME
	INDIVIDUAL'S FIRST PERSONAL NAME
	INDIVIDUAL'S ADDITIONAL NAME(S)/INITIAL(S)

10c. MAILING ADDRESS		CITY	STATE	POSTAL CODE	SUFFIX	COUNTRY
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11. ADDITIONAL SECURED PARTY'S NAME or ASSIGNOR SECURED PARTY'S NAME: Provide only one name (11a or 11b)

11a. ORGANIZATION'S NAME Brannon Rentals, LLC					
OR	11b. INDIVIDUAL'S SURNAME				
	FIRST PERSONAL NAME				
	ADDITIONAL NAME(S)/INITIAL(S)				
	SUFFIX				
11c. MAILING ADDRESS P.O. Box 91006		CITY Anchorage	STATE AK	POSTAL CODE 99501	COUNTRY USA

12. ADDITIONAL SPACE FOR ITEM 4 (Collateral):

13. This FINANCING STATEMENT is to be filed (for record) (or recorded) in the REAL ESTATE RECORDS (if applicable)

14. This FINANCING STATEMENT:

covers timber to be cut covers as-extracted collateral is filed as a fixture filing

15. Name and address of a RECORD OWNER of real estate described in item 16 (if Debtor does not have a record interest):

16. Description of real estate:

17. MISCELLANEOUS:

SECURITY AGREEMENT

THIS SECURITY AGREEMENT ("Agreement") is made and entered into as of ____, 20__ (the "Effective Date") by and among DariaJohn, LLC, an Alaska limited liability company (the "Debtor"), Kvichak Pacific, LLC, an Alaska limited liability company ("Kvichak Pacific"), and Brannon Rentals, LLC, an Alaska limited liability company ("Brannon Rentals") and collectively with Kvichak Pacific, the "Secured Parties"). The Debtor and the Secured Parties each also referred to as a "Party" or together, the "Parties").

RECITALS

WHEREAS The Debtor is the Maker of a Promissory Note in the original principal amount of Three Million One Hundred Sixty Thousand Dollars and No Cents (\$3,160,000) (as amended, restated, or otherwise modified from time to time, the "Promissory Note"), of even date herewith, pursuant to which the Secured Parties have agreed to make certain financial accommodations to the Debtor to allow Debtor to purchase assets from both Secured Parties, including State of Alaska Package Store Liquor Licenses No. 2787 and No. 1405; and

WHEREAS, in order to induce the Secured Parties to make the financial accommodations provided to the Debtor pursuant to the Promissory Note, the Debtor desires to pledge, grant, transfer, and assign to the Secured Parties a security interest in the Collateral (as hereinafter defined) to secure the Obligations (as hereinafter defined), as provided herein.

AGREEMENT

NOW THEREFORE, in consideration of the mutual covenants and promises contained herein, the Debtor and the Secured Parties agree as follows:

1. Grant of Security Interest. For valuable consideration, the receipt of which is hereby acknowledged, the Debtor hereby grants and assigns to the Secured Parties a continuing security interest in all of the Debtor's right, title and interest in the collateral (the "Collateral") described in Section 3 of this Agreement to secure the Obligations described in Section 2,

2. Obligations. The grant of Collateral in this Agreement shall secure the following obligations: (i) the payment and performance of the Debtor's obligations under the Promissory Note; (ii) the payment and performance of obligations under a promissory note between LiLRock, LLC, an Alaska limited liability company ("LiLRock") and Brannon Rentals of even date herewith; (iii) the payment and performance of the Debtor's obligations under this Agreement; (iv) all amounts under any modifications, renewals or extensions of any of the foregoing obligations; and (v) any of the foregoing that arise after the filing of a petition by or against the Debtor under Title 11 of the United States Code (the "Bankruptcy Code"), even if the obligations do not accrue because of the automatic stay under Bankruptcy Code § 362 or otherwise (collectively, the "Obligations"). The Debtor shall execute and deliver, in a form acceptable to the Secured Parties, all documents that are reasonably necessary to perfect and maintain the perfection of the security interest in the Collateral, and the Debtor hereby authorizes the Secured Parties to file any UCC-1 financing statement(s), and amendments the Secured Parties deem necessary to perfect this

Agreement. The Debtor also hereby grants and transfers to the Secured Parties as additional security, a security interest in any and all after acquired Collateral in which the Debtor hereafter acquires rights.

3. Description of Collateral. The collateral covered by this Agreement and in which a security interest is hereby granted and transferred to the Secured Parties is as follows (the "Collateral"):

- a. all present and future rights of the Debtor to (i) all furniture, fixtures, equipment, inventory, and supplies, (ii) all accounts, all payments and rights to payment from all sources, including, without limitation, those that are not evidenced by instruments or chattel paper, and whether or not they have been earned by performance, (iii) deposit accounts, (iv) proceeds of letters of credit of which the Debtor is named beneficiary, (v) general intangibles, (vi) contract rights, (vii) chattel paper, (viii) instruments, (ix) documents, (x) insurance proceeds, and (xi) all other indebtedness and obligations whatsoever owing to or owned or acquired by the Debtor, together with all instruments and all documents of title representing any of the foregoing, all rights in any property that the same may represent, and all right, title, security and guarantees with respect to each of the foregoing, whether now owned or hereafter acquired.
- b. State of Alaska Package Store License #1405 issued to DariaJohn, LLC, dba Dillingham Liquor Store, and State of Alaska Package Store License #2787 issued to DariaJohn, LLC, dba Olsen's Liquor Store. Under the terms of AS 04.11.670, AS 04.11.360(4)(B), and 3 AAC 304.106, the Secured Parties, as transferors, retain a security interest in the liquor licenses that are the subject of this conveyance, and may, as a result, be able to obtain a retransfer of the licenses without satisfaction of other creditors as provided by Alaska Statute.

4. Security Interest in Proceeds. The Debtor also hereby grants and transfers to the Secured Parties a security interest in any and all proceeds, as defined in the Uniform Commercial Code as adapted in Alaska ("Code"), of the Collateral or any part of the Collateral (hereinafter, the "Proceeds"). Any and all references hereinafter to Collateral shall be deemed to include Proceeds.

5. Covenants, Representations and Warranties of the Debtor. The Debtor hereby covenants, represents and warrants to the Secured Parties that:

- a. The Debtor is the full legal and equitable owner of the Collateral and no other person or entity has any right, title, interest, or claim in or to the Collateral or any part of the Collateral. The Debtor has the right and lawful authority to pledge the Collateral hereunder and the execution, delivery and performance of this Agreement have been duly authorized by all necessary corporate action of the Debtor. This Agreement is a legally valid and binding obligation of the Debtor, enforceable against it in accordance with its terms, except as enforcement may be limited by bankruptcy, insolvency, reorganization, moratorium or similar laws or equitable principles relating to or limiting creditors' rights generally.

- b. The Debtor owns the Collateral free and clear of any lien, security interest, charge or encumbrance ("Lien"), except for the liens granted herein.
- c. No financing statement or other instrument similar in effect covering all or any part of the Collateral is or shall be on file in any recording office, except such as may have been filed in favor of, or assigned to, the Secured Parties pursuant to any agreement executed by the Parties. The execution, delivery and performance of this Agreement by the Debtor does not and will not result in a breach of, or constitute a default under, any agreement, lease or instrument to which the Debtor is a party or by which it or its property may be bound.
- d. This Agreement creates a valid, perfected (upon the filing of one or more financing statements in the Central Filing Office in Alaska that is maintained by the Department of Natural Resources) security interest in the Collateral and Proceeds securing the payment of the obligations hereunder, and all filings and other actions necessary or desirable to perfect and protect such security interest have been duly taken.
- e. The Debtor shall not sell, lease, transfer or otherwise dispose of or encumber the Collateral, or any part of the Collateral, without the prior written consent of the Secured Parties; provided, however, the Debtor shall be entitled to utilize the Collateral and Proceeds for the payment of the debts and obligations of the Debtor, but solely for such payments that are made in the ordinary course of business.
- f. The Debtor shall not create or suffer to exist any lien or security interest in the Collateral, other than the liens herein granted, nor permit the Collateral to be levied upon, attached or seized where such levy, attachment or seizure is not cured or dismissed within thirty (30) days. The Debtor shall defend the Collateral against the claims and demands of all persons except the Secured Parties.
- g. The Debtor shall pay before delinquency all taxes or other governmental charges levied against the Collateral and all assessments or liens in connection with the Collateral or necessary to preserve the Collateral and will pay any tax that may be levied on any Obligation secured hereby.
- h. The Debtor shall promptly notify the Secured Parties in writing of any event that affects the value of the Collateral, or the rights and remedies of the Secured Parties in relation thereto, including, but not limited to, the levy of any legal process against the Collateral.
- i. The Debtor shall immediately notify the Secured Parties of any proposed or actual change of the Debtor's name, identity, form of organization, jurisdiction of organization or the principal place of business of the Debtor.
- j. The records regarding the Collateral shall be located at the principal office of the Debtor or, if applicable, the management company managing the Debtor's business and shall not, during the continuance of this Agreement, be removed from those premises without the prior written consent of the Secured Parties. The Debtor shall maintain all records and evidence of or pertaining to the Collateral, herein called the "Records," in

an updated state at the Debtor's own cost and expense. The Debtor shall not, without the prior written consent of the Secured Parties, sell or otherwise dispose of any portion of the Records until all amounts secured by the security interest created by this Agreement have been fully and finally paid.

- k. The Secured Parties and their authorized representatives or agents, upon at least two (2) business days prior written notice, shall have the right at any time during normal business hours and at reasonable intervals to enter the premises where the Collateral is located and inspect said Collateral and to enter the premises where the Records are located and inspect the Records. For purposes of this Agreement, the term "business day" shall mean any day that is not a Saturday, Sunday or United States national holiday.
- l. When requested by the Secured Parties, the Debtor, at the expense of the Debtor, shall execute and deliver any written instruments and documents and do any other acts necessary or reasonably desirable in order to perfect and protect any security interest granted or purported to be granted hereunder or to enable the Secured Parties to exercise and enforce their rights and remedies hereunder or to in any other way effectuate more fully the purpose and provisions of this Agreement.
- m. The Debtor shall defend, indemnify and hold the Secured Parties harmless from and against any and all losses, costs, damages, liabilities or expenses, including, but not limited to, reasonable attorneys' fees that the Secured Parties may sustain or incur by reason of defending or protecting its security interest or the priority thereof occasioned by the Debtor's breach of any covenant contained in this Section 5 (Covenants, Representations and Warranties of the Debtor), or enforcing payment of the Obligations hereby secured, or in the prosecution or defense of any action or proceeding concerning any matter growing out of or connected with this Agreement, the Obligations or the Collateral, except where such losses, costs, damages, liabilities, expenses or fees are caused by the gross negligence or willful misconduct of the Secured Parties.
- n. The Debtor shall not make or agree to any reduction in the original amount owing on any account receivable of the Debtor, nor accept less than the original amount owing in satisfaction of a receivable; provided, however, that prior the occurrence of a Default or during any cure period for a Default, if applicable (so long as the Debtor is taking actions in good faith to cure such Default) under this Agreement, the Debtor may take such actions (i) only if taken in the ordinary course of the Debtor's business and in accordance with its current policies and (ii) so long as such policies of the Debtor are substantially similar to such policies then in effect at other organizations in the same or similar business as the Debtor.
- o. In the event of a Default (as hereinafter defined) hereunder or a default under the Promissory Note, the Debtor shall pay all expenses incurred by the Secured Parties in connection with the collection of the Collateral, including expenses of and incidental to accounting, correspondence, collection effort, reporting to account or contract debtors, filing, recording and record keeping.

6. The Debtor Remains Liable. Anything herein to the contrary notwithstanding, (i) the Debtor shall remain liable under any contracts and agreements included in the Collateral, to the extent set forth therein, to perform all of its duties and obligations thereunder to the same extent as if this Agreement had not been executed, (ii) the exercise by the Secured Parties of any of the rights hereunder shall not release the Debtor from any of its duties or obligations under the contracts and agreements included in the Collateral and (iii) the Secured Parties shall not have any obligation or liability under any contracts and agreements included in the Collateral by reason of this Agreement, nor shall the Secured Parties be obligated to perform any of the obligations or duties of the Debtor thereunder or to take any action to collect or enforce any claim for payment assigned hereunder.

7. Insurance. The Debtor shall, at its own expense, maintain insurance with respect to the Collateral and business of the Debtor in such amounts, against such risks, in such form and amounts and with such insurers, as shall be satisfactory to the Secured Parties from time to time, but not in excess of the full insurable value thereof. The Secured Parties shall be listed as additional insureds under the policies and evidence of such shall be provided to the Secured Parties. The Debtor shall provide at least thirty (30) days' prior written notice to the Secured Parties of cancellation, material amendment, reduction in scope or limits of coverage or lapse. The Debtor shall, if so requested by the Secured Parties, deliver to the Secured Parties original or duplicate policies of such insurance and, as often as the Secured Parties may reasonably request, a report of a reputable insurance broker with respect to such insurance. Further, the Debtor shall, at the request of the Secured Parties, duly execute and deliver instruments of assignment of such insurance policies to comply with the requirements of Section 7 hereof and cause the respective insurers to acknowledge notice of such assignment.

Upon the occurrence and during the continuance of any Default under this Agreement all insurance payments in respect of the Collateral shall be paid to and applied by the Secured Parties as specified in Section 11 hereof.

8. Actions by the Secured Parties. In the event of Default under the terms of this Agreement, the Secured Parties shall also have the right, at their option, to enter the premises where the records or any part of the records are located, and cause to be performed as agent and on the account of the Debtor any such acts as it may deem necessary for the proper maintenance of the records or the maintenance and preservation of any part of the Collateral. Any monies expended or expenses incurred by the Secured Parties under this Section 8 shall also be secured by the security interest created by this Agreement and shall be due and payable by the Debtor to the Secured Parties, together with interest at the highest rate allowed by law, on demand.

9. Waiver of Rights and Defenses. The Debtor hereby waives any right to require the Secured Parties to proceed against any account debtor or to proceed against the Collateral, including, but not limited to, any accounts assigned hereunder, and the Debtor waives the right to require the Secured Parties to pursue any other remedy for the benefit of the Debtor and agrees that the Secured Parties may proceed against the Debtor for the amount of any indebtedness owed by the Debtor to the Secured Parties without taking any action against any account debtor or any other party and without selling or otherwise proceeding against the Collateral or applying any security it may hold.

10. Default Defined. The term "Default" shall mean the occurrence of any of the following events:

- a. Failure to keep or perform and cure within any applicable grace period as provided herein any of the terms or provisions of this Agreement, the Promissory Note, or any Obligation;
- b. The levy of or any attachment, execution or other process against the Debtor that is not cured or dismissed within any applicable grace period as provided herein against the Collateral;
- c. The insolvency or dissolution of the Debtor;
- d. (i) The application for the appointment of a receiver or custodian for the Debtor or the property of the Debtor, (ii) the entry of an order for relief or the filing of a petition by or against the Debtor under the provisions of the Bankruptcy Code, or any other bankruptcy or insolvency law, or (iii) any assignment for the benefit of creditors by or against the Debtor;
- e. Any representation, warranty or certification made by the Debtor in connection with this Agreement or the Promissory Note shall be false in any material respect on the date as of which made;
- f. The Secured Parties' security interest in the Collateral is not at all times a perfected security interest; or
- g. The Debtor shall fail, breach or default in the performance of any of the obligations or covenants owing by the Debtor to the Secured Parties pursuant to any agreement.

11. Remedies Upon Default. In the event of a Default, the Secured Parties shall have all the rights and remedies afforded a Secured Parties by the Code or other law, as amended from time to time, and may, in connection therewith, subject to any applicable state alcohol statute or regulation, also:

- a. Enter on the Debtor's premises to assemble and take possession of the Collateral and Records;
- b. Require the Debtor to assemble the Collateral and Records and make their possession available to the Secured Parties at a place designated by the Secured Parties that is reasonably convenient to both the Debtor and the Secured Parties;
- c. After giving the Debtor written notice, notify the account debtors obligated on any or all of the Collateral to make payment directly to the Secured Parties, and to take control of all Proceeds of any such Collateral, and to compromise said Collateral;
- d. Apply the Proceeds received from the sale or other disposition of the Collateral upon Default, in addition to the items specified in the Code, to the payment of reasonable

attorneys' fees and legal expenses incurred by the Secured Parties as a result of the Debtor's Default.

- e. Take immediate possession of the Collateral and use and operate said Collateral. For the purpose of taking immediate possession of the Collateral, the Secured Parties may enter into any premises upon which the Collateral is located, and search for the same and take possession and keep and store the same on said premises until sold or delivered or, in the alternative, may remove the Collateral or any part thereof to such other place as the Secured Parties may desire, subject to any applicable state alcohol statutes and regulations. The Secured Parties may, at its option, sell and dispose of all the Collateral at a public auction or private sale for cash or for credit, upon such terms as it may elect, after giving such notice as is required by the Code, and the Debtor shall be credited with the amount of any such sale only when the cash proceeds thereof are actually received by the Secured Parties. Any requirements of notice shall be met if such notice is mailed, postage prepaid, at least ten (10) calendar days before the time of sale or other disposition. None of the Collateral subject to the security interest created hereby need be in view of those attending any such sale or other disposition or be in its physical possession at or as a condition to selling or otherwise disposing thereof. The Secured Parties are specifically given the right to bid and purchase at any public auction or private sale, if permitted under the Code. The Secured Parties may sell the Collateral described herein or any other Collateral as the Secured Parties may have securing the Obligations (including real property Collateral) in such order, priority and lots as the Secured Parties, in its sole and absolute discretion, may designate and the Debtor shall not have the right to direct in what order or priority the Collateral may be sold. All expenses of retaking, holding, preparing for sale, selling or the like shall include, without limitation, the Secured Parties' reasonable attorneys' fees and other legal expenses and disbursements.
- f. Apply the Proceeds to the Promissory Note by allocating first to the amount due to Brannon Rentals and, when Brannon Rentals is fully paid, to the Obligations due to Kvichak Pacific.

12. Additional Rights of the Secured Parties and Waiver. The Debtor hereby expressly consents to any delay or indulgence by the Secured Parties in enforcing any of the obligations secured hereby and to any extension of time for payment of any indebtedness due the Secured Parties. The cessation of the liability of the Debtor for repayment of the Obligations for any reason other than full payment, or any extension, renewal, forbearance, change of rate of interest (if applicable), or the Secured Parties' acceptance, release or substitution of security, or any impairment or suspension of the Secured Parties' remedies or rights against the Debtor shall not in any manner affect the liability of the Debtor hereunder or the Secured Parties' security interest in the Collateral.

13. Charges Incurred Under this Agreement. All advances, charges, costs and expenses, including reasonable attorneys' fees, incurred or paid by the Secured Parties in exercising any right, power or remedy conferred by this Agreement, or, in the event of enforcement thereof through a proceeding of any sort, awarded by the court or arbitrator hearing or deciding the action or proceeding giving rise to the utilization of such attorney, shall become a part of the Obligations

secured hereunder and shall be paid to the Secured Parties by the Debtor immediately and without demand following notification of the occurrence thereof, and to the extent not paid within five (5) calendar days thereafter, shall bear interest at 15%.

14. Termination. This Agreement and the security interest in the Collateral created hereby shall terminate after payment and performance in full of all Obligations arising hereunder or under the Promissory Note. Upon such payment and performance in full of all Obligations, the Collateral shall be released from the security interest hereby created and the Secured Parties will, at the Debtor's expense, execute and deliver to the Debtor such documents as the Debtor shall reasonably request to evidence such release.

15. Notices. All notices permitted under this Agreement shall be in writing signed by the party giving same and shall be deemed effective upon personal delivery, one (1) day after delivery by recognized overnight courier, or three (3) days after mailing by certified or registered mail, postage prepaid, as follows:

If to the Secured Parties, addressed to:

Michael J. Keenan
P.O. Box 91006
Anchorage, Alaska 99509
Email: mjkatty49@gmail.com

With a copy to (which shall not constitute notice):

DORSEY & WHITNEY, LLP
1031 West Fourth Avenue, Suite 600
Anchorage, Alaska 99501
Attention: Michael R. Mills
Email: mills.mike@dorsey.com

If to the Debtor, addressed to:

Thomas and Gretchen Mueller
P. O. Box 1431
Dillingham, Alaska 99576
Email: tomjimuellet58@gmail.com

With a copy to:

Law Offices of Royce & Brain
3150 C Street, Suite 245
Anchorage, Alaska 99503
Attention: Jason J. Ruedy
Email: jruedy@roycebrain.com

16. Time Is of the Essence. Time is hereby expressly declared to be of the essence of this Agreement.

17. Assignment. The Secured Parties may assign their rights under this Agreement and the security interest created by this Agreement. Should the Secured Parties assign their rights under this Agreement or the security interest created by this Agreement, the Secured Parties' assignee shall be entitled, on written notice of the assignment being given by the Secured Parties to the Debtor, to all performance required of the Debtor in this Agreement and all payments and monies when due that are secured by this Agreement. This Agreement and each of its provisions shall be binding on the heirs, executors, administrators, successors and assigns of each of the parties hereto. Except as otherwise provided in this Agreement, nothing contained in this Section 17 shall be deemed a consent to the sale, assignment or transfer by the Debtor of the Collateral or the obligations of the Debtor under this Agreement.

18. Entire Agreement. This Agreement together with the Promissory Note, constitute the entire agreement between the parties pertaining to the subject matter hereof and supersedes all prior agreements and understandings of the parties in connection therewith.

19. Governing Law; Uniform Commercial Code. This Agreement shall be governed by and construed in accordance with the laws of the State of Alaska. It is the intention of the parties hereto that this Agreement is entered into pursuant to the provisions of the Code and terms defined in such Code not otherwise defined in this Agreement are used in this Agreement as defined in that Code on the date of this Agreement. Any provisions of said Code not specifically included herein shall be deemed a part of this Security Agreement in the same manner as set forth herein in its entirety; and any provisions of this Agreement that might in any manner be in conflict with any of the provisions of said Code shall be deemed superseded by said Code, and to that extent the provisions hereof that are superseded by the Code shall be severable and the invalidity of one shall not invalidate another.

20. The Secured Parties Appointed Attorney-in-Fact. The Debtor hereby irrevocably appoints the Secured Parties to be the Debtor's attorney-in-fact, with full authority in the place and stead of the Debtor and in the name of the Debtor, the Secured Parties or otherwise, from time to time in the Secured Parties' discretion, when a Default exists and is continuing, to take any action and to execute any instrument that the Secured Parties may deem necessary or advisable to accomplish the purposes of this Agreement, including, without limitation:

a. To obtain and adjust insurance required to be maintained by the Debtor or paid to the Secured Parties pursuant to Section 7 (Insurance) hereof;

b. To ask, demand, collect, sue for, recover, compound, receive and give acquittance and receipts for monies due and to become due under or in respect of any of the Collateral;

c. To receive, endorse and collect any drafts or other instruments, documents and chattel paper in connection with Section 11 (Remedies Upon Default) hereof;

d. To file any claims or take any action or institute any proceedings that Secured. Party may deem necessary for the collection of any of the Collateral or otherwise to enforce the rights of the Secured Parties with respect to any of the Collateral;

e. To pay or discharge taxes or liens, levied or placed upon or threatened against the Collateral, the legality or validity thereof and the amounts necessary to discharge the same to be determined by the Secured Parties in its sole discretion, and such payments made by the Secured Parties to become obligations of the Debtor to the Secured Parties, due and payable immediately without demand;

f. To sign and endorse any invoices, freight or express bills, bills of lading, storage or warehouse receipts, drafts against debtors, assignments, verifications and notices in connection with accounts and other documents relating to the Collateral;

g. Generally to sell, transfer, pledge, make any agreement with respect to or otherwise deal with any of the Collateral as fully and completely as though the Secured Parties were the absolute owner thereof for all purposes, and to do, at the Secured Parties' option and the Debtor's expense, at any time, or from time to time, all acts and things that the Secured Parties deems necessary to protect, preserve or realize upon the Collateral and the Secured Parties' security interest therein, in order to effect the intent of this Agreement, all as fully and effectively as the Debtor might do; and

h. To exercise all of the Debtor's rights, powers and privileges under any of the Debtor's contracts and to require the Debtor, as determined in the Secured Parties' sole discretion to (i) take such actions as may be necessary to assign such rights to the Secured Parties, (ii) continue to perform in accordance with the terms of such contracts and (iii) use its best efforts to preserve the value of each contract.

21. Indemnity of Debtor. The Secured Parties shall indemnify the Debtor from and against all losses occasioned by the Secured Parties' gross negligence or willful misconduct in exercising the foregoing powers. As set forth in Section 13 (Charges Incurred Under this Agreement), the Debtor shall reimburse the Secured Parties for any costs incurred by the Secured Parties in exercising the foregoing powers.

22. The Secured Parties May Perform. If the Debtor fails to perform any agreement contained herein, the Secured Parties may perform, or cause performance of, such agreement, and the expenses of the Secured Parties incurred in connection therewith shall be payable by the Debtor.

23. Headings. Section and subsection headings in this Agreement are included herein for convenience of reference only and shall not constitute a part of this Agreement or be given any substantive effect.

24. Severability. In case any provision in or obligation under this Agreement shall be invalid, illegal or unenforceable in any jurisdiction, the validity, legality and enforceability of the remaining provisions or obligations, or of such provision of obligation and in any other jurisdiction, shall not in any way be affected or impaired thereby.

25. Counterparts. This Agreement may be executed in one or more counterparts, each of which shall be deemed an original and all of which together shall constitute one and the same Agreement.

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

SECURED PARTIES:

Brannon Rentals, LLC

By: Michael J. Keenan
Its: Member/Manager

Kvichak Pacific, LLC

By: Michael J. Keenan
Its: Member/Manager

DEBTOR:

DariaJohn, LLC

By: Thomas Mueller
Its: Member

By: Gretchen Mueller
Its: Member

[Signature Page for Security Agreement]

ASSET PURCHASE AGREEMENT

by and among

DARIAJOHN, LLC & LILROCK, LLC, BUYERS

and

KVICHAK PACIFIC, LLC & BRANNON RENTALS, LLC, SELLERS

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ASSET PURCHASE AGREEMENT

THIS ASSET PURCHASE AGREEMENT (this "*Agreement*"), dated as of September 30, 2022 (the "*Effective Date*"), is made and entered into by and among Brannon Rentals, LLC, an Alaska limited liability company d/b/a Dillingham Liquor Store ("*Brannon Rentals*"), Kvichak Pacific, LLC, an Alaska limited liability company d/b/a Olsen's Liquor Store ("*Kvichak Pacific*" and collectively with Brannon Rentals, the "*Sellers*"), DariaJohn, LLC, an Alaska limited liability company ("*DariaJohn*"), and LiLRock, LLC, an Alaska limited liability company ("*LiLRock*" and collectively with DariaJohn, the "*Buyers*"). Sellers and Buyers are sometimes referred to singularly as a "*Party*" and collectively as the "*Parties*."

WHEREAS, Michael J. Keenan, a resident of Alaska ("*Keenan*") is the sole member of the Sellers.

WHEREAS, Thomas Mueller, a resident of Alaska ("*Thomas*") and Gretchen Mueller, a resident of Alaska ("*Gretchen*" and collectively with Thomas, the "*Muellers*") are the only members of the Buyers.

WHEREAS, Sellers desires to sell and assign to Buyers, and Buyers desires to purchase from Sellers, on the terms and subject to the conditions set forth in this Agreement, the assets of Sellers identified in Section 1.1 of this Agreement.

NOW, THEREFORE, in consideration of the mutual covenants, representations, warranties and agreements and the conditions set forth in this Agreement, Buyers and Sellers hereby agree as follows:

Article 1. Transfer of Assets

1.1 Transfer of Assets. On the terms and subject to the conditions set forth in this Agreement, Sellers shall collectively, at the Closing (as defined in Section 3.1 hereof), sell, transfer, and assign to the respective Buyers, and Buyers shall purchase and acquire from Sellers, all of Sellers' right, title, and interest, as of the Closing Date (as defined in Section 3.1 hereof), in and to the following described assets of the respective Sellers (collectively, the "*Transferred Assets*") identified below:

(a) The real property, buildings, and fixtures owned by Brannon Rentals that are described on Schedule 1.1(a) to this Agreement (the "*Real Property*");

(b) That certain Commercial Lease Agreement dated September 1, 2022 by and between Kvichak Pacific and DMV4 Properties, LLC (the "*Lease*");

(c) The two liquor licenses owned by the respective Sellers described in Schedule 1.1(c) (the "*Liquor Licenses*") issued by the State of Alaska Alcoholic Beverage Control Board (the "*ABC Board*");

(d) All third party contracts of each Seller described on Schedule 1.1(d) to this Agreement;

- (e) \$10,000 in cash from Brannon Rentals for working capital ("*Working Capital*");
- (f) All of the equipment and furnishings owned by the respective Sellers as of the Closing Date, as described on **Schedule 1.1(f)**;
- (g) All of the respective Sellers' inventory of alcoholic beverages as of the Closing Date, which shall be "normal" levels of inventory and more particularly described on **Schedule 1.1(g)** to be added at Closing;
- (h) The right to use the name "Dillingham Liquor Store" and "Olsen's Liquor Store" by DariaJohn;
- (i) All supplier and/or vendor lists, manuals, specifications, maintenance records, labels, brochures, advertising materials, and other books and records for each Seller;
- (j) Computer disk with names and addresses or email addresses of clients that each Seller has in its records;
- (k) All other intangible assets of each of the Sellers, including all intellectual property, business telephone numbers, email addresses, the respective websites and domain names, and any social media accounts of the respective Sellers;
- (l) And any Goodwill associated with any of the above for each Seller.

1.2 **Excluded Assets.** All other assets of each of the Sellers not expressly described in **Section 1.1** of the Schedules thereto ("*Excluded Assets*") shall be retained by Sellers and shall not be sold, transferred, or assigned to Buyers in connection with the purchase of the Transferred Assets. Without limiting the generality of the foregoing, Excluded Assets shall include the assets described in **Schedule 1.2** to this Agreement.

1.3 **Assumed Contracts and Liabilities.** Upon the terms and subject to the conditions set for in this Agreement, as of the Closing, Buyers shall assume and agree to perform and discharge only those liabilities and obligations of Sellers relating to the Transferred Assets (collectively "*Assumed Liabilities*"), accruing or otherwise arising after the Closing Date and relating to Buyers' ownership of the Transferred Assets and operation of the associated business enterprise, expressly identified in **Schedule 1.3** to this Agreement.

1.4 **Excluded Liabilities.** Notwithstanding the provisions of this Agreement, and regardless of any disclosure made by Sellers, Buyers shall not assume, and the Assumed Liabilities shall not include any liabilities, obligations, or commitments of Sellers not expressly identified as Assumed Liabilities, including, but not limited to:

- (a) Any uncured defaults in the performance of any matter by Sellers prior to Closing;
- (b) Any indebtedness of Sellers;

(c) Any liabilities for taxes relating to or arising out of Sellers' business operations with respect to any time period prior to the Closing Date;

(d) Any claim, cause of action, judicial or administrative action, suit, proceeding, or investigation, pending or threatened as of the Closing Date, relating to periods prior to the Closing Date;

(e) Any failure or alleged failure to comply with any law, rule, regulation, statute, ordinance, permit, judgment, injunction, order, license, or other governmental approval, which failure occurred or was alleged to have occurred prior to the Closing Date;

(f) Any infringement or alleged infringement of the rights of any other person or entity arising out of the use of any intellectual property prior to the Closing Date;

(g) Any liability, obligation, or commitment, arising prior to the Closing Date, whether or not included in the Assumed Liabilities, with respect to which Sellers are covered by insurance, to the extent of such coverage; and

(h) Any obligation, expense or liability of Sellers arising out of or incurred as a result of any third party transaction of Sellers occurring after Closing.

Article 2. Purchase Price

2.1 Amount. The purchase price (the "*Purchase Price*") for the Transferred Assets shall be Four Million Dollars (\$4,000,000).

2.2 Cash at Closing. At Closing, the Buyers shall pay Fifty Thousand Dollars (\$50,000) of the Purchase Price in cash ("*Cash Payment*").

(a) LiLRock Promissory Notes. At Closing, LiLRock shall execute and deliver to Brannon Rentals a promissory note in a form substantially as set forth in Exhibit A (the "*LiLRock Promissory Note*") in the principal amount of Seven Hundred Ninety Thousand Dollars (\$790,000) amortized over an eleven (11) year period from the date of Closing at a five percent (5%) interest rate, compounded annually, with the full balance being due three (3) years from the Closing Date. The LiLRock Promissory Note shall be secured by the Real Property through a Deed of Trust and Assignment of Rents, substantially in the form attached hereto as Exhibit B (the "*Deed of Trust*"). The LiLRock Promissory Note shall be cross-defaulted with the DariaJohn Promissory Note defined below.

(b) DariaJohn Promissory Note. At Closing, DariaJohn shall execute and deliver to Sellers a promissory note in a form substantially as set forth in Exhibit C (the "*DariaJohn Promissory Note*") in the principal amount of Three Million One Hundred Sixty Thousand Dollars (\$3,160,000) amortized over an eleven (11) year period from the date of Closing at a five percent (5%) interest rate, compounded annually, with the full balance being due three (3) years from the Closing Date. The DariaJohn Promissory Note shall be secured by all property transferred by Sellers to DariaJohn and after-acquired property of DariaJohn, including: (1) a Security Agreement covering all personal property, including the Liquor Licenses, substantially in the form attached hereto as Exhibit D; (3)

an Assignment and Assumption of Lease Agreement for Security for each of the Liquor License locations to be held in escrow by Sellers, substantially in the form attached hereto as Exhibit E; and (4) a UCC-1 Financing Statement from DariaJohn for each of the Liquor License locations, substantially in the form attached hereto as Exhibit F. The DariaJohn Promissory Note shall be cross-defaulted with the LiLRock Promissory Note.

(c) **Guaranty.** Thomas and Gretchen Mueller (“*Guarantors*”) shall guarantee the payment of the Joint Promissory Note by executing and delivering to Sellers a Guaranty (the “*Guaranty*”) in favor of Sellers, substantially in the form attached hereto as Exhibit G, which will be secured by a Pledge Agreement (the “*Pledge Agreement*”) covering all of the Guarantors’ membership interests in DariaJohn and LiLRock, substantially in the form attached hereto as Exhibit H. Guarantors shall also each execute and deliver an Assignment of Membership Interests in DariaJohn and LiLRock (the “*Assignment of Membership Interests*”), substantially in the form attached hereto as Exhibit I, which shall be held in escrow pending full payment of the Joint Promissory Note or an uncured default that allows Sellers to take ownership of the Buyer entities.

2.3 **Manner of Payment.** Buyers shall pay the Cash Payment for the Transferred Assets to Sellers on the Closing Date by wire transfer to Sellers’ account. Payments on the Joint Promissory Note shall be made after Closing as directed by Sellers.

2.4 **Allocation of Purchase Price.** The Buyers and Sellers have allocated the Purchase Price among the Transferred Assets and Sellers as set forth on Exhibit J. The parties understand and agree that the amount of Purchase Price allocated to Inventory in Exhibit J is subject to change at Closing based on actual inventory on hand and any changes in Inventory from the Effective Date will be inversely reflected in the amount of Purchase Price allocated to Goodwill. Sellers reserve the right to apply payments to the assets sold in their discretion. Buyers shall prepare for filing all of the tax returns, information returns and statements (“*Returns*”) that may be required with respect to the transaction provided for herein pursuant to Section 1060 of the Internal Revenue Code of 1986, as amended (the “*Code*”), any Treasury Regulations promulgated thereunder, any other similar provision of the Code and any other similar, applicable foreign, state or local tax law or regulation consistent with the allocation on Exhibit J. Sellers shall provide information that may be required by Buyers for the purpose of preparing such Returns, execute and file such Returns as requested by Buyers and file all other returns and tax information on a basis that is consistent with such Returns prepared by Buyers.

2.5 **Liquor Credit.** As of the Closing Date, and continuing for a three (3) year period thereafter, Keenan shall be allowed each year to obtain a cumulative total not to exceed of \$3,500 worth of alcoholic beverages (valued at wholesale cost) from DariaJohn at no cost to Keenan.

Article 3. Closing

3.1 **Closing.** The final closing of the transactions contemplated by this Agreement (the “*Closing*”) shall take place at the offices of Dorsey & Whitney LLP, 1031 W. 4th Ave., Ste. 600, Anchorage, AK 99501, or as otherwise agreed by the Parties, and shall be effective as of the later of 12:01 AM (Alaska time) on January 1, 2023, or upon approval by the ABC Board for the transfer of the Liquor Licenses from Sellers to Buyers (the “*Closing Date*”).

3.2 Closing Costs. At Closing, Sellers on the one hand and Buyers on the other hand shall equally share all recording fees and other closing costs and pay for their respective attorneys' fees, except for fees and costs related to the transfer of the Liquor Licenses, as set forth in Section 9.3 and the payment of all title insurance costs, which shall be borne exclusively by LilRock.

3.3 General Procedure. At the Closing, each party shall deliver to the party entitled to receipt thereof the documents required to be delivered pursuant to Article 9 hereof and such other documents, instruments and materials (or complete and accurate copies thereof, where appropriate) as may be reasonably required in order to effectuate the intent and provisions of this Agreement, and all such documents, instruments and materials shall be satisfactory in form and substance to counsel for the receiving party. The conveyance, transfer, assignment and delivery of the Transferred Assets shall be effected by Brannon Rentals' execution and delivery to LilRock of a Quitclaim Deed covering the Real Property, substantially in the form of Exhibit K, the execution and delivery by Kvichak Pacific and DariaJohn of an Assignment and Assumption Agreement covering the Lease, substantially in the form attached hereto as Exhibit L (the "*Assignment and Assumption Agreement*"), and the execution and delivery by each Seller of a Bill of Sale substantially in the form attached hereto as Exhibit M (the "*Bill of Sale*"), and such other instruments of conveyance, transfer, assignment and delivery as Buyers shall reasonably request to cause Sellers to transfer, convey, assign and deliver the Transferred Assets to Buyers.

Article 4. Representations and Warranties of Sellers

Each Seller hereby represents and warrants to Buyers as to themselves and the property each owns that the following statements are true and correct as of the date of this Agreement and will also be true and correct on the Closing Date as set forth on a Bring-Down Certificate:

4.1 Incorporation and Corporate Power. Each Seller is a limited liability company duly incorporated, validly existing, and in good standing under the laws of the State of Alaska and each Seller has all requisite corporate power and authority to own the Transferred Assets being sold to Buyers.

4.2 Execution, Delivery; Valid and Binding Agreement. The execution, delivery, and performance of this Agreement by each of the Sellers and the consummation of the transactions contemplated hereby have been duly and validly authorized by the sole member of each Seller, and no other corporate proceedings on its part are necessary to authorize the execution, delivery and performance of this Agreement. This Agreement has been duly executed and delivered by each of the Sellers and, assuming that this Agreement is the valid and binding agreement of Buyers, constitutes the valid and binding obligation of each of the Sellers, enforceable in accordance with its terms, except as such enforcement may be limited by applicable bankruptcy, insolvency, reorganization, moratorium or other laws of general application affecting enforcement of creditors' rights or by general principles of equity.

4.3 Authority. Each of the Sellers has the requisite corporate power and authority to execute and deliver this Agreement and to perform its obligations hereunder.

4.4 Condition of Transferred Assets. Based upon the familiarity of the Muellers with the Transferred Assets, the Transferred Assets are being sold to Buyers on an **AS IS, WHERE IS** basis.

4.5 Brokerage. No broker, finder or other party was the procuring cause of or is otherwise entitled to any commission or other compensation with respect to the transaction described in this Agreement, based on the actions of Sellers or anyone acting on Sellers' behalf. Sellers shall indemnify, defend and hold Buyers harmless with respect to any claim or demand for any commission or other compensation respecting the transaction described in this Agreement made by any person or entity claiming to have dealt with Sellers, including the defense of any action which may be brought by any such person or entity.

4.6 Title of Transferred Assets. Each Seller has good and marketable title to the Transferred Assets being sold to Buyers under this Agreement. Such Transferred Assets will be free and clear of all liens mortgages, security interests, pledges, charges, and other encumbrances at Closing.

4.7 Taxes. Each Seller has timely filed all tax returns and have not been notified of any audit, contest of tax returns, or taxes owing in connection with the same by any government taxing authority.

4.8 No Pending or Threatened Claim of Litigation. There is no pending or threatened litigation or other type of proceeding relating to or otherwise affecting or concerning either Seller with respect to the business or its interest in any one of the Transferred Assets. In addition, there has been no condition or action that has been conducted that may result in a lien, charge, encumbrance or judgment against any of the Transferred Assets.

4.9 Compliance with Existing Laws. Neither Seller has received notice of an existing violation of any applicable ordinance, statute, order or regulation with respect to the ownership, use or condition of the business or any of the Transferred Assets.

Article 5. Additional Representations and Warranties of Brannon Rentals

In addition to the representations and warranties in Article 4, Brannon Rentals hereby further represents and warrants to LiLRock that the following statements are true and correct as to the Real Property as of the date of this Agreement and will be true and correct on the Closing Date:

5.1 Condemnation. Brannon Rentals has received no notice from any governmental authorities that proceedings for the condemnation of any portion of the Real Property are pending.

5.2 Foreign Person. Brannon Rentals is not a "foreign person" as that term is defined in the U.S. Internal Revenue Code of 1986, as amended, and the regulations promulgated pursuant thereto, and LiLRock has no obligation under Section 1445 of the U.S. Internal Revenue Code of 1986, as amended, to withhold and pay over to the U.S. Internal Revenue Service any part of the "amount realized" by Brannon Rentals in the transaction contemplated hereby (as such term is defined in the regulations issued under said Section 1445).

Article 6. Representations and Warranties of Buyers

Each Buyer hereby represents and warrants to Sellers that:

6.1 Organization and Limited Liability Company Power. Each Buyer is a limited liability company duly organized, validly existing, and in good standing under the laws of the State of Alaska and has all requisite power and authority to purchase the Transferred Assets.

6.2 Execution, Delivery; Valid and Binding Agreement. The execution, delivery and performance of this Agreement by each Buyer and the consummation of the transactions contemplated hereby have been duly and validly authorized by the managing member(s) of each Buyer and no other limited liability company proceedings on its part are necessary to authorize the execution, delivery and performance of this Agreement. This Agreement has been duly executed and delivered by each Buyer and constitutes the valid and binding obligation of each Buyer, enforceable in accordance with its terms, except as such enforcement may be limited by applicable bankruptcy, insolvency, reorganization, moratorium or other laws of general application affecting enforcement of creditors' rights or by general principles of equity.

6.3 Authority. Each Buyer has the requisite limited liability company power and authority to execute and deliver this Agreement and to perform its obligations hereunder.

6.4 Inspection. Each Buyer has had the opportunity to inspect the Transferred Assets (including the Real Property) being sold and are satisfied with their condition. Each Buyer also has had the opportunity to review the balance sheets and income statements prepared by each Seller and the two most recent tax returns of each Seller and to ask questions of each Seller regarding all such information.

6.5 Brokerage. No broker, finder or other party was the procuring cause of or is otherwise entitled to any commission or other compensation with respect to the transaction described in this Agreement based on the actions of Buyers or anyone acting on Buyers' behalf. Each Buyer shall indemnify, defend, and hold Sellers harmless with respect to any claim or demand for any commission or other compensation respecting the transaction described in this Agreement made by any person or entity claiming to have dealt with Buyers, including defense of any action which may be brought by any such person or entity.

Article 7. Covenants of Sellers

7.1 Conduct of the Business. Sellers agree that, from the date hereof until the Closing Date, unless otherwise consented to by Buyers in writing, Sellers shall not, directly or indirectly, sell, pledge, dispose of, or encumber any of the Transferred Assets, except in the ordinary course of business.

7.2 Conditions. Sellers shall take all commercially reasonable actions necessary to cause the conditions set forth in Section 9.1 to be satisfied and to consummate the transactions contemplated herein on or after January 1, 2023.

Article 8. Covenants of Buyers

Buyers covenants and agree with Sellers as follows:

8.1 Conditions. Buyers shall take all commercially reasonable actions necessary to cause the conditions set forth in Section 9.2 to be satisfied and to consummate the transactions contemplated herein on or after January 1, 2023.

Article 9. Conditions to Closing

9.1 Conditions to Buyers' Obligations. The obligation of Buyers to consummate the transactions contemplated by this Agreement is subject to the satisfaction of the following conditions on or before the Closing Date:

(a) LiLRock's acceptance of all matters reflected on title to the Real Property, subject to the procedure set forth herein. Within five (5) days after the effective date of this Agreement, LiLRock shall order a preliminary title insurance commitment (the "*Title Commitment*") from Alyeska Title Guaranty Agency ("*Title Company*"). LiLRock shall have five (5) days from receipt of the Title Commitment (the "*Title Review Period*") to review the state of title to the Real Property. Prior to the end of the Title Review Period, Buyer shall deliver written notice (the "*Title Objection Notice*") to Brannon Rentals of any objections or defects to title noted in the Title Commitment that impair the marketability of the title to which LiLRock objects (the "*Title Objections*"). LiLRock will be deemed to have waived its rights to object to any title objections or defects if it fails to give Brannon Rentals timely notice of such objections and any exceptions or defects to title to which LiLRock does not timely object during the Title Review Period shall be deemed to be "*Permitted Exceptions*." Brannon Rentals shall have until the Closing to remove or otherwise render acceptable the Title Objections or to decline to correct such Title Objections, provided that, Brannon Rentals shall notify LiLRock in writing ("*Seller's Cure Notice*") within five (5) days of the receipt of LiLRock's Title Objection Notice which Title Objections, if any, Brannon Rentals will remove prior to Closing. If Brannon Rentals does not provide a Seller's Cure Notice to LiLRock within such time period, Brannon Rentals shall be deemed to have declined to remove all Title Objections identified in Buyer's Title Objection Notice. If Brannon Rentals does not correct or remove the Title Objections it has agreed to remove on or before the Closing, then LiLRock shall either (i) waive such uncured objections and accept title to the Real Property subject to such uncured objections (which shall be deemed to be included as Permitted Exceptions at that point) without adjustment to the Purchase Price; or (ii) terminate this Agreement by written notice to Seller, pursuant to Article 10. LiLRock may elect to request the Title Company issue a standard owner's policy of title insurance at Closing in a policy amount equal to the Purchase Price allocated to the Real Property, subject to the Permitted Exceptions. LiLRock shall pay the premium amount related to any such policy.

(b) The representations and warranties set forth in Article 4 and Article 5 hereof shall be true and correct in all material respects at and as of the Closing Date as though then made, except that any such representation or warranty made as of a specified date (other than the date hereof) shall only need to have been true on and as of such date;

(c) Sellers shall have performed in all material respects all of the covenants and agreements required to be performed and complied with by it under this Agreement prior to the Closing;

(d) The Parties shall have obtained, or caused to be obtained, approval of the transfer of the Liquor Licenses from the ABC Board under the procedures as detailed in Section 9.3.

(e) There shall not be threatened, instituted or pending any action or proceeding, before any court or governmental authority or agency, domestic or foreign, challenging or seeking to make illegal, or to delay or otherwise directly or indirectly restrain or prohibit, the consummation of the transactions contemplated hereby or seeking to obtain material damages in connection with such transactions.

(f) On the Closing Date, each of the Sellers, as applicable, shall have delivered to the respective Buyers the following:

(1) From each Seller, a duly executed copy of this Agreement;

(2) From Brannon Rentals, a duly executed Quitclaim Deed for the Real Property and, if applicable, any documents required by the Title Company to verify removal of any Title Objections Brannon Rentals has agreed to remove from title to the Real Property,

(3) From each Seller, a duly executed copy of a Bill of Sale for the Transferred Assets;

(4) From Brannon Rentals, a duly-executed Certificate of Non-Foreign Status ("*FIRPTA*") in the form attached hereto as Exhibit N;

(5) From Kvichak Pacific, a duly-executed Assignment and Assumption Agreement for the Lease;

(6) From each Seller, a bring-down certificate dated as of the Closing Date, stating that all representations and warranties of each respective Seller are true and correct in all material respects as of the Closing Date;

(7) a copy of the resolution adopted by the sole member of Kvichak Pacific authorizing the execution, delivery, and performance of this Agreement and all other transactions contemplated by this Agreement;

(8) a copy of the resolution adopted by the sole member of Brannon Rentals authorizing the execution, delivery, and performance of this Agreement and all other transactions contemplated by this Agreement; and

(9) For each Seller, a Certificate of Compliance for each Seller issued by the State of Alaska Department of Commerce, Community and Economic Development ("*DCCED*").

9.2 Conditions to Sellers's Obligations. The obligations of Sellers to consummate the transactions contemplated by this Agreement are subject to the satisfaction of the following conditions on or before the Closing Date:

(a) The representations and warranties set forth in Article 6 hereof will be true and correct in all material respects at and as of the Closing as though then made;

(b) Each Buyer shall have performed in all material respects all the covenants and agreements required to be performed by it under this Agreement prior to the Closing;

(c) There shall not be threatened, instituted or pending any action or proceeding, before any court or governmental authority or agency, domestic or foreign, challenging or seeking to make illegal, or to delay or otherwise directly or indirectly restrain or prohibit, the consummation of the transactions contemplated hereby or seeking to obtain material damages in connection with such transactions.

(d) On the Closing Date, Buyers, as applicable (e.g. LiLRock shall deliver the Deed of Trust, etc.) will have delivered to Sellers:

(1) a wire transfer in immediately available funds in the amount of \$50,000 allocated as directed by the Sellers;

(2) From each Buyer, a duly executed copy of this Agreement;

(3) From each Buyer, a duly executed Joint Promissory Note in the amount of \$3,950,000;

(4) From LiLRock, a duly executed Deed of Trust for the Real Property;

(5) From DariaJohn, a duly-executed Assignment and Assumption Agreement for the Lease;

(6) From DariaJohn, a duly-executed Assignment and Assumption of Lease Agreement for each of the Liquor License locations to be held in escrow by Sellers;

(7) From each Buyer, a duly executed Security Agreement, covering all personal property, including the Liquor Licenses;

(8) a duly executed Guaranty by the Muellers;

(9) a duly executed Pledge Agreement by the Muellers pledging 100% of the Membership Interests of each Buyer to secure the Guaranty;

(10) a duly executed Assignments of Membership Interest for each Buyer entity to effectuate the Pledge Agreement in the event of an uncured default;

(11) a copy of the resolution adopted by the members of DariaJohn authorizing the execution, delivery, and performance of this Agreement and all other transactions contemplated by this Agreement;

(12) a copy of the resolution adopted by the members of LiLRock authorizing the execution, delivery, and performance of this Agreement and all other transactions contemplated by this Agreement

(13) a Certificate of Compliance for each Buyer issued by the State of Alaska DCCED; and

(14) a bring down certificate of each Buyer dated the Closing Date, stating that the representations and warranties are true and correct in all material respects as of the Closing Date.

9.3 **Liquor Licenses.** Buyers and Sellers agree to cooperate in the transfer of the Liquor Licenses to Buyers. Sellers shall bear all actual attorney's fees related to the preparation of license transfer documents and communications with the Alcohol and Marijuana Control Office ("AMCO"). Buyers and Sellers agree to evenly split the costs associated with publishing fees for the transfer of the Liquor Licenses, any licensing or application fees required by AMCO, and any other fees required for the transfer of the Liquor Licenses to DariaJohn. The Buyers, and Sellers, as needed, shall appear before the Alcoholic Beverage Control Board ("ABC Board"). The Liquor Licenses are being transferred pursuant to AS 04.11.360(4)(B), AS 04.11.670, and 3AAC 304.106, which will enable Sellers to seek a retransfer of the Liquor Licenses in the event of a default.

Article 10. Termination

10.1 **Termination.** This Agreement may be terminated at any time prior to the Closing:

(a) by the mutual consent of Buyers and Sellers;

(b) by either Buyers or Sellers if there has been a material misrepresentation, breach of warranty or breach of covenant on the part of the other in the representations, warranties and covenants set forth in this Agreement;

(c) By either Buyers or Sellers if any conditions to closing in Section 9 are not satisfied;

(d) by either Buyers or Sellers if the transactions contemplated hereby have not been consummated by March 31, 2023; provided that, neither Buyers nor Sellers will be entitled to terminate this Agreement pursuant to this Section 10.1(d) if such party's willful breach of this Agreement has prevented the consummation of the transactions contemplated hereby.

10.2 **Effect of Termination.** In the event of termination of this Agreement by either Buyers or Sellers as provided in Section 10.1, this Agreement shall become void and there shall be no liability on the part of either Buyers or Sellers, or their respective stockholders, officers, or

directors, except that Sections 12.1, 12.2, 12.12, and 12.13 hereof shall survive indefinitely, and except with respect to willful breaches of this Agreement prior to the time of such termination.

Article 11. Survival; Indemnification

11.1 Survival, Indemnification. The covenants, representations, and warranties contained in this Agreement shall survive the Closing. Sellers agree to jointly and severally indemnify Buyers with respect to, and hold Buyers harmless from, any loss, liability or expense (including, but not limited to, reasonable legal fees) which Buyers may directly or indirectly incur or suffer by reason of, or which results, arises out of or is based upon (a) the inaccuracy of any representation or warranty made by Sellers in this Agreement, or (b) the failure of Sellers to comply with any covenants or other commitments made by Sellers in this Agreement.

Buyers agree to jointly and severally indemnify Sellers with respect to, and hold Sellers harmless from, any loss, liability or expense (including, but not limited to, reasonable legal fees) which Sellers may directly or indirectly incur or suffer by reason of, or which results, arises out of or is based upon the (a) the inaccuracy of any representation or warranty made by Buyers in this Agreement, or (b) the failure of Buyers to comply with any covenants made by Buyers in this Agreement.

11.2 Legal Proceedings. In the event Buyers or Sellers become involved in any legal, governmental, or administrative proceeding which may result in indemnification claims hereunder, such party shall promptly notify the other party in writing and include full detail of the filing, and of the nature of such proceeding. The other party may, at its option and expense, defend any such proceeding if the proceeding could give rise to an indemnification obligation hereunder. If the other party elects to defend any proceeding, it shall have full control over the conduct of such proceeding, although the party being indemnified shall have the right to retain legal counsel at its own expense and shall have the right to approve any settlement of any dispute giving rise to such proceeding, provided that such approval may not be withheld unreasonably by the party being indemnified. The party being indemnified shall reasonably cooperate with the indemnifying party in such proceeding.

Article 12. Miscellaneous

12.1 Expenses. Except as otherwise expressly provided for herein, Sellers and Buyers will pay all of their own expenses (including attorneys' and accountants' fees) in connection with the negotiation of this Agreement, the performance of their respective obligations hereunder and the consummation of the transactions contemplated by this Agreement (whether consummated or not).

12.2 Confidentiality. The Sellers and Buyers, and their respective officers, directors, partners, members, and affiliates agree to keep the terms and conditions of this Agreement and the transactions contemplated hereby confidential and agree to not disclose to any party not a party to this Agreement, or the agreements contemplated hereby, any of the terms hereof, except as may be required by applicable law.

12.3 Amendment and Waiver. This Agreement may not be amended or waived except in a writing executed by the Party against which such amendment or waiver is sought to be

enforced. No course of dealing between or among any persons having any interest in this Agreement will be deemed effective to modify or amend any part of this Agreement or any rights or obligations of any person under or by reason of this Agreement.

12.4 Notices. All notices, requests, consents, claims, demands, waivers, and other communications hereunder shall be in writing and shall be deemed to have been given (a) when delivered by hand (with written confirmation of receipt); (b) when received by the addressee if sent by a nationally recognized overnight courier (receipt requested); (c) on the date sent by facsimile or e-mail of a PDF document (with confirmation of transmission) if sent during normal business hours of the recipient, and on the next business day if sent after normal business hours of the recipient; or (d) on the third day after the date mailed, by certified or registered mail, return receipt requested, postage prepaid. Such communications must be sent to the respective parties at the following addresses:

Notices to Sellers:

Michael J. Keenan
P.O. Box 91006
Anchorage, Alaska 99509
Email: mjkatty49@gmail.com

With a copy to:

Dorsey & Whitney
1031 West Fourth Avenue, Suite 600
Anchorage, Alaska 99501
Attention: Michael R. Mills
Email: mills.mike@dorsey.com

Notices to Buyers:

Thomas and Gretchen Mueller
P. O. Box 1431
Dillingham, Alaska 99576
Email: tomjmueller58@gmail.com

With a copy to:

Law Offices of Royce & Brain
3150 C Street, Suite 245
Anchorage, Alaska 99503
Attention: Jason J. Ruedy
Email: jruedy@roycebrain.com

12.5 Assignment. This Agreement and all of the provisions hereof will be binding upon and inure to the benefit of the parties hereto and their respective successors and permitted assigns,

except that neither this Agreement nor any of the rights, interests or obligations hereunder may be assigned by either party hereto without the prior written consent of the other party hereto.

12.6 Severability. Whenever possible, each provision of this Agreement will be interpreted in such manner as to be effective and valid under applicable law, but if any provision of this Agreement is held to be prohibited by or invalid under applicable law, such provision will be ineffective only to the extent of such prohibition or invalidity, without invalidating the remainder of such provision or the remaining provisions of this Agreement.

12.7 Complete Agreement. This Agreement the Schedules and Exhibits hereto, and the other documents referred to herein contain the complete agreement between the parties and supersede any prior understandings, agreements or representations by or between the parties, written or oral, which may have related to the subject matter hereof in any way.

12.8 Headings. The headings in this Agreement are for reference only and shall not affect the interpretation of this Agreement.

12.9 Counterparts. This Agreement may be executed in one or more counterparts, any one of which need not contain the signatures of more than one party, but all such counterparts taken together will constitute one and the same instrument. A signed copy of this Agreement delivered by facsimile, e-mail 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.

12.10 Waiver of Jury Trial. Each party acknowledges and agrees that any controversy which may arise under this Agreement is likely to involve complicated and difficult issues and, therefore, each such party irrevocably and unconditionally waives any right it may have to a trial by jury in respect of any legal action arising out of or relating to this Agreement or the transactions contemplated hereby.

12.11 Governing Law. The internal law, without regard to conflicts of laws principles, of the State of Alaska will govern all questions concerning the construction, validity and interpretation of this Agreement and the performance of the obligations imposed by this Agreement.

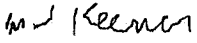
12.12 Venue. Any legal suit, action, or proceeding arising out of or based upon this Agreement or the transactions contemplated hereby shall be instituted in the courts of the State of Alaska in each case located in Anchorage, Alaska, and each party irrevocably submits to the exclusive jurisdiction of such courts in any such suit, action, or proceeding

[Signature page follows]

IN WITNESS WHEREOF, the parties hereto have executed this Agreement as of the day and year first above written.

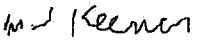
SELLERS:

KVICHAK PACIFIC, LLC

DocuSigned by:
 September 28, 2022

By: Michael J. Keenan
Its: Sole Member

BRANNON RENTALS, LLC,

DocuSigned by:
 September 28, 2022

By: Michael J. Keenan
Its: Sole Member

BUYERS:

DARIAJOHN, LLC

By: Thomas Mueller
Its: Member

By: Gretchen Mueller
Its: Member

LILROCK, LLC

By: Thomas Mueller
Its: Member

By: Gretchen Mueller
Its: Member

[Signature Page for Asset Purchase Agreement]

IN WITNESS WHEREOF, the parties hereto have executed this Agreement as of the day and year first above written.

SELLERS:

KVICHAK PACIFIC, LLC

By: Michael J. Keenan
Its: Sole Member


BRANNON RENTALS, LLC,

By: Michael J. Keenan
Its: Sole Member

BUYERS:

DARIAJOHN, LLC

By: Thomas Mueller
Its: Member

DocuSigned by:


BC74D6370392483
By: Gretchen Mueller
Its: Member

LILROCK, LLC

By: Thomas Mueller
Its: Member

DocuSigned by:


BC74D6370392483
By: Gretchen Mueller
Its: Member

[Signature Page for Asset Purchase Agreement]

IN WITNESS WHEREOF, the parties hereto have executed this Agreement as of the day and year first above written.

SELLERS:

KVICHAK PACIFIC, LLC

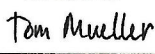
By: Michael J. Keenan
Its: Sole Member

BRANNON RENTALS, LLC,

By: Michael J. Keenan
Its: Sole Member

BUYERS:


DARIAJOHN, LLC

DocuSigned by:


By: Thomas Mueller
Its: Member

By: Gretchen Mueller
Its: Member

LILROCK, LLC

DocuSigned by:


By: Thomas Mueller
Its: Member

By: Gretchen Mueller
Its: Member

[Signature Page for Asset Purchase Agreement]

EXHIBIT A

Form of LiLRock Promissory Note

Exhibit A

EXHIBIT B

Form of Deed of Trust and Assignment of Rents

Exhibit B

AMCO RCVD 12/22/2022

EXHIBIT C

Form of DariaJohn Promissory Note

Exhibit D

EXHIBIT D

Form of Security Agreement

Exhibit D

EXHIBIT E

Form of Assignment and Assumption of Lease Agreements

EXHIBIT F

Form of UCC-1 Financial Statements

Exhibit F

Exhibit G

Form of Guaranty

EXHIBIT G

EXHIBIT H

Form of Pledge Agreement

Exhibit H

Exhibit I

AMCO RCVD 12/22/2022

Assignment of Membership Interests

EXHIBIT I

EXHIBIT J

Allocation of Purchase Price

LiLRock to Brannon Rentals for Real Property

(Class I)	Cash and General Deposit Accounts	\$0
(Class II)	Actively Traded Securities (including certificates of deposit and foreign currency)	\$0
(Class III)	Accounts Receivable	\$0
(Class IV)	Inventory	\$0
(Class V)	Other Tangible Property	---
	1. Personal Property, Prepaid Expenses and Other Current Assets	\$0
	2. Fixed Assets (including Buildings and Leasehold Improvements)	\$790,000
(Class VI)	Other Intangible Property (Section 197 Intangibles and Liquor Licenses)	\$0
(Class VII)	Goodwill & Going Concern Value	\$0
	TOTAL	\$790,000

DariaJohn to Brannon Rentals for Personal Property

(Class I)	Cash and General Deposit Accounts	\$10,000
(Class II)	Actively Traded Securities (including certificates of deposit and foreign currency)	\$0
(Class III)	Accounts Receivable	\$0
(Class IV)	Inventory	\$400,000
(Class V)	Other Tangible Property	---
	1. Personal Property, Prepaid Expenses and Other Current Assets	\$80,000

	2. Fixed Assets (including Buildings and Leasehold Improvements)	\$0
(Class VI)	Other Intangible Property (Section 197 Intangibles and Liquor Licenses)	\$360,000
(Class VII)	Goodwill & Going Concern Value	\$1,400,000
	TOTAL	\$2,250,000

DariaJohn to Kvichak Pacific for All Assets

(Class I)	Cash and General Deposit Accounts	\$0
(Class II)	Actively Traded Securities (including certificates of deposit and foreign currency)	\$0
(Class III)	Accounts Receivable	\$0
(Class IV)	Inventory	\$100,000
(Class V)	Other Tangible Property	---
	1. Personal Property, Prepaid Expenses and Other Current Assets	\$0
	2. Fixed Assets (including Buildings and Leasehold Improvements)	\$0
	3. Leasehold Conveyance	\$0
(Class VI)	Other Intangible Property (Section 197 Intangibles and Liquor Licenses)	\$360,000
(Class VII)	Goodwill & Going Concern Value	\$500,000
	TOTAL	\$960,000

EXHIBIT K
Form of Quitclaim Deed

Exhibit K

EXHIBIT L

Form of Assignment and Assumption Agreement

Exhibit L

EXHIBIT M
Form of Bill of Sale

Exhibit M

EXHIBIT N

Form of FIRPTA Certificate

Exhibit N

SCHEDULE 1.1 (a)

Real Property

Lot 1 of Paul's Market Subdivision, according to Plat 94-2, filed in the Bristol Bay Recording District, Third Judicial District, State of Alaska.

Schedule 1.1(a)

SCHEDULE 1.1 (c)

Liquor Licenses

1. State of Alaska Package Store Liquor License #1405
2. State of Alaska Package Store Liquor License #2787

SCHEDULE 1.1 (d)

Third Party Contracts

Schedule 1.1(d)

SCHEDULE 1.1 (f)
Equipment and Furnishings

Schedule 1.1(f)

SCHEDULE 1.1(g)

Inventory

Schedule 1.1(g)

SCHEDULE 1.2

Excluded Assets

Schedule 1.3

Assumed Contracts and Liabilities



Alaska Alcoholic Beverage Control Board

Form AB-01: Transfer License Application

Why is this form needed?

This transfer license application form is required for all individuals or entities seeking to apply for the transfer of ownership and/or location of an existing liquor license. Applicants should review **Title 04 of Alaska Statutes** and **Chapter 304 of the Alaska Administrative Code**. All fields of this form must be completed, per AS 04.11.260, AS 04.11.280, AS 04.11.290, and 3 AAC 304.105.

This form must be completed and submitted to AMCO's Anchorage office, along with all other required forms and documents, before any license application will be considered complete.

Section 1 – Transferor Information

Enter information for the *current* licensee and licensed establishment.

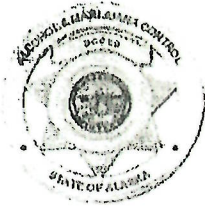
Licensee:	Kvichak Pacific LLC		License #:	2787
License Type:	Package Store		Statutory Reference:	04.11.150
Doing Business As:	Olsen's Liquor Store			
Premises Address:	513 Wood River Rd. (same physical address as 1.25 mile willow lane)			
City:	Dillingham	State:	AK	ZIP: 99576
Local Governing Body:	City of Dillingham			

* 513 Wood River Road same as 1.25 mile willow lane.

Transfer Type:

- Regular transfer
- Transfer with security interest
- Involuntary retransfer

OFFICE USE ONLY			
Complete Date:		Transaction #:	
Board Meeting Date:		License Years:	
Issue Date:		Examiner:	KRZ



Alcohol and Marijuana Control Office
 550 W 7th Avenue, Suite 1600
 Anchorage, AK 99501
alcohol.licensing@alaska.gov
<https://www.commerce.alaska.gov/web/amco>
 Phone: 907.269.0350

Alaska Alcoholic Beverage Control Board

Form AB-01: Transfer License Application

Section 2 – Transferee Information

Enter information for the *new* applicant and/or location seeking to be licensed.

Licensee:	DariaJohn, LLC				
Doing Business As:	Olsen's Liquor Store				
Premises Address:	513 Wood River Rd				
City:	Dillingham	State:	AK	ZIP:	99576
Community Council:	City of Dillingham				
Mailing Address:	PO Box 376				
City:	Dillingham	State:	AK	ZIP:	99576
Designated Licensee:	Thomas Mueller				
Contact Phone:	907.843.2288	Business Phone:	907.843.2288		
Contact Email:	tomjmueller58@gmail.com				

Seasonal License? Yes No
 If "Yes", write your six-month operating period: _____

Section 3 – Premises Information

Premises to be licensed is:

an existing facility a new building a proposed building

The next two questions must be completed by beverage dispensary (including tourism) and package store applicants only:

What is the distance of the shortest pedestrian route from the public entrance of the building of your proposed premises to the outer boundaries of the nearest school grounds? Include the unit of measurement in your answer.

BBNA Val Larson Family Resource Center .3 miles

What is the distance of the shortest pedestrian route from the public entrance of the building of your proposed premises to the public entrance of the nearest church building? Include the unit of measurement in your answer.

Community Baptist Church .1 miles



Alcohol and Marijuana Control Office
 550 W 7th Avenue, Suite 1600
 Anchorage, AK 99501
alcohol.licensing@alaska.gov
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 Phone: 907.269.0350

Alaska Alcoholic Beverage Control Board

Form AB-01: Transfer License Application

Section 4 – Sole Proprietor Ownership Information

This section must be completed by any sole proprietor who is applying for a license. Entities should skip to Section 5.
 If more space is needed, please attach a separate sheet with the required information.
 The following information must be completed for each licensee and each affiliate (spouse).

This individual is an: applicant affiliate

Name:					
Address:					
City:		State:		ZIP:	

This individual is an: applicant affiliate

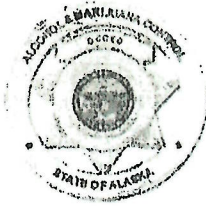
Name:					
Address:					
City:		State:		ZIP:	

Section 5 – Entity Ownership Information

This section must be completed by any entity, including a corporation, limited liability company (LLC), partnership, or limited partnership, that is applying for a license. Sole proprietors should skip to Section 6.
 If more space is needed, please attach a separate sheet with the required information.

- If the applicant is a corporation, the following information must be completed for each *stockholder who owns 10% or more* of the stock in the corporation, and for each *president, vice-president, secretary, and managing officer*.
- If the applicant is a limited liability organization, the following information must be completed for each *member with an ownership interest of 10% or more*, and for each *manager*.
- If the applicant is a partnership, including a limited partnership, the following information must be completed for each *partner with an interest of 10% or more*, and for each *general partner*.

Entity Official:	Thomas Mueller				
Title(s):	Member	Phone:	907.843.2288	% Owned:	50
Address:	PO Box 376				
City:	Dillingham	State:	AK	ZIP:	99576



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 550 W 7th Avenue, Suite 1600
 Anchorage, AK 99501
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Alaska Alcoholic Beverage Control Board

Form AB-01: Transfer License Application

Entity Official:	Gretchen Mueller				
Title(s):	Member	Phone:	907.843.224	% Owned:	50
Address:	PO Box 376				
City:	Dillingham	State:	AK	ZIP:	99576

Entity Official:					
Title(s):		Phone:		% Owned:	
Address:					
City:		State:		ZIP:	

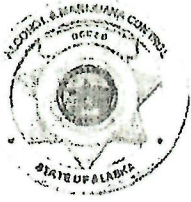
Entity Official:					
Title(s):		Phone:		% Owned:	
Address:					
City:		State:		ZIP:	

This subsection must be completed by any applicant that is a corporation or LLC. Corporations and LLCs are required to be in good standing with the Alaska Division of Corporations (DOC) and have a registered agent who is an individual resident of the state of Alaska.

DOC Entity #:	10206412	AK Formed Date:	9/2/2022	Home State:	Alaska
Registered Agent:	Thomas Mueller	Agent's Phone:	907.843.2288		
Agent's Mailing Address:	PO Box 1431				
City:	Dillingham	State:	AK	ZIP:	99576

Residency of Agent: Yes No

Is your corporation or LLC's registered agent an individual resident of the state of Alaska?



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 Anchorage, AK 99501
alcohol.licensing@alaska.gov
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Alaska Alcoholic Beverage Control Board

Form AB-01: Transfer License Application

Section 6 – Other Licenses

Ownership and financial interest in other alcoholic beverage businesses: Yes No

Does any representative or owner named as a transferee in this application have any direct or indirect financial interest in any other alcoholic beverage business that does business in or is licensed in Alaska?

If "Yes", disclose which individual(s) has the financial interest, what the type of business is, and if licensed in Alaska, which license number(s) and license type(s):

Applicant is in the process of applying for a transfer of ownership of Dillingham Liquor Store license #1405

Section 7 – Authorization

Communication with AMCO staff: Yes No

Does any person other than a licensee named in this application have authority to discuss this license with AMCO staff?

If "Yes", disclose the name of the individual and the reason for this authorization:

Ryan Cole and Michele Rupp of Dorsey & Whitney LLP, legal counsel
 Jason J. Ruedy of Law Offices of Royce & Brain, legal counsel



Alcohol and Marijuana Control Office
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 Anchorage, AK 99501
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Alaska Alcoholic Beverage Control Board

Form AB-01: Transfer License Application

Section 8 – Transferor Certifications

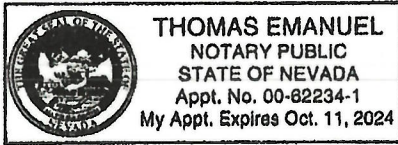
Additional copies of this page may be attached, as needed, for the controlling interest of the current licensee to be represented.

I declare under penalty of perjury that the undersigned represents a **controlling interest** of the current licensee. I additionally certify that I, as the current licensee (either the sole proprietor or the controlling interest of the currently licensed entity) have examined this application, approve of the transfer of this license, and find the information on this application to be true, correct, and complete.

Michael J. Keenan
 Signature of transferor

Michael J. Keenan, Member/Manager
 Printed name of transferor

Subscribed and sworn to before me this 1st day of OCTOBER, 20 22.



[Signature]
 Signature of Notary Public

Notary Public in and for the State of NEVADA COUNTY OF CLARK

My commission expires: OCT 11, 2024

 Signature of transferor

 Printed name of transferor

Subscribed and sworn to before me this _____ day of _____, 20 _____.

 Signature of Notary Public

Notary Public in and for the State of _____.

My commission expires: _____



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 Anchorage, AK 99501
alcohol.licensing@alaska.gov
<http://www.commerce.alaska.gov/web/amco>
 Phone: 907.269.0350

Alaska Alcoholic Beverage Control Board
Form AB-01: Transfer License Application

Section 9 – Transferee Certifications

Read each line below, and then sign your initials in the box to the right of each statement:

Initials

I certify that all proposed licensees (as defined in AS 04.11.260) and affiliates have been listed on this application.



I certify that all proposed licensees have been listed with the Division of Corporations.



I certify that I understand that providing a false statement on this form or any other form provided by AMCO is grounds for rejection or denial of this application or revocation of any license issued.



I certify that all licensees, agents, and employees who sell or serve alcoholic beverages or check the identification of a patron will complete an approved alcohol server education course, if required by AS 04.21.025, and, while selling or serving alcoholic beverages, will carry or have available to show a current course card or a photocopy of the card certifying completion of approved alcohol server education course, if required by 3 AAC 304.465.




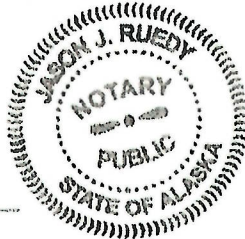
I agree to provide all information required by the Alcoholic Beverage Control Board in support of this application.

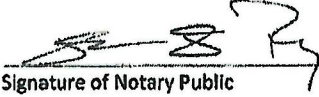


I hereby certify that I am the person herein named and subscribing to this application and that I have read the complete application, and I know the full content thereof. I declare that all of the information contained herein, and evidence or other documents submitted are true and correct. I understand that any falsification or misrepresentation of any item or response in this application, or any attachment, or documents to support this application, is sufficient grounds for denying or revoking a license/permit. I further understand that it is a Class A misdemeanor under Alaska Statute 11.56.210 to falsify an application and commit the crime of unsworn falsification.



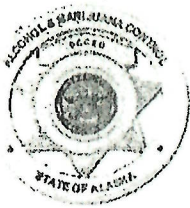

 Signature of transferee
 Thomas Mueller, Member
 Printed name




 Signature of Notary Public
 Notary Public in and for the State of Alaska

My commission expires: 5/3/24

Subscribed and sworn to before me this 27th day of Sept, 2022.



Alcohol and Marijuana Control Office
 550 W 7th Avenue, Suite 1600
 Anchorage, AK 99501
alcohol.registr@alaska.gov
<https://www.commerce.alaska.gov/web/amco>
 Phone: 907.269.0350

Alaska Alcoholic Beverage Control Board
Form AB-01: Transfer License Application

Section 9 – Transferee Certifications

Read each line below, and then sign your initials in the box to the right of each statement:

Initials

I certify that all proposed licensees (as defined in AS 04.11.260) and affiliates have been listed on this application.



I certify that all proposed licensees have been listed with the Division of Corporations.



I certify that I understand that providing a false statement on this form or any other form provided by AMCO is grounds for rejection or denial of this application or revocation of any license issued.



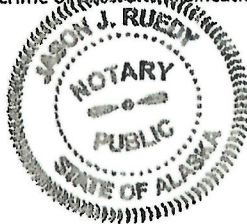
I certify that all licensees, agents, and employees who sell or serve alcoholic beverages or check the identification of a patron will complete an approved alcohol server education course, if required by AS 04.21.025, and, while selling or serving alcoholic beverages, will carry or have available to show a current course card or a photocopy of the card certifying completion of approved alcohol server education course, if required by 3 AAC 304.465.



I agree to provide all information required by the Alcoholic Beverage Control Board in support of this application.



I hereby certify that I am the person herein named and subscribing to this application and that I have read the complete application, and I know the full content thereof. I declare that all of the information contained herein, and evidence or other documents submitted are true and correct. I understand that any falsification or misrepresentation of any item or response in this application, or any attachment, or documents to support this application, is sufficient grounds for denying or revoking a license/permit. I further understand that it is a Class A misdemeanor under Alaska Statute 11.56.210 to falsify an application and commit the crime of ~~unlawful~~ falsification.



Signature of transferee

Gretchen Mueller
 Printed name

Signature of Notary Public

Notary Public in and for the State of Alaska

My commission expires: 5/3/24

Subscribed and sworn to before me this 27th day of Sept, 2022.



Alcohol and Marijuana Control Office
 550 W 7th Avenue, Suite 1600
 Anchorage, AK 99501
alcohol.licensing@alaska.gov
<http://www.commerce.alaska.gov/web/amco>
 Phone: 907.269.0350

Alaska Alcoholic Beverage Control Board
Form AB-02: Premises Diagram

Why is this form needed?

A detailed diagram of the proposed licensed premises is required for all liquor license applications, per AS 04.11.260 and 3 AAC 304.185. Your diagram must include dimensions and must show all entrances and boundaries of the premises, walls, bars, fixtures, and areas of storage, service, consumption, and manufacturing. If your proposed premises is located within a building or building complex that contains multiple businesses and/or tenants, please provide an additional page that clearly shows the location of your proposed premises within the building or building complex, along with the addresses and/or suite numbers of the other businesses and/or tenants within the building or building complex.

The **second page** of this form may not be required. Blueprints, CAD drawings, or other clearly drawn and marked diagrams may be submitted in lieu of the second page of this form. The first page must still be completed, attached to, and submitted with any supplemental diagrams. An AMCO employee may require you to complete the second page of this form if additional documentation for your premises diagram is needed.

This form must be completed and submitted to AMCO's Anchorage office before any license application will be considered complete.

Yes No

I have attached blueprints, CAD drawings, or other supporting documents in addition to, or in lieu of, the second page of this form.

Section 1 – Establishment Information

Enter information for the business seeking to be licensed, as identified on the license application.

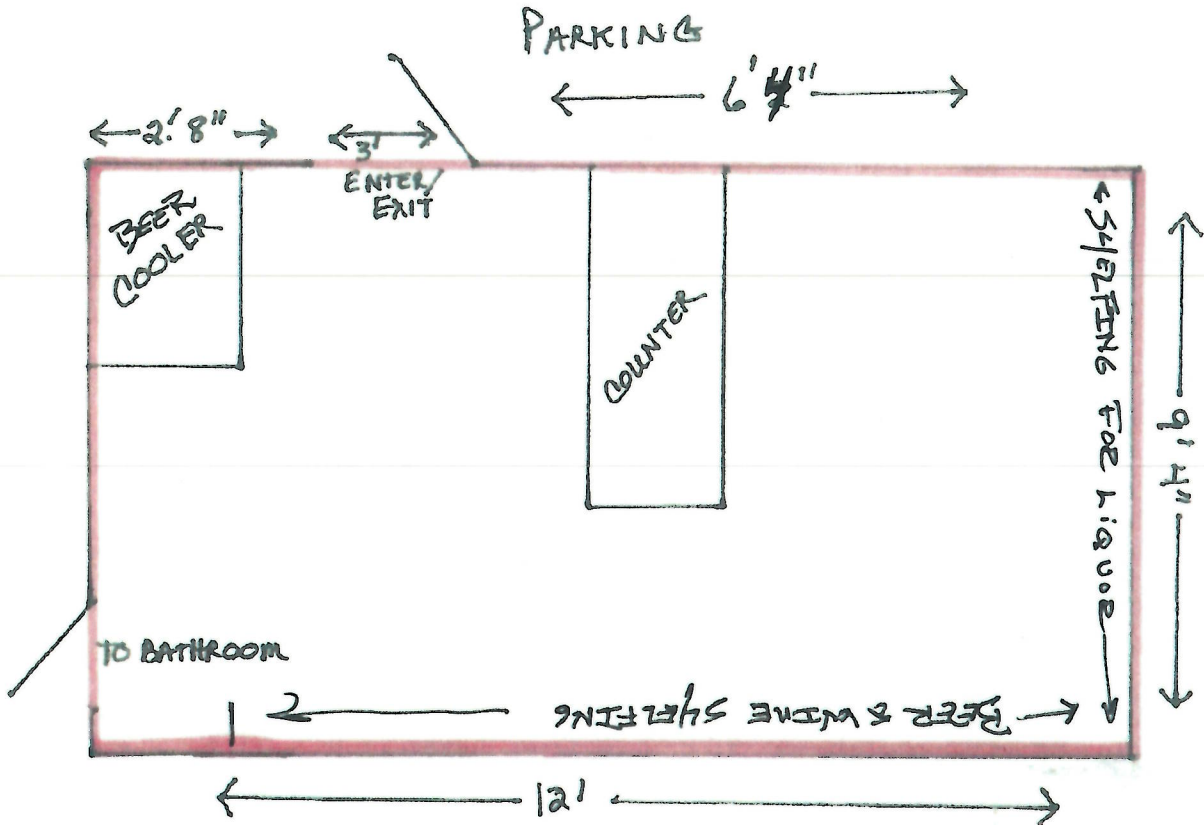
Licensee:	DariaJohn, LLC	License Number:	2787
License Type:	Package Store		
Doing Business As:	Olsen's Liquor Store		
Premises Address:	513 Wood River Rd.		
City:	Dillingham	State:	Dillingham ZIP: AK

WOOD RIVER Rd

Lic # 2787

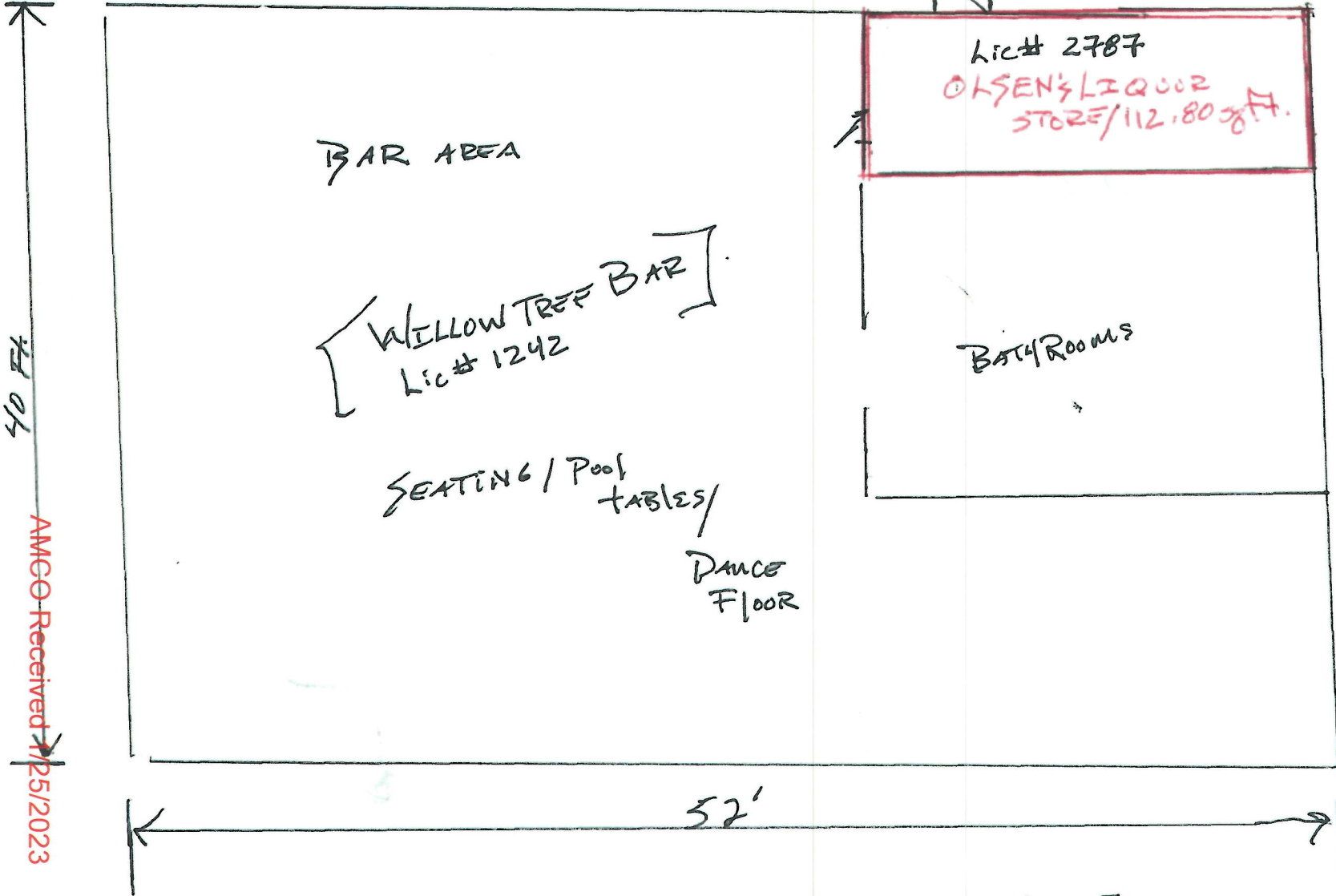
OLSEN'S LIQUOR STORE
112.80 SF

S
E
W
N



513 Wood River Rd.
Dillingham, AK

PARKING

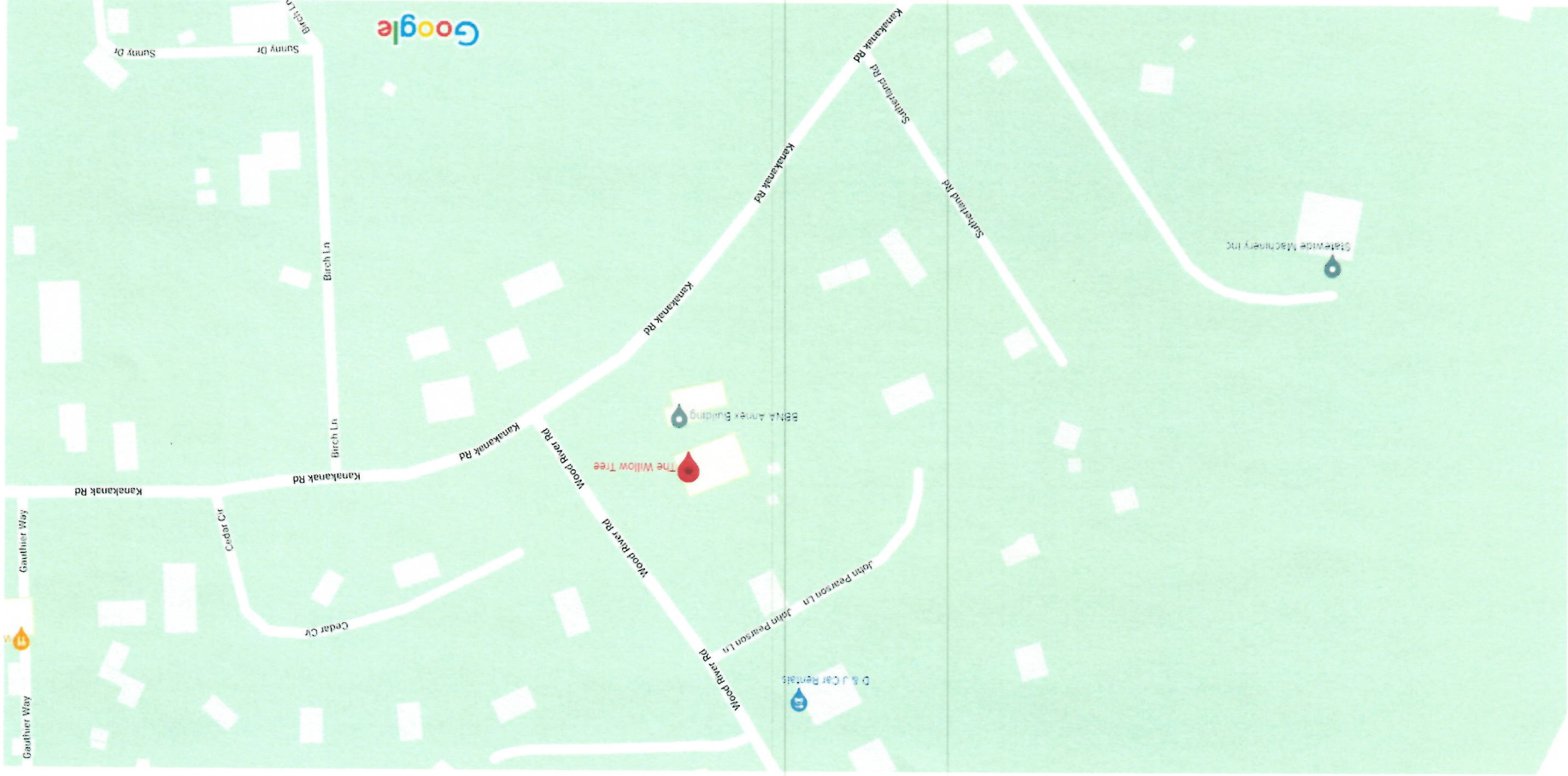


NOTE: NO SEPERATE ADDRESS, ONLY ONE:
SEE ABOVE.

AMCO Received 1/25/2023



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