

Alcohol & Marijuana Control Office

License Number: 17952

License Status: Active-Operating

License Type: Standard Marijuana Cultivation Facility

Doing Business As: ALASKA FROSTED FLOWERS, LLC

Business License Number: 1066930

Designated Licensee: Michael Musbach

Email Address: mikeca76@hotmail.com

Local Government: Matanuska-Susitna Borough

Local Government 2:

Community Council: Meadow Lakes

Latitude, Longitude: 61.624120, -149.462653

Physical Address: 495 W. Sunflower Drive
Wasilla, AK 99654
UNITED STATES

Licensee #1

Type: Entity

Alaska Entity Number: 10027672

Alaska Entity Name: Alaska Frosted Flowers, LLC

Phone Number: 907-929-5672

Email Address: mikeca76@hotmail.com

Mailing Address: 6701 E. 12th Avenue
Anchorage, AK 99504
UNITED STATES

Entity Official #1

Type: Individual

Name: Michael Musbach

[REDACTED]

[REDACTED]

Phone Number: 907-929-5672

Email Address: mikeca76@hotmail.com

Mailing Address: 6701 E. 12th Avenue
Anchorage, AK 99504
UNITED STATES

Affiliate #1

Type: Individual

Name: Michael Musbach

[REDACTED]

[REDACTED]

Phone Number: 907-929-5672

Email Address: mikeca76@hotmail.com

Mailing Address: 6701 E. 12th Avenue
Anchorage, AK 99504
UNITED STATES



Alaska Marijuana Control Board

Form MJ-20: Renewal Application Certifications

What is this form?

This renewal application certifications form is required for all marijuana establishment license renewal applications. Each person signing an application for a marijuana establishment license must declare that he/she has read and is familiar with AS 17.38 and 3 AAC 306. A person other than a licensee may not have direct or indirect financial interest (as defined in 3 AAC 306.015(e)(1)) in the business for which a marijuana establishment license is issued, per 3 AAC 306.015(a).

This form must be completed and submitted to AMCO's main office by each licensee (as defined in 3 AAC 306.020(b)(2)) before any license renewal application will be considered complete.

Section 1 – Establishment Information

Enter information for the licensed establishment, as identified on the license application.

Licensee:	Alaska Frosted Flowers, LLC	License Number:	17952		
License Type:	Standard Marijuana Cultivation Facility				
Doing Business As:	Alaska Frosted Flowers, LLC				
Premises Address:	495 W. Sunflower Drive				
City:	Wasilla	State:	AK	ZIP:	99654

Section 2 – Individual Information

Enter information for the individual licensee who is completing this form.

Name:	Michael Musbach
Title:	Member / Manager

Section 3 – Violations & Charges

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

Initials

I certify that I have **not** been convicted of any criminal charge in the previous two calendar years.

MM

I certify that I have **not** committed any civil violation of AS 04, AS 17.38, or 3 AAC 306 in the previous two calendar years.

MM

I certify that a notice of violation has **not** been issued to this license between July 1, 2020 and June 30, 2021.

MM

Sign your initials to the following statement only if you are unable to certify one or more of the above statements:

Initials

I have attached a written explanation for why I cannot certify one or more of the above statements, which includes the type of violation or offense, as required under 3 AAC 306.035(b).

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Form MJ-20: Renewal Application Certifications

Section 4 – Certifications & Waiver

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

Initials

I certify that no person other than a licensee listed on my marijuana establishment license renewal application has a direct or indirect financial interest, as defined in 3 AAC 306.015(e)(1), in the business for which the marijuana establishment license has been issued.

MM

I certify that I meet the residency requirement under AS 43.23 or I have submitted a residency exception affidavit (MJ-20a) along with this application.

MM

I certify that this establishment complies with any applicable health, fire, safety, or tax statute, ordinance, regulation, or other law in the state.

MM

I certify that the license is operated in accordance with the operating plan currently approved by the Marijuana Control Board.

MM

I certify that I am operating in compliance with the Alaska Department of Labor and Workforce Development's laws and requirements pertaining to employees.

MM

I certify that I have not violated any restrictions pertaining to this particular license type, and that this license has not been operated in violation of a condition or restriction imposed by the Marijuana Control Board.

MM

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

MM

I, Michael Musbach, hereby waive my confidentiality rights under AS 43.05.230(a) and authorize the State of Alaska, Department of Revenue to disclose any and all tax information regarding this marijuana license to the Alcohol and Marijuana Control Office (AMCO) upon formal request as part of any official investigation as long as I hold, solely, or together with other parties, this marijuana license.

MM

As an applicant for a marijuana establishment license renewal, I declare under penalty of unsworn falsification that I have read and am familiar with AS 17.38 and 3 AAC 306, and that this application, including all accompanying schedules and statements, is true, correct, and complete. I agree to provide all information required by the Marijuana Control Board in support of this application and understand that failure to do so by any deadline given to me by AMCO staff may result in additional fees or expiration of this license.

Michael Musbach
Signature of licensee

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

Michael Musbach
Printed name of licensee

My commission expires: 11/06/2024

Subscribed and sworn to before me this 26th day of April, 2021.



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COMMERCIAL LEASE AGREEMENT

This commercial lease agreement entered into on the 22 day of June, 2018, between Alaska Frosted Flowers, LLC, referred to below as "Lessor," and Alaska Frosted Flowers, LLC, referred to as "Lessee," who has applied for and received a State of Alaska Standard Marijuana Cultivation License for the below described premises:

In consideration of the rent provided for, and of the covenants and agreements contained in this Lease, Lessor demises and leases to Lessee the premises located at 495 W. Sunflower Drive Wasilla, AK. 99654 to have and to hold the premises for a term of five (5) years, beginning at 12:00 noon on the 1st day of August, 2018 and ending at 12:00 noon on the 1st day of August 2023 unless extended between the parties. Lessee shall have the right to extend this commercial agreement for up to an additional five (5) years in one year increments provided notice is given in writing of intent to extend said lease agreement to Lessor whose address is set forth below within ninety (90) days of the expiration of the current lease agreement.

The terms and conditions of this Commercial Lease are as follows:

1. **Premises.** Located at 495 W. Sunflower Drive Wasilla, AK. 99654
2. **Rent.** Lessee agrees to pay Lessor as base rent for the premises: \$ 2000⁰⁰ per month for the balance of the lease term.
 - a. Rent shall be paid on the first of the month as directed by the lessor.
 - b. Lessee shall pay all electricity for the building that is used each month, garbage disposal, and heating bills for this portion of the building as well as any and all other utility costs.
 - c. Lessee shall pay a late fee of 5% of the base rent for payment of rent past the fifth (5th) of the month.
 - d. No security/damage deposit shall be paid by lessee to lessor.
3. **Use of Premises.**
 - a. Lessee shall use the premises for the operation of a Standard Marijuana Cultivation Facility that is permitted under Alaska state law and properly licensed by the State of Alaska and local governing body.
 - b. Lessee shall also be responsible for all business costs, charges and expenses of operating, maintaining, repairing, replacing, and insuring the premises, including but not limited to net costs and expenses of operating, repairs, lighting, cleaning, painting, stripping and securing insurance.

Alaska Frosted Flowers, LLC.

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4. **Quiet enjoyment.** Lessor covenants that Lessee shall peacefully and quietly have, hold, and enjoy the premises for the agreed term, free from interference by the Lessor.

5. **Utilities.**

a. Tenant shall promptly pay all charges when due for utilities furnished to the premises including water, gas, electricity and any other utilities services, and tenant shall promptly pay all taxes levied in connection with utilities used on the premises. Landlord (lessor) shall not be responsible or liable in any way for quality impairment, interruption, stoppage or other interference with any "utility service."

b. It is the intention of Lessor and the Lessee that the rent shall be paid at the rate of \$ 2000⁰⁰ per month each and every month throughout the duration of this lease agreement.

6. **Repair.** Lessee shall keep the leased grounds free of all cans, bottles, fragments, debris and trash, and in good repair, and the Lessee will keep the downspouts, gutters and drains clean, open and free of obstruction, and in good working order. Lessor shall not be obligated or required to make any repairs or do any work on or about the premises or any part of them. All portions of any building leased shall be kept in good repair by Lessee and at the end of the term, the Lessee shall deliver the demised premises to Lessor in good repair and condition, reasonable wear and tear and damage from fire or other casualty excepted. Lessor reserves the right to enter upon the premises as Lessor may deem necessary or proper, or that Lessor may be lawfully required to make, by giving a 24-hour notice of the inspection.

Lessor shall not be liable for any injury or damage caused by, or growing out of, any defect of the building, or its equipment, drains, plumbing, wiring, electric equipment or appurtenances, or in the premises, or caused by, or growing out of fire, rain, wind, leaks, seepage or other cause. However, this does not relieve lessor of liability if the building is defective because of lessor's actions.

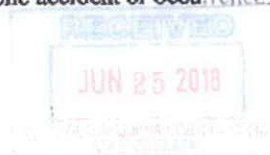
Should the Lessee fail to make repairs agreed to under this Lease, the Lessor may enter the premises (as allowed under state law) and make such repairs and collect the cost from the Lessee. Except as specifically provided in this Lease, the Lessee will not make or permit to be made any alterations, improvements, additions or changes in the premises, nor will the Lessee paint the outside of the building or permit the same to be painted without the written consent of the Lessor before work is contracted or let.

7. **Indemnity & Insurance.** Lessee agrees to indemnify and hold Lessor harmless from the claims of any and all persons for bodily injury and property damage occurring upon the premises during the term of this Lease or any extension of it, provided the Lessor is not negligent. Lessee agrees to obtain and furnish at Lessee's expense a public liability insurance policy with a reputable insurance company, protecting Lessor from any and all such damages and claims, and agrees to have the policy endorsed to include Lessor as the additional insured. The policy or policies shall be with the following minimum limits:

\$1,000,000 for personal injury to one individual in any one accident or occurrence.

Alaska Frosted Flowers, LLC.

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\$2,000,000 for personal injuries for all individuals, the result of any one accident or occurrence;

\$500,000 property damage to all persons resulting from one accident or occurrence.

Lessee will give to Lessor a copy of the liability insurance policy with the premium paid.

Lessor covenants and agrees to indemnify, hold harmless and defend lessee from and against all claims, losses and damages for personal injury or death, damage to property occurring on the premises, or Lessor's failure to pay taxes, liens, or assessments, arising out of Lessor's use or occupancy of the premises, or otherwise, arising out of Lessor's operation of the businesses or occupancy of the premises which pre-date the commencement of this Lease. This clause includes any Alaska Department of Environmental Authority, federal Environmental Protection Agency, the Alaska Department of Revenue, Internal Revenue Service, or other government entity or agency.

8. **Fire and Other Casualty.** In the event of the total destruction of, or partial damage to, the buildings upon the demised premises by fire or other casualty, Lessor shall proceed with due diligence and dispatch to repair and restore the buildings to the conditions to which they existed immediately prior to the occurrence of such casualty, at Lessor's cost and expense, provided such cost does not exceed the proceeds of insurance collected on the buildings, by reason of such casualty, the application of which insurance proceeds are not prohibited, by reason of any mortgage provision, from being used toward the cost of restoration and repairing the same. If the unexpired portion of the term or any extension of it shall be two years or less on the date of such casualty and the cost of such repair or restoration exceeds 20% of the then replacement value of the damaged leased premises, as estimated by two or more reputable contractors, Lessor may by written notice to the Lessee, within 30 days after the occurrence of such casualty, terminate this Lease. If the insurance proceeds are insufficient to effect such restoration or repairs, Lessor at its option may cancel this Lease by written notice to Lessee within 30 days after the occurrence of such casualty.

In the event the repairing and restoring of the buildings cannot be completed within four months after the date of occurrence of such casualty, as estimated by two or more reputable contractors, the Lessee shall have the right to terminate this Lease upon giving written notice to Lessor within 30 days from the date of occurrence of the casualty. From the date of such damage or destruction until the building has been substantially repaired or restored, an equitable abatement of rent shall be allowed the Lessee. Property Lessee stores in the demised premises shall be at the sole risk of Lessee.

Neither Lessor nor Lessee shall be liable to the other for any loss or damage from risks ordinarily insured against under fire insurance policies with extended coverage endorsements, irrespective of whether such loss or damage results from their negligence or that of any of their agents, servants, employees, licensees or contractors to the extent that such losses are covered by valid and collectable insurance on the property at the time of the loss.

Alaska Frosted Flowers, LLC.

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9. **Improvements and Fixtures.** Lessee may at its own expense make such alterations, improvements, additions and changes to the premises, provided Lessee shall not, without the written consent of Lessor, tear down or materially demolish any of the improvements on the premises or make any material change or alteration in such improvements which, when completed, would substantially diminish the value of the premises. All shelving, trade fixtures, or other personal property of Lessee which it may have installed or placed at its own expense on the premises may at any time be removed by Lessee provided Lessee shall repair any damage to the premises caused by such removal. Lessee agrees at Lessee's own cost and expense to keep the building on the premises well painted at all times.

10. **Assignment and Subletting.** Lessee agrees that it will not assign or sublet the leased premises in whole or in part without the written consent of Lessor, which consent shall not be unreasonably withheld. But such assignment or subletting will in no event release Lessee from its responsibility under the terms of this Lease.

11. **Default.** Lessee shall be considered in default under this lease for any of the following actions or occurrences:

a. Failure of Lessee to pay rent or any other sum due and owing Lessor pursuant to the provisions of this lease within ten (10) days after the expiration of written notice by Lessor to Lessee of such default, complying with Alaska Statute (A.S.) 09.45.105.

b. Failure by Lessee to comply with any of the covenants, terms and conditions of this lease within twenty (20) days after receipt from Lessor of notice to correct such failure.

c. Failure of Lessee to obtain the release of an attachment, garnishment, execution, or levy against the premises or loaned equipment or the business conducted by lessee on the premises within 72 hours after any such lien attaches.

d. Institution of bankruptcy, insolvency, receivership, or trusteeship proceedings, voluntary or otherwise, or an assignment for the benefit of creditors, by lessee.

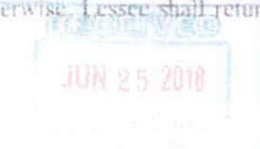
e. Abandonment of the premises by lessee.

d. Death or disablement of lessee.

e. Assignment or sublease, of this Lease by Lessee without the written consent of the Lessor, which consent shall not be unreasonably withheld.

12. **Lessor Remedies on Default.** Upon default in the terms and conditions of this Lease, Lessor may avail itself of the Forcible Entry and Detainer statutes of the State of Alaska (A.S. 09.45.060 et. seq.), and such other remedies as may exist in law or equity.

13. **Return of Premises Upon Termination.** Upon termination of this Lease by expiration of the term, or by election as above provided, or otherwise, Lessee shall return the



premises to Lessor in the same condition as at the commencement of this Lease, ordinary wear and tear excepted.

14. **Non-Waiver of Eminent Domain and Condemnation.** If there is a partial taking of the demised premises by eminent domain, as the result of which the total leased premises is reduced by not more than 25%, the terms of this Lease will continue and Lessor at Lessor's expense will restore the remaining premises to a complete architectural unit with store front, signs and interior of equal appearance and utility as they had previous to the taking, but there will be a pro-rata reduction in the rent payable each month and Lessee will have no right to any of the proceeds of such taking. If, on the other hand, the taking exceeds 25% of the total leased premises, or in the event the improvements are condemned and ordered torn down or removed by lawful authority, then the terms of this Lease shall cease as of the date possession shall be taken by such authority, the rent will be apportioned as of the date of such taking.

15. In the event of default by lessee, the Lessor/landlord will not remove from the premises or take possession of marijuana, and AMCO enforcement will be notified immediately by lessor.

16. **Miscellaneous.**

a. **Notices.** All notices which are required to be given pursuant to this Lease shall be deemed sufficient if in writing and sent by either registered or certified mail or hand delivery as follows:

To Lessor: 6701 E. 12th Avenue Anchorage, AK. 99504

To Lessee: 6701 E. 12th Avenue Anchorage, AK. 99504

b. **Binding Effects.** This Lease shall be binding and shall inure to the benefit of Lessor and Lessee, their heirs, successors and assigns.

c. **Integrated Contract.** This lease contains the entire agreement and understanding between the parties hereto. From the date on which the form of this lease begins, this lease automatically supersedes and terminates all prior leases between lessee and lessor or the predecessors of lessee pertaining to the premises and loaned equipment. No amendment, addition, alteration, modification or waiver of any provision of this lease shall be of any effect unless in writing and signed by the parties hereto.

d. **Attorney's Fees.** In any proceedings to enforce this Lease, the prevailing party shall pay all reasonable costs, attorneys' fees and expenses that shall be made and incurred in enforcing the agreements of this lease.

e. **Applicable Law and Termination of Lease.** This Lease shall be interpreted according to the law of the State of Alaska, and any legal proceedings to enforce it shall be venued in the courts of the State of Alaska, Third Judicial District at Palmer, Alaska. After a Lease Agreement is mutually executed and in the event lessee, despite its best efforts, is unable to obtain a state marijuana license (or renewal of said license) and

JUN 25 2018

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local use permits approvals for this site location, lessee shall, at lessee's election, be released from the terms of the lease and the security deposit and all Payments to the Landlord will be forfeited as its sole financial remedy cancelling this Lease Agreement.

Likewise, if after the lessee's operation is up and running and in the future there are changes in the Law that make the business of lessee illegal, lessee shall be released from the terms of the lease agreement with forfeiture of the security deposit and all payments. Lessee agrees to give a thirty (30) day notice prior to terminating lease.

In witness, the parties have executed this Lease on the date below written.

DATED at Anch., Alaska, this 22nd day of June 2018.

Alaska Frosted Flowers, LLC.

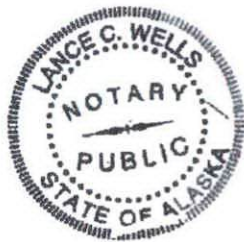
By its: Michael Musbach
Member/Manager
Lessor

STATE OF ALASKA)
) ss.
THIRD JUDICIAL DISTRICT)

THIS IS TO CERTIFY that on this 22 day of June 2018 before me, the undersigned Notary Public in and for the State of Alaska, duly commissioned and sworn, personally appeared Michael Musbach, to me known to be the person described in and who executed the above agreement, and he/she acknowledged to me that he/she executed the same as his/her free and voluntary act and deed, for the uses and purposes therein mentioned.

WITNESS my hand and official notarial seal on the day, month, and year in this certificate first hereinafter written.

By: [Signature]
Notary Public in and for the State of Alaska
My commission expires: 6.15.19



Alaska Frosted Flowers, LLC.



DATED at Anch, Alaska, this 22nd day of June 2018.

Alaska Frosted Flowers, LLC.

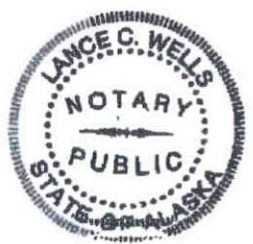
By its: Michael Musbach
Member/Manager
Lessee

STATE OF ALASKA)
) ss.
THIRD JUDICIAL DISTRICT)

THIS IS TO CERTIFY that on this 22nd day of June 2018 before me, the undersigned Notary Public in and for the State of Alaska, duly commissioned and sworn, personally appeared Michael Musbach, to me known to be the person described in and who executed the above agreement, and he/she acknowledged to me that he/she executed the same as his/her free and voluntary act and deed, for the uses and purposes therein mentioned.

WITNESS my hand and official notarial seal on the day, month, and year in this certificate first hereinafter written.

By: [Signature]
Notary Public in and for the State of Alaska
My commission expires: 6.18.19



Alaska Frosted Flowers, LLC.



AMCO

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Department of Commerce, Community, and Economic Development
**CORPORATIONS, BUSINESS & PROFESSIONAL
 LICENSING**

[State of Alaska](#) / [Commerce](#) / [Corporations, Business, and Professional Licensing](#) / [Search & Database Download](#) / [Corporations](#) / Entity Details

ENTITY DETAILS

Name(s)

Type	Name
Legal Name	Alaska Frosted Flowers, LLC

Entity Type: Limited Liability Company

Entity #: 10027672

Status: Good Standing

AK Formed Date: 3/7/2015

Duration/Expiration: Perpetual

Home State: ALASKA

Next Biennial Report Due: 1/2/2023

Entity Mailing Address: 6701 EAST 12TH AVE, ANCHORAGE, AK 99504-1829

Entity Physical Address: 6701 EAST 12TH AVE, ANCHORAGE, AK 99504-1829

Registered Agent

Agent Name: Michael Musbach

Registered Mailing Address: 6701 EAST 12TH AVE, ANCHORAGE, AK 99504

Registered Physical Address: 6701 EAST 12TH AVE, ANCHORAGE, AK 99504

Officials

Show Former

AK Entity #	Name	Titles	Owned
	Micheal Musbach	Member	100.00

Filed Documents

Date Filed	Type	Filing	Certificate
3/07/2015	Creation Filing	Click to View	Click to View
3/14/2015	Initial Report	Click to View	
1/13/2017	Biennial Report	Click to View	
11/29/2018	Biennial Report	Click to View	
12/06/2020	Biennial Report	Click to View	

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Alaska Department of Commerce, Community, and Economic Development

Division of Corporations, Business, and Professional Licensing
PO Box 110806, Juneau, AK 99811-0806

This is to certify that

ALASKA FROSTED FLOWERS, LLC

6701 E 12TH AVE, ANCHORAGE, AK 99504-1829

owned by

ALASKA FROSTED FLOWERS, LLC

is licensed by the department to conduct business for the period

January 14, 2020 to December 31, 2021
for the following line(s) of business:

11 - Agriculture, Forestry, Fishing and Hunting

This license shall not be taken as permission to do business in the state without having complied with the other requirements of the laws of the State or of the United States.

This license must be posted in a conspicuous place at the business location.
It is not transferable or assignable.

Julie Anderson
Commissioner

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AMCO



State of Alaska
Department of Commerce, Community and Economic Development
Corporations, Business and Professional Licensing

Certificate of Organization

The undersigned, as Commissioner of Commerce, Community and Economic Development of the State of Alaska, hereby certifies that a duly signed and verified filing pursuant to the provisions of Alaska Statutes has been received in this office and has been found to conform to law.

ACCORDINGLY, the undersigned, as Commissioner of Commerce, Community and Economic Development, and by virtue of the authority vested in me by law, hereby issues this certificate to

Alaska Frosted Flowers, LLC



IN TESTIMONY WHEREOF, I execute the certificate
and affix the Great Seal of the State of Alaska
effective **March 07, 2015**.

A handwritten signature in blue ink, appearing to read "Fred Parady".

Fred Parady
Commissioner

AMCO

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THE STATE
 of ALASKA

Department of Commerce, Community, and Economic Development
 Division of Corporations, Business, and Professional Licensing
 PO Box 110806, Juneau, AK 99811-0806
 (907) 465-2550 • Email: corporations@alaska.gov
 Website: corporations.alaska.gov

FOR DIVISION USE ONLY

Domestic Limited Liability Company

2021 Biennial Report
 For the period ending December 31, 2020

Web-12/6/2020 8:53:49 AM

Due Date: This report along with its fees are due by January 2, 2021

Fees: If postmarked before February 2, 2021, the fee is \$100.00.

If postmarked on or after February 2, 2021 then this report is delinquent and the fee is \$137.50.

Entity Name: Alaska Frosted Flowers, LLC

Entity Number: 10027672

Home Country: UNITED STATES

Home State/Prov.: ALASKA

Physical Address: 6701 EAST 12TH AVE, ANCHORAGE, AK
 99504-1829

Mailing Address: 6701 EAST 12TH AVE, ANCHORAGE, AK
 99504-1829

Registered Agent information cannot be changed on this form. Per Alaska Statutes, to update or change the Registered Agent information this entity must submit the Statement of Change form for this entity type along with its filing fee.

Name: Michael Musbach

Physical Address: 6701 EAST 12TH AVE, ANCHORAGE, AK
 99504

Mailing Address: 6701 EAST 12TH AVE, ANCHORAGE, AK
 99504

Officials: The following is a complete list of officials who will be on record as a result of this filing.

- **Provide all officials and required information. Use only the titles provided.**
- **Mandatory Members:** this entity must have at least one (1) Member. A Member must own a %. In addition, this entity must provide all Members who own 5% or more of the entity. A Member may be an individual or another entity.
- **Manager:** If the entity is manager managed (per its articles or amendment) then there must be at least (1) Manager provided. A Manager may be a Member if the Manager also owns a % of the entity.

Full Legal Name	Complete Mailing Address	% Owned	Member
Micheal Musbach	6701 E. 12TH AVE, ANCHORAGE, AK 99504-1829	100.00	X

If necessary, attach a list of additional officers on a separate 8.5 X 11 sheet of paper.

Purpose: Any Lawful

NAICS Code: 111998 - ALL OTHER MISCELLANEOUS CROP FARMING

New NAICS Code (optional):

AMCO

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This form is for use by the named entity only. Only persons who are authorized by the above Official(s) of the named entity may make changes to it. If you proceed to make changes to this form or any information on it, you will be certifying under penalty of perjury that you are authorized to make those changes, and that everything on the form is true and correct. In addition, persons who file documents with the commissioner that are known to the person to be false in material respects are guilty of a class A misdemeanor. Continuation means

you have read this and understand it.

Name: Michael Musbach

AMCO

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OPERATING AGREEMENT

of

Alaska Frosted Flowers, LLC

This Operating Agreement (the "Agreement") made and entered into this 10th day of March, 2018 (the "Execution Date"),

AMONGST:

Michael Musbach, 6701 EAST 12th Avenue Anchorage, AK 99504
Single Member LLC

BACKGROUND:

- A. The Member wishes to associate themselves as a member of a limited liability company.
- B. The terms and conditions of this Agreement will govern the Member(s) within the limited liability company.

IN CONSIDERATION OF and as a condition of the Member(s) entering into this Agreement and other valuable consideration, the receipt and sufficiency of which is acknowledged, the Member(s) agree as follows:

Formation

- 1. By this Agreement, the Member(s) forms a Limited Liability Company (the "Company") in accordance with the laws of the State of Alaska. The rights and obligations of the Member(s) will be as stated in the Alaska Revised Limited Liability Company Act (the "Act") except as otherwise provided in this agreement.

Name

- 2. The name of the Company will be Alaska Frosted Flowers, LLC.

Purpose

- 3. Cannabis Cultivation

Term

- 4. The Company will continue until terminated as provided in this Agreement or may dissolve under conditions provided in the Act.

Place of Business

- 5. The Principal Office of the Company will be located at 495 W Sunflower Dr, Wasilla Alaska 99654 or such other place as the Members may from time to time designate.

Membership Classes

- 6. Members will be divided into classes. Each class will have distinct rights and obligations as follows:



No Changes 6/18/19 MM
No Changes 5/26/20 MM
No Changes 5/2/21 MM

Member Class	Rights and Obligations
Class A	These members have full voting shares and make vital direction and management decisions for the organization.
Class B	These members hold share ownership without voting rights.

7. The following is a list of all Members and the membership class to which they belong:

Member	Member Class
Michael Musbach	Class A

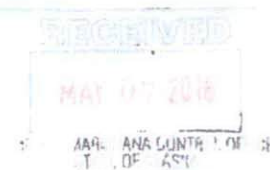
Capital Contributions

8. The following is a list of all Member(s) and their Initial Contributions to the Company. Each of the Member(s) agree to make their Initial Contributions to the Company in full, according to the following terms:

Member	Contribution Description	Value of Contribution
Michael Musbach	This member funds 100% of the establishment costs and handles all on ground operations of the establishment.	\$ 100,000

Allocation of Profits/Losses

- Subject to the other provisions of this Agreement, the Net Profits or Losses, for accounting purposes, will accrue to and be borne by the Member(s) in proportion to the Member(s)' Capital Contributions inclusive of any Additional Capital Contributions.
- Distributions to Member(s) will be made in proportion to the Member(s)' Capital Contributions inclusive of any Additional Capital Contributions.



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11. No Member will have priority over any other Member for the distribution of Net Profits or Losses.

Nature of Interest

12. A Member's Interest in the Company will be considered personal property.

Withdrawal of Contribution

13. No Member will withdraw any portion of their Capital Contribution without the unanimous consent of the other Members.

Liability for Contribution

14. A Member's obligation to make their required Capital Contribution can only be compromised or released with the consent of all remaining Members or as otherwise provided in this Agreement. If a Member does not make the Capital Contribution when it is due, he is obligated at the option of any remaining Members to contribute cash equal to the agreed value of the Capital Contribution. This option is in addition to and not in lieu of any others rights, including the right to specific performance that the Company may have against the Member.

Additional Contributions

15. Capital Contributions may be amended from time to time, according to the business needs of the Company. However if additional capital is determined to be required and an individual Member is unwilling or unable to meet the additional contribution requirement within a reasonable period, the remaining Members may contribute in proportion to their existing Capital Contributions to resolve the amount in default. In such case, the allocation of Net Profits or Losses and the distribution of assets on dissociation or dissolution will be adjusted accordingly.

16. Any advance of money to the Company by any Member in excess of the amounts provided for in this Agreement or subsequently agreed to, will be deemed a debt due from the Company rather than an increase in the Capital Contribution of the Member. This liability will be repaid with interest at such rates and times to be determined by a majority of the Voting Members. This liability will not entitle the lending Member to any increased share of the Company's profits nor to a greater voting power. Repayment of such debts will have priority over any other payments to Members.

Capital Accounts

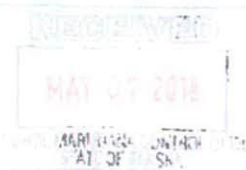
17. An individual capital account (the "Capital Account") will be maintained for each Member and their Initial Contributions will be credited to this account. Any Additional Contributions made by any Member will be credited to that Member's individual Capital Account.

Interest on Capital

18. No borrowing charge or loan interest will be due or payable to any Member on their agreed Capital Contribution inclusive of any agreed Additional Contributions.

Management

19. Management of this Company is vested in the Members.



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Authority to Bind Company

20. Only the following individuals have authority to bind the Company in contract: All Class A Members with a majority vote can bind the company in contract.

Duty of Loyalty

21. While a person is a Member of the Company, and for a period of at least one year after that person ceases to be a Member, that person will not carry on, or participate in, a similar business to the business of the Company within any market regions that were established or contemplated by the Company before or during that person's tenure as Member.

Duty to Devote Time

22. Each Member will devote such time and attention to the business of the Company as the majority of the Voting Members will from time to time reasonably determine for the conduct of the Company's business.

Member Meetings

23. A meeting may be called by any Member providing that reasonable notice has been given to the other Members.
24. Regular meetings of the Members will be held monthly.

Voting

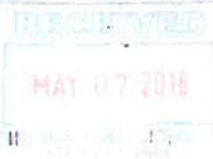
25. Each Member of a voting membership class will be entitled to cast votes, on any matter within the authority of that membership class, based upon the proportion of that Member's Capital Contributions in the Company.

Admission of New Members

26. A new Member may only be admitted to the Company with a majority vote of the existing Members.
27. The new Member agrees to be bound by all the covenants, terms, and conditions of this Agreement, inclusive of all current and future amendments. Further, a new Member will execute such documents as are needed to effect the admission of the new Member. Any new Member will receive such business interest in the Company as determined by a unanimous decision of the other Members.

Voluntary Withdrawal of a Member

28. No Member may voluntarily withdraw from the Company for a period of one year from the execution date of this Agreement. Any such unauthorized withdrawal prior to the expiration of this period will be considered a wrongful dissociation and a breach of this Agreement. In the event of any such wrongful dissociation, the withdrawing Member will be liable to the remaining Members for any damages incurred by the remaining Members including but not limited to the loss of future earnings. After the expiration of this period, any Member will have the right to voluntarily



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withdraw from the Company. Written notice of intention to withdraw must be served upon the remaining Members at least three months prior to withdrawal.

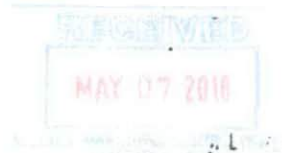
29. The voluntary withdrawal of a Member will have no effect upon the continuance of the Company.
30. It remains incumbent on the withdrawing Member to exercise this dissociation in good faith and to minimize any present or future harm done to the remaining Members as a result of the withdrawal.

Involuntary Withdrawal of a Member

31. Events leading to the involuntary withdrawal of a Member from the Company will include but not be limited to: death of a Member; Member mental incapacity; Member disability preventing reasonable participation in the Company; Member incompetence; breach of fiduciary duties by a Member; criminal conviction of a Member; Operation of Law against a Member or a legal judgment against a Member that can reasonably be expected to bring the business or societal reputation of the Company into disrepute. Expulsion of a Member can also occur on application by the Company or another Member, where it has been judicially determined that the Member: has engaged in wrongful conduct that adversely and materially affected the Company's business; has willfully or persistently committed a material breach of this Agreement or of a duty owed to the Company or to the other Members; or has engaged in conduct relating to the Company's business that makes it not reasonably practicable to carry on the business with the Member.
32. The involuntary withdrawal of a Member will have no effect upon the continuance of the Company.

Dissociation of a Member

33. In the event of either a voluntary or involuntary withdrawal of a Member, if the remaining Members elect to purchase the interest of the withdrawing Member, the remaining Members will serve written notice of such election, including the purchase price and method and schedule of payment for the withdrawing Member's Interests, upon the withdrawing Member, their executor, administrator, trustee, committee or analogous fiduciary within a reasonable period after acquiring knowledge of the change in circumstance to the affected Member. The purchase amount of any buyout of a Member's Interests will be determined as set out in the Valuation of Interest section of this Agreement.
34. Valuation and distribution will be determined as described in the Valuation of Interest section of this Agreement.
35. The remaining Members retain the right to seek damages from a dissociated Member where the dissociation resulted from a malicious or criminal act by the dissociated Member or where the dissociated Member had breached their fiduciary duty to the Company or was in breach of this Agreement or had acted in a way that could reasonably be foreseen to bring harm or damage to the Company or to the reputation of the Company.



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36. A dissociated Member will only have liability for Company obligations that were incurred during their time as a Member. On dissociation of a Member, the Company will prepare, file, serve, and publish all notices required by law to protect the dissociated Member from liability for future Company obligations.
37. Where the remaining Members have purchased the interest of a dissociated Member, the purchase amount will be paid in full, but without interest, within 90 days of the date of withdrawal. The Company will retain exclusive rights to use of the trade name and firm name and all related brand and model names of the Company.

Right of First Purchase

38. In the event that a Member's Interest in the Company is or will be sold, due to any reason, the remaining Members will have a right of first purchase of that Member's Interest. The value of that interest in the Company will be the lower of the value set out in the Valuation of Interest section of this Agreement and any third party offer that the Member wishes to accept.

Assignment of Interest

39. A Member's financial interest in the Company can only be assigned to another Member and cannot be assigned to a third party except with the unanimous consent of the remaining Members.
40. In the event that a Member's interest in the company is transferred or assigned as the result of a court order or Operation of Law, the trustee in bankruptcy or other person acquiring that Member's Interests in the Company will only acquire that Member's economic rights and interests and will not acquire any other rights of that Member or be admitted as a Member of the Company or have the right to exercise any management or voting interests.

Valuation of Interest

41. A Member's financial interest in the Company will be in proportion to their Capital Contributions, inclusive of any Additional Capital Contributions.
42. In the absence of a written agreement setting a value, the value of the Company will be based on the fair market value appraisal of all Company assets (less liabilities) determined in accordance with generally accepted accounting principles (GAAP). This appraisal will be conducted by an independent accounting firm agreed to by all Members. An appraiser will be appointed within a reasonable period of the date of withdrawal or dissolution. The results of the appraisal will be binding on all Members. The intent of this section is to ensure the survival of the Company despite the withdrawal of any individual Member.
43. No allowance will be made for goodwill, trade name, patents or other intangible assets, except where those assets have been reflected on the Company books immediately prior to valuation.

Dissolution

44. The Company may be dissolved by a unanimous vote of the Members. The Company will also be dissolved on the occurrence of events specified in the Act.



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45. Upon Dissolution of the Company and liquidation of Company property, and after payment of all selling costs and expenses, the liquidator will distribute the Company assets to the following groups according to the following order of priority:
- a. in satisfaction of liabilities to creditors except Company obligations to current Members;
 - b. in satisfaction of Company debt obligations to current Members; and then
 - c. to the Members based on Member financial interest, as set out in the Valuation of Interest section of this Agreement.

Records

46. The Company will at all times maintain accurate records of the following:
- a. Information regarding the status of the business and the financial condition of the Company.
 - b. A copy of the Company federal, state, and local income taxes for each year, promptly after becoming available.
 - c. Name and last known business, residential, or mailing address of each Member, as well as the date that person became a Member.
 - d. A copy of this Agreement and any articles or certificate of formation, as well as all amendments, together with any executed copies of any written powers of attorney pursuant to which this Agreement, articles or certificate, and any amendments have been executed.
 - e. The cash, property, and services contributed to the Company by each Member, along with a description and value, and any contributions that have been agreed to be made in the future.
47. Each Member has the right to demand, within a reasonable period of time, a copy of any of the above documents for any purpose reasonably related to their interest as a Member of the Company, at their expense.

Books of Account

48. Accurate and complete books of account of the transactions of the Company will be kept in accordance with generally accepted accounting principles (GAAP) and at all reasonable times will be available and open to inspection and examination by any Member. The books and records of the Company will reflect all the Company's transactions and will be appropriate and adequate for the business conducted by the Company.

Banking and Company Funds

49. The funds of the Company will be placed in such investments and banking accounts as will be designated by the Members. All withdrawals from these accounts will be made by the duly authorized agent or agents of the Company as appointed by unanimous consent of the Members. Company funds will be held in the name of the Company and will not be commingled with those of any other person or entity.



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Audit

50. Any of the Members will have the right to request an audit of the Company books. The cost of the audit will be borne by the Company. The audit will be performed by an accounting firm acceptable to all the Members. Not more than one (1) audit will be required by any or all of the Members for any fiscal year.

Fiscal Year End

51. The fiscal year end of the Company is the 31st day of December.

Tax Treatment

52. This Company is intended to be treated as a corporation, for the purposes of Federal and State Income Tax.

Annual Report

53. As soon as practicable after the close of each fiscal year, the Company will furnish to each Member an annual report showing a full and complete account of the condition of the Company including all information as will be necessary for the preparation of each Member's income or other tax returns. This report will consist of at least:
- a. A copy of the Company's federal income tax returns for that fiscal year.
 - b. A breakdown of the profit and loss attributable to each Member.

Goodwill

54. The goodwill of the Company will be assessed at an amount to be determined by appraisal using generally accepted accounting principles (GAAP).

Governing Law

55. The Members submit to the jurisdiction of the courts of the State of Alaska for the enforcement of this Agreement or any arbitration award or decision arising from this Agreement.

Force Majeure

56. A Member will be free of liability to the Company where the Member is prevented from executing their obligations under this Agreement in whole or in part due to force majeure, such as earthquake, typhoon, flood, fire, and war or any other unforeseen and uncontrollable event where the Member has communicated the circumstance of the event to any and all other Members and where the Member has taken any and all appropriate action to satisfy his duties and obligations to the Company and to mitigate the effects of the event.

Forbidden Acts

57. No Member may do any act in contravention of this Agreement.
58. No Member may permit, intentionally or unintentionally, the assignment of express, implied or apparent authority to a third party that is not a Member of the Company.
59. No Member may do any act that would make it impossible to carry on the ordinary business of the Company.



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60. No Member will have the right or authority to bind or obligate the Company to any extent with regard to any matter outside the intended purpose of the Company.
61. No Member may confess a judgment against the Company.
62. Any violation of the above forbidden acts will be deemed an Involuntary Withdrawal and may be treated accordingly by the remaining Members.

Indemnification

63. All Members will be indemnified and held harmless by the Company from and against any and all claims of any nature, whatsoever, arising out of a Member's participation in Company affairs. A Member will not be entitled to indemnification under this section for liability arising out of gross negligence or willful misconduct of the Member or the breach by the Member of any provisions of this Agreement.

Liability

64. A Member or any employee will not be liable to the Company or to any other Member for any mistake or error in judgment or for any act or omission believed in good faith to be within the scope of authority conferred or implied by this Agreement or the Company. The Member or employee will be liable only for any and all acts and omissions involving intentional wrongdoing.

Liability Insurance

65. The Company may acquire insurance on behalf of any Member, employee, agent or other person engaged in the business interest of the Company against any liability asserted against them or incurred by them while acting in good faith on behalf of the Company.

Life Insurance

66. The Company will have the right to acquire life insurance on the lives of any or all of the Members, whenever it is deemed necessary by the Company. Each Member will cooperate fully with the Company in obtaining any such policies of life insurance.

Actions Requiring Unanimous Consent

67. The following actions will require the unanimous consent of all Members:
- a. Incurring Company liabilities over \$500.00.
 - b. Incurring a single transaction expense over \$500.00.
 - c. Endangering the ownership or possession of Company property including selling, transferring or loaning any Company property or using any Company property as collateral for a loan.
 - d. Releasing any Company claim except for payment in full.

Amendment of this Agreement

68. No amendment or modification of this Agreement will be valid or effective unless in writing and signed by all Members.



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Title to Company Property

69. Title to all Company property will remain in the name of the Company. No Member or group of Members will have any ownership interest in Company property in whole or in part.

Miscellaneous

70. Time is of the essence in this Agreement.
71. This Agreement may be executed in counterparts.
72. Headings are inserted for the convenience of the Members only and are not to be considered when interpreting this Agreement. Words in the singular mean and include the plural and vice versa. Words in the masculine gender include the feminine gender and vice versa. Words in a neutral gender include the masculine gender and the feminine gender and vice versa.
73. If any term, covenant, condition or provision of this Agreement is held by a court of competent jurisdiction to be invalid, void or unenforceable, it is the Members' intent that such provision be reduced in scope by the court only to the extent deemed necessary by that court to render the provision reasonable and enforceable and the remainder of the provisions of this Agreement will in no way be affected, impaired or invalidated as a result.
74. This Agreement contains the entire agreement between the Members. All negotiations and understandings have been included in this Agreement. Statements or representations that may have been made by any Member during the negotiation stages of this Agreement, may in some way be inconsistent with this final written Agreement. All such statements have no force or effect in respect to this Agreement. Only the written terms of this Agreement will bind the Members.
75. This Agreement and the terms and conditions contained in this Agreement apply to and are binding upon each Member's successors, assigns, executors, administrators, beneficiaries, and representatives.
76. Any notices or delivery required here will be deemed completed when hand-delivered, delivered by agent, or seven (7) days after being placed in the post, postage prepaid, to the Members at the addresses contained in this Agreement or as the Members may later designate in writing.
77. All of the rights, remedies and benefits provided by this Agreement will be cumulative and will not be exclusive of any other such rights, remedies and benefits allowed by law.

Definitions

78. For the purpose of this Agreement, the following terms are defined as follows:
- a. "Additional Contribution" means Capital Contributions, other than Initial Contributions, made by Members to the Company.
 - b. "Capital Contribution" means the total amount of cash, property, or services contributed to the Company by any one Member.
 - c. "Distributions" means a payment of Company profits to the Members.



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- d. "Initial Contribution" means the initial Capital Contributions made by any Member to acquire an interest in the Company.
- e. "Member's Interests" means the Member's collective rights, including but not limited to, the Member's right to share in profits, Member's right to a share of Company assets on dissolution of the Company, Member's voting rights, and Member's rights to participate in the management of the Company.
- f. "Net Profits or Losses" means the net profits or losses of the Company as determined by generally accepted accounting principles (GAAP).
- g. "Operation of Law" means rights or duties that are cast upon a party by the law, without any act or agreement on the part of the individual, including, but not limited to, an assignment for the benefit of creditors, a divorce, or a bankruptcy.
- h. "Principal Office" means the office whether inside or outside the State of Alaska where the executive or management of the Company maintain their primary office.
- i. "Voting Members" means the Members who belong to a membership class that has voting power.

IN WITNESS WHEREOF the Members have duly affixed their signatures under hand and seal on this 10th day of March, 2018:

SIGNED, SEALED, AND DELIVERED

in the presence of:

Witness: [Signature] (Sign)

Witness Name: Ken Rodriguez

[Signature] 3/10/2018

Michael Musbach (Member)



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