

Alcohol & Marijuana Control Office

License Number: 19466

License Status: Active-Operating

License Type: Limited Marijuana Cultivation Facility

Doing Business As: GREEN ACRES 907, LLC

Business License Number: 1081116

Designated Licensee: David Kuper

Email Address: greenacres907@gmail.com

Local Government: Matanuska-Susitna Borough

Local Government 2:

Community Council: Big Lake

Latitude, Longitude: 61.536722, -149.982918

Physical Address: LOT 1 ROOT BEER LAKE
BIG LAKE, AK 99652
UNITED STATES

Licensee #1

Type: Entity

Alaska Entity Number: 10092503

Alaska Entity Name: Green Acres 907, LLC

Phone Number: 907-360-1225

Email Address: greenacres907@gmail.com

Mailing Address: P.O. Box 521265
BIG LAKE, AK 99652
UNITED STATES

Entity Official #1

Type: Individual

Name: David Kuper

SSN: [REDACTED]

Date of Birth: [REDACTED]

Phone Number: 907-360-1225

Email Address: greenacres907@gmail.com

Mailing Address: P.O. Box 521265
BIG LAKE, AK 99652
UNITED STATES

Entity Official #2

Type: Individual

Name: Christina Kuper

SSN: [REDACTED]

Date of Birth: [REDACTED]

Phone Number: 907-360-1225

Email Address: greenacres907@gmail.com

Mailing Address: P.O. Box 521265
BIG LAKE, AK 99652
UNITED STATES

Note: No affiliates entered for this license.

Notice of Violation

Email

(3AAC 306.805)

This form, all information provided and responses are public documents per Alaska Public Records Act AS 40.25

Date: 9/28/20

License #/Type: 19466

Limited Cultivation

Designated Licensee: David Kuper

AMCO Case#:

DBA: Green Acres 907 LLC

Premises Address: LOT 1 ROOT BEER LAKE BIG LAKE, AK 99652

Mailing Address: P.O. Box 521265 BIG LAKE, AK 99652

This is a notice to you as licensee that an alleged violation has occurred. If the Marijuana Control Board decides to act against your license, under the provisions of AS 44.62.330 - AS 44.62.630 (Administrative Procedures Act) you will receive an Accusation and Notice of your right to an Administrative Hearing.

Note: This is not an accusation or a criminal complaint.

As of 7/29/2020, Green Acres 907 LLC, 19466, Limited Cultivation, you were delinquent on your marijuana excise tax liability.

You have 30 days to resolve this matter with the Department of Revenue. If the delinquency is not resolved, an accusation may be brought to the Marijuana Control Board.

Your attention is directed to: AS 17.38.010(b)(2) legitimate, taxpaying business people, and not criminal actors, will conduct sales of marijuana; 3 AAC 306.480. Marijuana tax to be paid; 3 AAC 306.810. Suspension or revocation of license; AS 43.61.030(b). Marijuana cultivation facility fails to pay tax; AS 43.05.230(e) DOR can publish list of taxpayer(s) who failed to pay their taxes.; 15 AAC 61.020. License revocation and suspension.

3 AAC 306.805 provides that upon receipt of a Notice of Violation, a licensee may request to appear before the board and be heard regarding the Notice of Violation. The request must be made within ten days after receipt of the Notice. A licensee may respond, either orally or in writing, to the Notice.

IT IS RECOMMENDED THAT YOU RESPOND IN WRITING TO DOCUMENT YOUR RESPONSE FOR THE MARIJUANA CONTROL BOARD.

***Please send your response to the address below and include your Marijuana Establishment License Number in your response.**

Alcohol & Marijuana Control Office
ATTN: Enforcement
550 W. 7th Ave, Suite 1600
Anchorage, Alaska 99501
amco.enforcement@alaska.gov

Issuing Investigator: J. Hoelscher

Received by:

SIGNATURE:



SIGNATURE:

Delivered VIA: Email

Date:

Notice of Violation

Email

(3AAC 306.805)

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Date: 9/28/20

License #/Type: 19466

Limited Cultivation

Designated Licensee: David Kuper

AMCO Case#:

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Note: This is not an accusation or a criminal complaint.

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License #/Type: 19466

Limited Cultivation

Designated Licensee: David Kuper

AMCO Case#:

DBA: Green Acres 907 LLC

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Notice of Violation

Email

(3AAC 306.805)

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Date: 11/23/20

License #/Type: 19466

Limited Cultivation

Designated Licensee: David Kuper

AMCO Case#:

DBA: Green Acres 907 LLC

Premises Address: LOT 1 ROOT BEER LAKE BIG LAKE, AK 99652

Mailing Address: P.O. Box 521265 BIG LAKE, AK 99652

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Note: This is not an accusation or a criminal complaint.

As of 11/18/2020, Green Acres 907 LLC, 19466, Limited Cultivation, you were delinquent on your marijuana excise tax liability.

You have 30 days to resolve this matter with the Department of Revenue. If the delinquency is not resolved, an accusation may be brought to the Marijuana Control Board.

Your attention is directed to: AS 17.38.010(b)(2) legitimate, taxpaying business people, and not criminal actors, will conduct sales of marijuana; 3 AAC 306.480. Marijuana tax to be paid; 3 AAC 306.810. Suspension or revocation of license; AS 43.61.030(b). Marijuana cultivation facility fails to pay tax; AS 43.05.230(e) DOR can publish list of taxpayer(s) who failed to pay their taxes.; 15 AAC 61.020. License revocation and suspension.

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Received by:

SIGNATURE:



SIGNATURE:

Delivered VIA: Email

Date:



Jana D. Weltzin
Licensed in Alaska & Arizona
901 Photo Ave, Second Floor
Anchorage, Alaska 99503
Phone 907-231-3750
JDW, LLC
jana@jdwcounsel.com

September 20, 2021

Re: Notice of Violations – Green Acres 907

License # 19466

Dear AMCO Enforcement,

This letter is in response to the NOV received on September 28, 2020 for July 29, 2020 delinquent excise tax liability, NOV received September 28, 2020 for August 24, 2020 delinquent excise tax liability, NOV received September 28, 2020 for September 24, 2020 delinquent excise tax liability and NOV received November 23, 2020 for November 18, 2020 delinquent excise tax liability.

The licensee was late on one payment which created a snow-ball effect. All marijuana excise taxes for 2020 have been paid in full.

The licensee understands the importance of paying taxes on time and is working on better business practices to ensure that excise taxes are prioritized.

Truly and Sincerely Yours,

A handwritten signature in blue ink, appearing to read "Jana D. Weltzin", is written over a large, stylized blue scribble that extends across the page.

Jana D. Weltzin, *Esq.*



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:	Green Acres 907, LLC	License Number:	19466
License Type:	Limited Marijuana Cultivation Facility		
Doing Business As:	Green Acres 907, LLC		
Premises Address:	Lot 1 Root Beer Lake		
City:	Big Lake	State:	Alaska
		ZIP:	99652

Section 2 – Individual Information

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

Name:	Christina Kuper
Title:	Member

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.

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.

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

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).



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.

CMK

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.

CMK

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

CMK

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

CMK

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

CMK

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.

CMK

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.

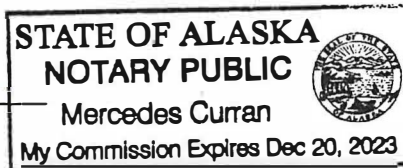
CMK

I, Christina Kuper, 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.

CMK

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.

Christina Kuper
Signature of licensee



Mercedes Curran
Notary Public in and for the State of Alaska

Christina Kuper
Printed name of licensee

My commission expires: 12/20/2023

Subscribed and sworn to before me this 7th day of June, 2021.



Alaska Marijuana Control Board

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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:	Green Acres 907, LLC	License Number:	19466		
License Type:	Limited Marijuana Cultivation Facility				
Doing Business As:	Green Acres 907, LLC				
Premises Address:	Lot 1 Root Beer Lake				
City:	Big Lake	State:	Alaska	ZIP:	99652

Section 2 – Individual Information

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

Name:	David Kuper
Title:	Member

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.

DK

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DK

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Initials

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DK



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.

OK

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.

DK

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

OK

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

OK

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

DK

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.

DK

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.

DK

I, David Kuper, 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.

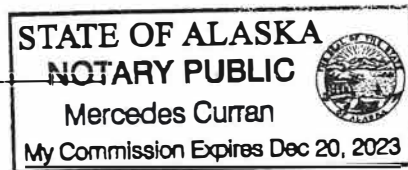
DK

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.

Signature of licensee

David Kuper

Printed name of licensee



Notary Public in and for the State of Alaska

My commission expires: 12/20/2023

Subscribed and sworn to before me this 7th day of June, 2021.

COMMERCIAL LEASE AND OPTION AGREEMENT

THIS COMMERCIAL LEASE AND OPTION AGREEMENT (the "Lease") is made and entered into and effective as of the 27th day of August 2018, by and between Green Acres 917, LLC, an Alaska limited liability company (hereinafter "Lessee"), whose address is PO Box 5212, Big Lake, Alaska 99652, and Galilean AK Holdings I, LLC, an Alaskan limited liability company (hereinafter "Lessor"), whose address is 310 K Street, Suite 200 #255, Anchorage, Alaska 99501.

RECITALS

WHEREAS, Lessor is the owner of the certain real property and structures in Big Lake, Alaska;

WHEREAS, Lessee desires to lease such real property and structures from Lessor; and

WHEREAS, the parties have agreed to the terms and conditions of the lease;

NOW, THEREFORE, in consideration of the foregoing and the mutual covenants and promises herein contained and other good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged, the parties hereto covenant and agree as follows:

1. Description of Premises. Lessee leases from Lessor the real property and structures located in the Palmer Recording District, Third Judicial District, State of Alaska, which real property and structures are more particularly described on the attached Exhibit A, which is incorporated herein by reference (such real property and structures hereinafter referred to as the "Premises"). The rights granted under this Lease are also subject to all exceptions, agreements, easements, rights-of-way, conditions, covenants, reservations, terms, conditions, and restrictions of record against the real property. Lessee further acknowledges that the Lessor makes no representations or warranties regarding any structures or improvements currently on the Premises, which are leased in an "AS-IS, WHERE IS, WITH ALL FAULTS" basis. Lessee shall also have use of the personal property listed on Exhibit B as part of this Lease.

2. Use of Premises. Subject to the terms and conditions of this Lease, Lessee shall use the Premises solely for commercial cultivation purposes, conducted in accordance with the laws of the State of Alaska, as a residence for Lessee and his immediate family, and for no other use.

3. Term. The term of this Lease shall be for thirty (30) years, commencing on the Effective Date ("Term"), unless otherwise earlier terminated as hereinafter provided or by the exercise of the Option to Purchase by Lessee, in accordance with the requirements of this Lease.

4. Rental. Lessee agrees to pay to Lessor a base rental amount of Twelve Thousand One Hundred Seventy-Three Dollars (\$12,173.00) ("Base Rent") per month with the first rent payment due June 1, 2019, and every month thereafter on the first day of each month. Upon execution of this Lease, Lessee agrees to pay Lessor a security deposit of One Hundred Dollars (\$100.00), which security deposit will be refunded to Lessee at the conclusion of the Term, plus any extensions or renewals, less deductions for damages in excess of normal wear and tear and other obligations owed by Lessee under this Lease. If monthly rent is not received by the 10th of

each month, a late fee of five percent (5%) of the monthly Base Rent shall apply. The following additional rental amounts shall be added to the Base Rent to calculate the total monthly rent due from Lessee to Lessor:

- (a) **Additional Rent based on Net Sales.** Additional rent will be paid to Lessor based on the amount Net sales of Lessee (or any entity created by Lessee for the sale of products produced from the Premises). For this purpose, net sales are defined as annual gross receipts from the sale of products produced from the Premises less any State and Local tax on such sales (“Net Sales”). Additional rent will be paid on a quarterly basis within thirty days of the end of the quarter and calculated as shown on the attached Exhibit A .
- (b) **Additional Rent for Tenant Improvement Allowance.** Lessor agrees to provide Lessee with an aggregate of not more than One Hundred Seventy- Five Thousand Dollars (\$175,000.00) in funds as a Tenant Improvement Allowance. Lessor will fund One Hundred Thousand Dollars (\$100,000.00) within five (5) business days of the commencement of the Lease. The remainder will be funded within five (5) business days of Lessee’s written request but no sooner than January 15, 2019. The following information must be provided with the request: plans and specifications, photos of work performed to date, and an accounting of the Tenant Improvement Allowance spent to date. The Tenant Improvement Allowance must be used on improvements for the Premises related to the commercial purposes described herein at the discretion of the Lessee. Lessor shall own all tenant improvements on the Premises. The Tenant Improvement Allowance shall not be used for any moveable furniture or trade fixtures, personal property or any other item or element which will not become Lessor’s property and remain with the Premises upon termination of the Lease. All tenant improvements must be performed in a workmanlike manner. Whenever tenant improvement work is not performed directly by Lessee, the work must be performed by licensed and bonded contractors.

5 Liquidating Damages. The parties acknowledge and agree that Lessor has invested a significant amount of capital in the purchase of the Premises and improvements thereon for the benefit of Lessee, which, in the event of Lessee’s default, would cause the Lessor significant economic detriment, which are impracticable or extremely difficult to ascertain. Therefore, in the event of Lessee’s default, the parties agree that Lessee shall pay to Lessor (a) the sum of \$316,877.00; (b) actual sums advanced to Lessee as a Tenant Improvement Allowance; and (c) 25% annual return on the “Invested Capital,” which is defined as the total amount of 5(a) and 5(b) herein, computed from the Effective Date. The parties agree that this amount is a reasonable estimate of such damages in the event of Lessee’s failure to perform according to the provisions of this Lease. Such payment is intended to be liquidated damages and not intended to be a forfeiture or penalty. Upon receipt of full Liquidating Damages the Premises shall revert to the Lessee.

6 Option to Purchase. Beginning August 28th, 2020, Lessee shall have an option to purchase the Premises (the “Option”). The purchase price (the “Option Purchase Price”) shall be

calculated as follows, depending on the year the Option rights are elected, and the transaction is closed:

<u>Lease Year</u>	<u>Base Purchase Price</u>	<u>Additional Purchase Price</u>
Beginning Aug. 28, 2020	Invested Capital (as defined in Section 5 above)	25% of FMV (as determined by a qualified appraiser to be approved in advance by Lessor) or Net Sales Proceeds (proceeds from the sale less closing costs) (hereinafter "Additional Purchase Price")
2021-2023	Invested Capital	20% of Additional Purchase Price
2024	Invested Capital	18% of Additional Purchase Price
2025	Invested Capital	16% of Additional Purchase Price
2026	Invested Capital	14% of Additional Purchase Price
2027	Invested Capital	12% of Additional Purchase Price
2028-2048	Invested Capital	10% of Additional Purchase Price

- a. **Cash Sale.** The Purchase Price shall be payable by cash or wire transfer on the Purchase Option Closing Date. The terms of the purchase shall be as set forth herein or, if mutually agreed to and executed by the Parties, in a separate Purchase and Sale Agreement. Further, Lessee acknowledges and agrees that it will undertake its due diligence and title review prior to the exercise of the Option to Purchase.
- b. **Election to Exercise Option.** Provided that Lessee is not otherwise in default of any Lease provision, Lessee may exercise the Option by providing written notice to the Lessor of Lessee's intention to purchase the Premises in accordance with the terms and conditions of this Section 5 (the "Purchase Option Election Date"). Such written notice must be transmitted by Lessee by commercial overnight delivery service or in person. The Option shall immediately terminate upon the early termination or the expiration of this Lease. Furthermore, Lessee shall have no right to exercise the Option during any period in which an event of default has occurred and is continuing under this Lease.

- c. **Closing of Option.** The closing of the sale shall occur at a title company, mutually agreed upon by the parties, on a date and time (the "Purchase Option Closing Date"), as the parties may mutually agree. During the period between the Purchase Option Election Date and the Purchase Option Closing Date, all terms and conditions of this Lease, including, but not limited to, Lessee's various payment obligations, shall continue in full force and effect. Furthermore, if for any reason the sale does not close, the terms and conditions of this Lease shall continue in full force and effect (subject to Lessor's rights upon the occurrence of an event of default, and any expiration of this Lease).
- d. **Conveyance of Title.** Conveyance of title to the Premises at the closing of the Purchase Option shall be by statutory warranty deed, in a form satisfactory to Lessee, free of all liens, mortgages and encumbrances except those of record on the Premises when Lessor took title. At the closing of the sale, this Lease shall terminate, except that any provisions which are designated as surviving termination, including all indemnity provisions, shall survive such termination and not merge into the deed to be delivered pursuant hereto.
- e. **Conveyance of Items Listed on Inventory List.** Attached to this Lease is a copy of an Inventory List of items (Exhibit B) associated with the property described herein. At the time of closing, these items will be transferred to Lessee by Lessor by Bill of Sale in the condition in which they have been maintained by Lessee. Lessee has inspected the Inventory List items and Lessee accepts the same "AS IS WITH ALL FAULTS." Lessor makes no specific warranties, expressed or implied, concerning the condition of the Items. Lessor shall have no liability or obligation with respect to the condition, maintenance or use of the Items.
- f. **Closing Costs.** Lessee shall be responsible for all costs associated with their chosen financing option. Lessor shall pay for the standard title commitment for the real property. All other closing costs associated with Title Company will be divided 50/50 between the Parties or pro-rated as appropriate.
- g. **Sale of Premises.** In the event the Option is not exercised by October 1, 2048, the Lessors may show the Premises for the purpose of sale at all reasonable times with 24-hour notice to Lessee.

6. **Utilities.** All costs for utilities and other activities necessary for use of the Premises, including without limitation natural gas, electric, water, sewer, garbage, internet, cable and telephone, shall be provided by Lessee at Lessee's sole cost and expense. Within 24-hours of execution of this Lease, Lessee shall put all utilities in his name. Lessee will be responsible for upkeep of the premises, including, but not limited to, any necessary snow removal and care of landscaped areas.

7. **Acceptance of Premises.** Lessee has inspected the Premises and accepts the same "AS-IS, WHERE IS, WITH ALL FAULTS." Lessor makes no specific warranties, expressed or

implied, concerning the title or condition of the Premises. Lessor shall have no liability or obligation with respect to the condition, maintenance or use of the Premises.

8. Indemnification.

(a) **General.** Lessee shall save, protect, hold harmless, indemnify and defend Lessor, and Lessor's officers, directors, employees, and shareholders, of, from and against any and all liability, damages, demands, penalties, fines, causes of action, losses, costs, or expenses, including attorneys' fees, arising from any act, omission, or negligence of Lessee or the agents, employees, guests, invitees, or visitors of Lessee in or about the Premises, or arising from any accident, injury or damages howsoever and by whomsoever caused, to any person or property, including but not limited to damage to the Premises itself, or in any manner arising out of Lessee's use and occupation of the Premises, or as a result of the condition of the Premises.

(b) **Environmental.** Lessee shall abide by all applicable rules and regulations related to fire, safety, health and environmental protection. Without limiting the duty to indemnify as provided in (a) above, Lessee shall save, protect, defend, indemnify and hold harmless Lessor from and against any and all demands, claims, causes of action (whether in the nature of an action for damages, indemnity, contribution, government cost recovery or otherwise), lawsuits, settlements, actions, damages, fines, penalties, judgments, costs and expenses (including without limitation costs of defense, settlement, and reasonable attorney's fees), charges, forfeitures, liens, liabilities or losses of any nature and kind whatsoever, which arise during or after the Term of this Lease from or in connection with the presence or suspected presence of Hazardous Substances in the soil, water, or otherwise on, above or in the Premises, or otherwise generating from the Premises, or operations or activities thereon (i) as a result of Lessee (or its agents, guests, invitees, or assigns, and their respective agents, guests, invitees, or assigns) use and occupancy of the Premises; or (ii) from any alleged or actual violation of an Environmental Law by such persons on the Premises. This indemnification includes, without limitation, costs incurred in connection with any investigation of site conditions or any clean-up, remedial, removal, or restoration work. For purposes of this Lease, the term "Hazardous Substance" means any flammables, explosives, radioactive materials, crude or refined petroleum, pollutants, contaminants, or any hazardous, toxic, or dangerous waste, substance, or material, including asbestos, defined as such in (or for purposes of) the Comprehensive Environmental Response, Compensation, and Liability Act (42 U.S.C.A. Sec. 9601 et. seq.), any so-called "Superfund" or "Superlien" law, or any other Environmental Law, including, but not limited to, Alaska Statutes Title 46, Chapters .03, .08 and .09, as now or at any time hereafter in effect. For purposes of this Lease, the term "Environmental Law" means any Federal, state, or local laws, ordinances, codes, regulations, rules, orders, or decrees, relating to, or imposing liability or standards of conduct concerning the treatment, storage, use or disposal of any Hazardous Substances.

(c) All of the foregoing indemnification, defense and hold harmless obligations in (a) and (b) above shall survive the expiration or early termination of this Lease.

9. Condemnation. If all of the Premises or such portion as may be required for the reasonable use of the Premises, are taken by eminent domain, this Lease shall automatically terminate as of the date Lessee is required to vacate the Premises, and all rent shall be paid which

is due and owing through that date. In the case of a taking of less than that portion of the Premises required for the reasonable use of the Premises, then this Lease shall continue in full force and effect, and the rent shall be equitably reduced based upon the proportion of the square footage by which the Premises is reduced, such rent reduction to be effective as of the date possession of such portion is delivered to the condemning authority. Lessor reserves all rights to just compensation and/or damage for any taking of the Premises, and Lessee hereby assigns to Lessor, and Lessee shall make no claim against Lessor, for damages arising out of the condemnation, provided, Lessee shall have the right to claim and recover from the condemning authority, to the extent permitted by law, compensation for any loss to which Lessee may be put for the improvements, for Lessee's moving expenses or for the interruption of or damage to Lessee's business, to the extent such damages may be claimed and awarded separately from the damages and/or compensation awarded to Lessor.

10. Use, Occupancy and Care of the Leased Premises. At all times during the Term hereof, Lessee shall, at Lessee's sole cost and expense:

- (a) keep the Premises clean, safe and orderly;
- (b) conduct activities upon and generally maintain the Premises in such a manner and with such care that injury to persons and damage to property does not result therefrom;
- (c) not use or permit any part of the Premises to be used for any unlawful or unauthorized purpose nor perform, permit or suffer any act or omission upon or about the Premises which would result in a nuisance or a violation of any applicable laws, ordinances or regulations;
- (d) comply with city, state, federal and other governmental laws, statutes, ordinances, rules, orders, and regulations of whatever type and nature, including but not limited to, zoning ordinances, health, fire, safety and environmental laws and regulations which in any manner affect the leased Premises or activities thereon;
- (e) not cause or permit any waste, damage or injury to the Premises; and
- (f) not vacate or abandon the Premises at any time during the Term hereof.

11. Maintenance and Repair. Lessee covenants throughout the term hereof, at Lessee's sole cost and expense, to properly keep the Premises in good maintenance, repair, order and condition. Lessee acknowledges that Lessor has no responsibility to maintain the Premises during the Term hereof. Lessee is responsible for replacement of all interior and exterior light bulbs, furnace filters, and similar maintenance requirements for the building, as necessary.

12. Fixtures. Lessee shall pay all costs associated with maintaining all fixtures on the Premises.

13. Surrender of Premises. Lessee on the last day of the Term, or upon earlier termination of this Lease, shall peaceably and quietly leave and surrender the Premises in as good condition as on commencement of the Term, ordinary wear and tear excepted.

14. Access. Lessor, Lessor's agents, employees, officers, and designees shall have the right to enter the Premises at all reasonable times to inspect the same, to post "Notices of Non-Responsibility", and to preserve and protect the Premises. Lessors and Lessor's agents, employees and designees shall comply with Lessee's Marijuana Control Board visitor policy requirements and all persons entering the facility must be over the age of twenty-one (21).

15. Liens. Lessee shall keep the Premises and any part thereof free from liens for labor or materials ordered or supplied upon the express or implied request of Lessee. Should any such lien be recorded, or should a lien be recorded by Lessee, Lessee shall forthwith and within thirty (30) days of learning of such recording cause the same to be cancelled and discharged of record at Lessee's sole cost and expense.

16. Taxes and Assessments. Lessee shall be responsible for and shall pay promptly when due any and all general, special, sales, personal property, and possessory interest taxes and assessments, if any, levied against the Premises. Lessee shall also be responsible for and shall pay promptly when due all real property tax assessments, which notice/invoices will be forwarded to Lessee by Lessor upon receipt. Failure to receive a notice or invoice from Lessor does not relieve the Lessee from its obligation to pay the taxes and assessments under this Section.

17. Holding Over. If Lessee shall remain in possession of said Premises after the termination of this Lease or after the expiration of said Term without a proper extension or renewal of this Lease, Lessee shall be deemed to occupy the Premises as a Lessee from month- to-month at one and one-half times the rental amount due at the last month of the term.

18. Insurance. Lessee, at Lessee's own expense, shall provide general liability insurance in the following amounts, naming Lessor as an additional insured with 30 days advanced written notice of any cancellation:

General Aggregate Limit	\$2,000,000.00
Personal and Advertising Injury Limit	\$1,000,000.00
Each Occurrence Limit	\$1,000,000.00
Damage to Lessee's Residence on Premises	\$ 100,000.00
Medical Expense Limit	\$ 5,000.00 Any one person

Lessor shall obtain real property insurance on any buildings constructed on the Premises and Lessee shall reimburse Lessor for all premiums associated with such policies, which amount shall be collected as additional rent. Lessee shall obtain insurance for the personal property items and assets used within the Premises.

19. Notices. Any and all notices required or permitted under this Lease, unless otherwise specified in writing by the party whose address is changed, shall be as follows:

Lessor: Galilean AK Holdings I LLC

310 K Street, Suite 200 #255
Anchorage, AK 99501

Lessee: Green Acres 917, LLC
PO Box 521265
Big Lake, AK 99652

20. Default.

(a) The occurrence of one or more of the following events shall constitute a default and breach of this Lease by Lessee:

- a. Violation or breach or failure to keep or perform any covenant, agreement, term or condition of this Lease which shall continue or not be remedied within seven (7) days (or if no default in payment of rent is involved within ten (10) days) after notice thereof is given by Lessor to Lessee specifying the matter or matters claimed to be in default.
- b. Filing by the Lessee in any court pursuant to any statute, either of the United States or any state, a petition in bankruptcy or insolvency, or for reorganization or for the appointment of a receiver or trustee of all or a portion of the Lessee's property, or an assignment by the Lessee for the benefit of creditors.
- c. The taking possession of the property of Lessee by any governmental office or agency pursuant to statutory authority for the dissolution or liquidation of the Lessee.
- d. An abandonment or vacation (7 consecutive days of non-use without advanced written notice to the Lessor) of the Premises by Lessee prior to the expiration of the Term of this Lease.
- e. The use of the Premises for any purpose other than those specified in Section 2.
- f. The transfer of title to the improvements located upon the Premises by foreclosure, sale, operation of law, gift or otherwise.

(b) Upon the occurrence of a default as defined in "(a) above, Lessor may at Lessor's option force as is necessary, and without further notice, remove all persons and property from the Premises and repossess Lessor of Lessor's former estate. In such case, Lessor shall be deemed to have an immediate right to possession of the Premises (if

Lessor so desires) and Lessee shall peacefully surrender the same. No judicial action shall be necessary to effect

such termination. Regardless of the forgoing, Lessor shall not, in event of a default, remove any marijuana, marijuana plants or marijuana product from the Premises. In the event of a default, Lessor shall contact the Alaska Marijuana Control Office's (AMCO) Enforcement division and alert them of the Default and request that AMCO's Enforcement agents remove marijuana plant matter and plants before entry into facility.

(c) Such re-entry and termination notwithstanding, the liability of Lessee for payment of all amounts required to be paid by Lessee under this Lease, including payment of the full rental provided herein for what would otherwise have constituted the balance of the Term of this Lease shall not be extinguished and Lessee shall make good to Lessor the expenses and damages suffered by Lessor as a result of the default, repossession and reletting, including without limitation, legal expenses, renovation expense, alteration expense, and any rental deficiency resulting from the inability to relet the Premises or reletting at a lesser rate.

Lessor may, but shall not be obligated to, relet the Premises or any part thereof in the name of the Lessor, or otherwise, for such term (which may be greater or less than the period which would otherwise have constituted the balance of the Term of this Lease) and on such conditions as Lessor may determine appropriate, and may collect and receive the rent therefrom; Lessor shall not be responsible or liable for any failure to relet the Premises, or any part thereof, or for any failure to collect any rent due upon any such reletting.

(d) In the event of default, as defined in subparagraph (a), Lessor shall have such further and additional rights as are provided by law or equity.

21. Cure of Default by Lessor. Lessor may, at the expense of Lessee, cure any default by Lessee hereunder, but shall not be required to do so. Lessee shall reimburse Lessor for all amounts expended in connection therewith, including attorney's fees and other incidental expenses. Such amounts, together with interest at the maximum lawful rate of interest, shall be deemed additional rent payable within ten (10) days of notification that such amount is due.

22. Attorneys' Fees, Costs and Expenses. In the event either party brings or commences legal proceedings to enforce any of the terms of this Lease, the prevailing party in such action shall receive from the other, in every action commenced, a reasonable sum for attorneys' fees and costs to be fixed by the court in the same action.

23. Rights and Remedies. No right or remedy herein conferred upon or reserved to a party hereunder is intended to be exclusive of any other right or remedy, and such and every right and remedy shall be cumulative and in addition to any other right or remedy given hereunder, or now or hereafter existing at law or in equity or by statute.

24. Assignment and Subletting. Lessee shall not sublet, mortgage, pledge or assign its rights under this Lease without the prior written consent of Lessor, which consent may be withheld in Lessor's sole and absolute discretion, and any purported sublease, mortgage, pledge or assignment without such consent shall be null and void and of no force or effect.

25. Waiver and Forbearance. No waiver by a party hereto of any breach by the other party of any of its obligations, agreements or covenants hereunder shall be deemed to be a waiver of any

subsequent breach of the same or any other covenant, agreement or obligation. Nor shall any forbearance by a party to seek a remedy for any breach of the other party be deemed a waiver by the first party of its rights or remedies with respect to such breach.

26. Successors in Interest. This Lease shall be binding upon and inure to the benefit of the respective heirs, successors and permitted sublessees or assigns of the parties hereto.

27. Applicable Law. This Lease Agreement shall be construed and enforced in accordance with the laws of the State of Alaska. Any lawsuits will be filed in Palmer, Third Judicial District, State of Alaska.

28. No Partnership, Joint Venture, Etc. Nothing in this Lease shall be intended or deemed to create a partnership, joint venture, association, or other similar relationship between the parties hereto.

29. No Third Party Beneficiaries. This Lease does not create, and shall not be construed as creating, any rights enforceable by any person not a party to this Lease.

30. Severability. If any provision of this Lease or any application thereof shall be held invalid, illegal or unenforceable, the remainder of this Lease or any other application of such provision shall not be affected thereby.

31. Miscellaneous Provisions.

(a) This Lease constitutes all of the agreements and conditions made between the parties and may not be modified orally or in any manner other than by an agreement in writing signed by both parties or their respective successors in interest.

(b) Each term and such provision of this Lease shall be construed to be both a covenant and a condition of this Lease.

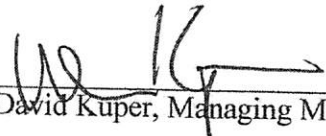
(c) Time is of the essence in each term and provision of this Lease.

(d) This Lease may be executed in any number of counterparts, including by facsimile signature, each of which when so executed shall be deemed to be an original and all of which taken together shall constitute one and the same agreement.

[SIGNATURE PAGE FOLLOWS]

IN WITNESS WHEREOF, the undersigned have caused this Commercial Lease Agreement to be executed effective as of the date and year hereinabove first written.

LESSEE: Green Acres 907, LLC



David Kuper, Managing Member

LESSOR: Galilean AK Holdings I LLC

By: 

Its: CFD

EXHIBIT A

ADDITIONAL RENT EXAMPLE

COMMERCIAL LEASE AND OPTION AGREEMENT

BY AND BETWEEN GREEN ACRES 907, LLC AND GALILEAN AK HOLDINGS I LLC

Annual Sales (\$)	Quarterly Sales	Break Points (Yr)	Break-Points (Qr)	Percentage
2,000,000	500,000.00	180,000.00	45,000	9.00%
2,500,000	625,000.00	215,000.00	53,750	7.00%
3,000,000	750,000.00			6.00%

Example	<u>Q1</u>	<u>Q2</u>	<u>Q3</u>	<u>Q4</u>	<u>Total</u>
Net Sales	500,000	580,000	700,000	300,000	2,080,000
Annualized	2,000,000	2,320,000	2,800,000	1,200,000	
Additional Rent Each Quarter	45,000	50,600	58,250	27,000	180,850

Annual True-up	
Actual Annual Sales	2,080,000.00
Additional Rent Due	185,600.00
Additional Rent Paid	180,850.00
Additional Rent Due Lessor (Due Lessee)	4,750.00

**FIRST AMENDMENT TO COMMERCIAL LEASE AND
OPTION AGREEMENT BETWEEN GALILEAN AK
HOLDINGS I LLC AND GREEN ACRES 907, LLC**

THIS FIRST AMENDMENT (this "Amendment") to the COMMERCIAL LEASE AND OPTION AGREEMENT made and entered into on February 16, 2019, by and between Galilean AK Holdings I, LLC ("Lessor") and Green Acres 907, LLC, an Alaskan limited liability company ("Lessee") (the "Lease") is effective on the date of last signature below (the "Effective Date").

RECTIALS

A. Lessor and Lessee entered into the Lease with respect to real property and structures located in the Palmer Recording District, Third Judicial District, State of Alaska further described in Exhibit B attached herein.

B. Lessor and Lessee now desire to make an amendment to the Lease to modify and clarify certain terms and a further description of the Premises.

AGREEMENT:

NOW, THEREFORE, in consideration of the mutual covenants and agreements herein contained and for other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, Lessor and Lessee hereby agree as follows:

1. **Defined Terms.** Capitalized or characterized terms used herein without definition shall have the meanings set forth for such terms in the Lease.

2. **Reference to Green Acres 917, LLC.** Any reference to Green Acres 917, LLC was in error and is replaced with Green Acres 907, LLC.

3. **Exhibit B:** Exhibit B, as referenced in original Lease, is included in this Amendment.

4. **Description of Premises.** Section 1 of the Lease is deleted and replaced in its entirety with the following:

1. Description of Premises. Lessee leases from Lessor the real property and structures located in the Palmer Recording District, Third Judicial District, State of Alaska, which real property and structures are more particularly described on the attached Exhibit B, which is incorporated herein by reference (such real property and structures hereinafter referred to as the "Premises"). The rights granted under this Lease are also subject to all exceptions, agreements, easements, rights-of-way, conditions, covenants, reservations, terms, conditions, and restrictions of record against the real property. Lessee further acknowledges that

the Lessor makes no representations or warranties regarding any structures or improvements currently on the Premises, which are leased in an "AS-IS, WHERE IS, WITH ALL FAULTS" basis. Lessee shall also have use of the personal property listed on Exhibit B as part of this Lease

5. **Entire Agreement.** This Amendment embodies the entire understanding between Lessor and Lessee with respect to its subject matter and can be changed only by an instrument in writing signed by Lessor and Lessee.

6. **Counterparts.** This Amendment may be executed in counterparts, including facsimile counterparts, each of which shall be deemed an original, but all of which, together, shall constitute one and the same Amendment.

7. **Authority.** Each individual executing this Amendment for Lessor or Lessee represents that he or she is duly authorized to execute and deliver this Amendment for the Lessor or Lessee, respectively.

8. **Reaffirmation of Obligations.** Lessor and Lessee each hereby acknowledges and reaffirms all of its obligations under the Lease, as such Lease has been amended by this Amendment, and agrees that any reference made in any other document to the Lease shall mean the Lease as amended pursuant to this Amendment. Except as expressly provided herein, the Lease remains unmodified and in full force and effect.


9. **Other.** The agreements, conditions and provisions herein contained shall apply to and bind the heirs, executors, administrators, successors and assigns of the Parties hereto. If any provisions of this Amendment or the Lease shall be determined to be illegal or unenforceable, such determination shall not affect any other provision of the Lease or this Amendment and all such other provisions shall remain in full force and effect. If there is any inconsistency between the provisions of this Amendment and the other provisions of the Lease, the provisions of this Amendment shall control with respect to the subject matter of this Amendment. Paragraph captions are for Lessor's and Lessee ' s convenience only, and neither limit nor amplify the provisions of this Amendment. This Amendment constitutes a part of the Lease and is incorporated by this reference.

[SIGNATURE PAGE TO FOLLOW]

IN WITNESS WHEREOF, the parties have caused this Amendment to be duly executed and delivered as of the Effective Date.

LESSOR:

GALILEAN AK HOLDINGS I, LLC

By: 
Name: Rooney Coran
Title: CFO
Date: 2/16/19

LESSEE:

GREEN ACRES 907, LLC

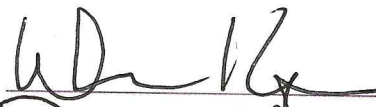
By: 
Its: David Kliper
Title: Member
Date: 2/16/19

EXHIBIT B
DESCRIPTION OF THE PREMISES

NHN NSN, Big Lake, AK 99652

Lot 1, JEFFNPJ, according to the official plat thereof filed under Plat No. 2010-37, in the records of Palmer Recording District, Third Judicial District, State of Alaska, which includes three (3) structures, primary residence (approx 1900 sf), outbuilding to be used for cultivation 32' x 28' and another outbuilding to be used for storage approx 150 sf.

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	Green Acres 907, LLC

Entity Type: Limited Liability Company

Entity #: 10092503

Status: Good Standing

AK Formed Date: 10/4/2018

Duration/Expiration: Perpetual

Home State: ALASKA

Next Biennial Report Due: 1/2/2022

Entity Mailing Address: PO BOX 521265, BIG LAKE, AK 99652

Entity Physical Address: LOT 1 ROOT BEER LAKE, BIG LAKE, AK 99652

Registered Agent

Agent Name: Jana Weltzin

Registered Mailing Address: 901 PHOTO AVE, ANCHORAGE, AK 99503

Registered Physical Address: 901 PHOTO AVE, ANCHORAGE, AK 99503

Officials

Show Former

AK Entity #	Name	Titles	Owned
	Christina Kuper	Member	1.00
	David Kuper	Member	99.00

Filed Documents

Date Filed	Type	Filing	Certificate
10/04/2018	Creation Filing	Click to View	Click to View
10/04/2018	Initial Report	Click to View	
6/04/2019	Agent Change	Click to View	
12/19/2019	Biennial Report	Click to View	

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**OPERATING AGREEMENT
OF
GREEN ACRES 907, LLC
an Alaska limited liability company**

THIS OPERATING AGREEMENT (this "Agreement") is entered into to be effective as of the 11 day of November, 2018 (the "Effective Date"), by and among each of the persons listed on Exhibit A and executing this Agreement, or a counterpart thereof, as Members of GREEN ACRES 907, LLC, an Alaska limited liability company (the "Company").

**Section I
Formation; Name and Office; Purpose**

1.1. *Formation.* Pursuant to the Alaska Revised Limited Liability Company Act, A.S. Sections 10.50.010 through 10.50.995 (the "Act"), the parties have formed an Alaska limited liability company effective upon the filing of the Articles of Organization of this Company (the "Articles") with the State of Alaska Department of Commerce, Community, and Economic Development. The parties have executed this Agreement to serve as the "Operating Agreement" of the Company, as that term is defined in A.S. section 10.50.095, and, subject to any applicable restrictions set forth in the Act, the business and affairs of the Company, and the relationships of the parties to one another, shall be operated in accordance with and governed by the terms and conditions set forth in this Agreement. By executing this Agreement, the Members certify that those executing this Agreement constitute all of the Members of the Company at the time of its formation. The parties agree to execute all amendments of the Articles, and do all filing, publication, and other acts as may be appropriate from time to time hereafter to comply with the requirements of the Act.

1.2. *Name and Known Place of Business.* The Company shall be conducted under the name of GREEN ACRES 907, LLC, and the known place of business of the Company shall be at LOT 1 Root Beer Lake, Big Lake, Alaska 99652, or such other place as the Members may from time to time determine.

1.3. *Purpose.* The purpose and business of this Company shall be to operate a state licensed commercial marijuana retail and cultivation company, and any other lawful purpose as may be determined by the Members. The Company shall have the power to do any and all acts and things necessary, appropriate, or incidental in furtherance of such purpose.

1.4. *Treatment as a Partnership.* It is the intent of the Members that the Company shall always be operated in a manner consistent with its treatment as a partnership for federal income tax purposes, but that the Company shall not be operated or treated as a partnership for purposes of the federal Bankruptcy Code. No Member shall take any action inconsistent with this intent.

Section II Definitions

The following terms shall have the meanings set forth in this Section II:

“*Act*” means the Alaska Revised Limited Liability Company Act, A.S. Sections 10.50.010 through 10.50.995, as amended from time to time (or any corresponding provisions of succeeding law).

“*Affiliate*” means, with respect to any Interest Holder or Member, any Person: (i) who is a member of the Interest Holder’s or Member’s Family; (ii) which owns more than ten percent (10%) of the voting or economic interests in the Interest Holder or Member; (iii) in which the Interest Holder or Member owns more than ten percent (10%) of the voting or economic interests; or (iv) in which more than ten percent (10%) of the voting or economic interests are owned by a Person who has a relationship with the Interest Holder or Member described in clause (i), (ii), or (iii) above.

“*Capital Contribution*” means the total amount of cash and the fair market value of any other assets contributed (or deemed contributed under Regulation Section 1.704-1(b)(2)(iv)(d)) to the Company by an Interest Holder, net of liabilities secured by the contributed Property that the Company is considered to assume or take subject to under Section 752 of the Code.

“*Cash Flow*” means all cash funds derived from operations of the Company (including interest received on reserves), without reduction for any noncash charges, but less cash funds used to pay current operating expenses and to pay or establish reasonable reserves for future expenses, debt payments, capital improvements, and replacements as determined by the Members. Cash Flow shall be increased by the reduction of any reserve previously established.

“*Event of Withdrawal*” means those events and circumstances listed in Section 10.50.220 and 10.50.225 of the Act provided, however, that following an Event of Withdrawal described in Section 10.50.220 and 10.50.225(4) of the Act the Member shall remain a Member until it ceases to exist as a legal entity.

“*Family*” means a Person’s spouse, lineal ancestor, or descendant by birth or adoption, sibling, and trust for the benefit of such Person or any of the foregoing.

“*Fiscal Year*” or “*Annual Period*” means the fiscal year of the Company, as determined under Section V.

“*Interest*” means a Person’s share of the Profits and Losses (and specially allocated items of income, gain, and deduction) of, and the right to receive distributions from, the Company.

“*Interest Holder*” means any Person who holds an Interest, whether as a Member or as an unadmitted assignee of a Member.

“*Involuntary Transfer*” shall include, without limitation, any Transfer of a Member or Interest Holder’s Interest pursuant to any order of any court relating to any petition for divorce, legal separation, marital dissolution, or annulment, or any guardianship, conservatorship, or other protective proceeding.

“*Majority in Interest*” means one or more Members who own, collectively, a simple majority of the Percentage Interests held by Members.

“*Majority of the Members*” means one or more of the Members, regardless of the Percentage Interest held by the Members.

“*Member*” means each Person signing this Agreement and any Person who subsequently is admitted as a member of the Company until such time as an Event of Withdrawal has occurred with respect to such Member.

“*Membership Rights*” means all of the rights of a Member in the Company, including a Member’s: (i) Interest, (ii) right to inspect the Company’s books and records, and (iii) right to participate in the management of and vote on matters coming before the Company.

“*Percentage Interest*” means, as to a Member, the percentage set forth after the Member’s name on **Exhibit A**, as amended from time to time, and, as to an Interest Holder who is not a Member, the Percentage of the Member whose Interest has been acquired by such Interest Holder, to the extent the Interest Holder has succeeded to that Member’s Interest.

“*Person*” means and includes an individual, corporation, partnership, association, limited liability company, trust, estate, or other entity.

“*Property*” means all real and personal property (including cash) acquired by the Company, and any improvements thereto.

“*Transfer*” means, when used as a noun, any voluntary or involuntary sale, hypothecation, pledge, assignment, attachment, or other transfer, and, when used as a verb, means voluntarily or involuntarily to sell, hypothecate, pledge, assign, or otherwise transfer.

Section III Capital Contributions

3.1. *Capital Contributions.*

3.1.1. *Initial Capital Contributions.* Upon the execution of this Agreement, the Members have or shall make contributions to the capital of the Company as set forth in **Exhibit A** attached hereto and by this reference made a part hereof.

3.1.2. *Additional Capital Contributions.* No Member shall be required to contribute any additional capital to the Company, and no Member shall have any personal liability for any obligation of the Company.

3.2. *Withdrawal or Return of Capital Contributions.* Except as specifically provided in this Agreement, no Interest Holder shall have the right to withdraw or reduce the Capital Contributions he or she makes to the Company. Upon dissolution of the Company or liquidation of his or her interest in the Company, each Interest Holder shall look solely to the assets of the Company for return of his or her Capital Contributions and, if the Company’s property remaining after the payment or discharge of the debts, obligations, and liabilities of the Company is insufficient to return the Capital contributions of each Interest Holder, no Interest Holder shall have any recourse against the Company, any Interest Holder, or Member except for gross negligence, malfeasance, bad faith, or fraud.

3.3. *Form of Return of Capital.* Under circumstances requiring a return of any Capital Contributions, no Interest Holder shall have the right to receive property other than cash except as may be specifically provided herein.

3.4. *Salary or Interest.* Except as otherwise expressly provided in Section V of this Agreement, no Interest Holder shall receive any interest, salary, or drawing with respect to his or her Capital Contributions or his or her Capital Account, or for services rendered on behalf of the Company.

3.5. *Member Loans.* If the Members determine that the Company requires additional capital to carry out the purposes of the Company, the Members shall have the right, but not the obligation, to make loans to the Company (a “Member Loan”). Such Member Loans shall be made by the Members willing to make such Member Loans *pro rata* based on their Percentage Interests unless the Members willing to make such Member Loans agree otherwise.

3.6. *Terms of Member Loans.* All Member Loans made pursuant to Section 3.5 shall bear interest at the prime rate of interest as reported by *the Wall Street Journal - Western Edition*, shall be unsecured, and shall be repaid in full out of available funds of the Company before any distribution may be made to any Member. If more than one Member has made a Member Loan, repayment shall be made to each Member in proportion to the amount of principal each has advanced.

Section IV Distributions

4.1. *Distributions.* Except as otherwise provided in this Agreement, distributions shall be made to the Interest Holders at such times and in such amounts as determined by the Members. Distributions will be made to Interest Holders *pro rata*, in proportion to their Percentage Interests. Notwithstanding the other provisions of this Section, all Cash Flow for each Fiscal Year of the Company shall be distributed to the Interest Holders no later than seventy-five (75) days after the end of such Fiscal Year.

4.2. *General.*

4.2.1. *Form of Distribution.* In connection with any distribution, no Interest Holder shall have the right to receive Property other than cash except as may be specifically provided herein. If any assets of the Company are distributed in kind to the Interest Holders, those assets shall be valued on the basis of their fair market value, and any Interest Holder entitled to any interest in those assets shall receive that interest as a tenant-in-common with all other Interest Holders so entitled. Unless the Interest Holders otherwise agree, the fair market value of the assets shall be determined by an independent appraiser who shall be selected by the Members.

4.2.2. *Withholding.* All amounts required to be withheld pursuant to Code Section 1446 or any other provision of federal, state, or local tax law shall be treated as amounts actually distributed to the affected Interest Holders for all purposes under this Agreement.

4.2.3. *Varying Interests; Distributions in Respect to Transferred Interests.* If any Interest is sold, assigned, or transferred in compliance with the provisions of this Agreement, all distributions on or before the date of such transfer shall be made to the transferor, and all distributions thereafter shall be made to the transferee. Solely for purposes of making distributions, and allocating Profits, Losses, and other items of income, gain, loss, and deduction pursuant to **Exhibit B** hereof, the Company shall recognize the transfer not later than the end of the calendar month during which it is given notice of such, provided that if the Company does not receive a notice stating the date such Interest was transferred and such other information as it may reasonably require within thirty (30) days after the end of the Fiscal Year during which the transfer occurs, then all of such items shall be allocated, and all distributions shall be made, to the person who, according to the books and records of the Company, on the last day of the Fiscal Year during which the transfer occurs, was the owner of the Interest. Neither the Company nor any Interest Holder shall incur any liability for making allocations and distributions in accordance with the provisions of this Section, whether or not any Interest Holder or the Company has knowledge of any transfer of ownership of Interest.

Section V Management

5.1. *Management.* Subject to the rights under the Act or the provisions of this Agreement to approve certain actions, the business and affairs of the Company shall be managed exclusively by its Members. The Members shall direct, manage, and control the business of the Company to the best of their ability and, subject only to those restrictions set forth in the Act or this Agreement, shall have full and complete authority, power, and discretion to make any and all decisions and to do any and all things which the Members deem appropriate to accomplish the business and objectives of the Company. Each Member agrees not to incur any liability on behalf of the other Members or otherwise enter into any transaction or do anything which will subject the other Members to any liability, except in all instances as contemplated hereby.

5.2. *Certain Management Powers of the Member.* Without limiting the generality of Section 5.1, the Members shall have power and authority on behalf of the Company:

5.2.1. In the ordinary course of business, to acquire property from and sell property to any person as the Members may determine. The fact that a Member is directly or indirectly affiliated or connected with any such person shall not prohibit dealing with that Person;

5.2.2. Subject to approval by a Majority of the Members under Section 5.3.4, to use credit facilities and borrow money for the Company from banks, other lending institutions, the Interest Holders, or Affiliates of the Interest Holders, on such terms as approved by the Members, and in connection therewith, to hypothecate, encumber, and grant security interests in the assets of the Company to secure repayment of the borrowed sums. No debt or other obligation shall be contracted or liability incurred by or on behalf of the Company by the Member;

5.2.3. To purchase liability and other insurance to protect the Members and the Company's property and business;

5.2.4. Subject to approval by a Majority of the Members, to hold and own any Company real and personal property in the name of the Company or others as provided in this Agreement;

5.2.5. Subject to approval by a Majority of the Members, to execute on behalf of the Company all instruments and documents, including, without limitation, checks, drafts, notes, and other negotiable instruments, mortgages, or deeds of trust, security agreements, financing statements, documents providing for the acquisition, mortgage, or disposition of the Company's property, assignments, bills of sale, leases, partnership agreements, and any other instruments or documents necessary, in the opinion of the Member, to accomplish the purposes of the Company;

5.2.6. To employ accountants, legal counsel, managing agents, or other experts to perform services for the Company and compensate them from Company funds;

5.2.7. Except for the agreements described in Section 5.3.6 below, to enter into any and all other agreements on behalf of the Company, with any other Person for any purpose, in such forms as the Member may approve;

5.2.8. To vote any shares or interests in other entities in which Company holds an interest;

5.2.9. To do and perform all other acts as may be necessary or appropriate to accomplish the purposes of the Company; and

5.2.10. To take such other actions as do not expressly require the consent of any non-managing Members under this Agreement.

A Member may act by a duly authorized attorney-in-fact. Unless authorized to do so by this Agreement, no Member, agent, or employee of the Company shall have any

power or authority to bind the Company in any way, to pledge its credit, or to render it liable for any purpose.

5.3. *Actions Requiring Approval of the Members.* In addition to those actions for which this Agreement specifically requires the consent of the Members, the following actions require approval by a Majority of the Members:

5.3.1. Amend this Agreement or the Articles, except that any amendments required under the Act to correct an inaccuracy in the Articles may be filed at any time;

5.3.2. Authorize the Company to make an assignment for the benefit of creditors of the Company, file a voluntary petition in bankruptcy, or consent to the appointment of a receiver for the Company or its assets; or

5.3.3. Approve a plan of merger or consolidation of the Company with or into one or more business entities;

5.3.4. Borrow money for the Company from banks, other lending institutions, the Interest Holders, Members, or Affiliates of the Interest Holders or to hypothecate, encumber, or grant security interests in the assets of the Company;

5.3.5. Sell or otherwise dispose of all or substantially all of the assets of the Company in a single transaction or a series of related transactions; or

5.3.6. Enter into any contract or agreement between the Company and any Member, Interest Holder, or Affiliate of a Member or Interest Holder without the consent of a Majority of the Members.

5.4. *Member Has No Exclusive Duty to Company.* The Members shall not be required to manage the Company as the Members' sole and exclusive function and the Members may engage in other business and investment activities in addition to those relating to the Company. Neither the Company nor any Interest Holder shall have any right, solely by virtue of this Agreement or its relationship to a Member or the Company, to share or participate in any such other investments or activities of the Members or to the income or proceeds derived therefrom. Members shall not have any obligation to disclose any such other investments or activities to the Interest Holders unless it actually or potentially adversely affects the business or property of the Company.

5.5. *Compensation and Expenses.* The Company may enter into management or employment contracts, under such terms and conditions and providing for such

compensation as shall be approved by the Members as provided herein, with one or more Member or Interest Holders or Persons Affiliated with the Member or Interest Holders.

5.6. *Books and Records.* At the expense of the Company, the Members shall keep or cause to be kept complete and accurate books and records of the Company and supporting documentation of transactions with respect to the conduct of the Company's business. The books and records shall be maintained in accordance with sound accounting practices and kept at the Company's known place of business and such other location or locations as the Members shall from time to time determine. At a minimum the Company shall keep at its known place of business the following records:

5.6.1. A current list of the full name and last known business, residence, or mailing address of each Member;

5.6.2. A copy of the initial Articles and all amendments thereto and restatements thereof;

5.6.3. Copies of the Company's federal, state, and local income tax returns and reports, if *any*, for the three most recent fiscal years;

5.6.4. Copies of this Agreement and all amendments hereto or restatements hereof, including any prior operating agreements no longer in effect;

5.6.5. Copies of any documents relating to a Member's obligation to contribute cash, property, or services to the Company;

5.6.6. Copies of any financial statements of the Company for the three (3) most recent fiscal years; and

5.6.7. Copies of minutes of all meetings of the Members and all written consents obtained from Members for actions taken by Members without a meeting.

5.7. *Financial Accounting / Member Access to Books and Records.* The Members shall prepare and make available a financial accounting of the Company no less than once every sixty (60) days. Within three (3) calendar days following written notice, which may be submitted in writing, via facsimile or electronic mail, each Member shall have the right, during normal business hours, to inspect and copy, at the Member's expense, the Company's books and records.

5.8. *Reports.* Within seventy-five (75) days after the end of each Fiscal Year of the Company, the Members shall cause to be sent to each Person who was a Member at

any time during the Fiscal Year a complete accounting of the affairs of the Company for the Fiscal Year then ended. In addition, within seventy-five (75) days after the end of each Fiscal Year of the Company, the Members shall cause to be sent to each Person who was an Interest Holder at any time during the Fiscal Year, the tax information concerning the Company which is necessary for preparing the Interest Holder's income tax returns for that year. At the request of any Member, and at the Member's expense, the Members shall cause an audit of the Company's books and records to be prepared by independent accountants for the period requested by the Member.

5.9. *Title to Company Property.*

5.9.1. Except as provided in Section 5.9.2, all real and personal property acquired by the Company shall be acquired and held by the Company in its name.

5.9.2. Ten (10) days after giving notice, the Members may direct that legal title to all or any portion of the Company's property be acquired or held in a name other than the Company's name. Without limiting the foregoing, the Members may cause title to be acquired and held any one Member's name or in the names of trustees, nominees, or straw parties for the Company. It is expressly understood and agreed that the manner of holding title to the Company's property (or any part thereof) is solely for the convenience of the Company and all of that property shall be treated as Company property. The notice to be given to the Members under this section shall identify the asset or assets to be titled outside of the Company name, the Person in whom legal title is intended to vest, and the reason for the proposed transaction. If any Member provides written notice of an objection to the transaction before the expiration of the ten (10) day period, the transaction shall not be consummated except upon approval of a Majority of the Members.

Section VI Members

6.1. *Meetings.* Unless otherwise prescribed by the Act, meetings of the Members may be called, for any purpose or purposes, by a Majority of the Members.

6.2. *Place of Meetings.* Whoever calls the meeting may designate any place, either within or outside the State of Alaska, as the place of meeting for any meeting of the Members.

6.3. *Notice of Meetings.* Except as provided in this Agreement, written notice stating the date, time, and place of the meeting, and the purpose or purposes for which the meeting is called, shall be delivered not less than three (3) nor more than fifty (50) days

before the date of the meeting, either personally or by mail, electronic mail, facsimile, or overnight or next-day delivery services by or at the direction of the person or persons calling the meeting, to each Member entitled to vote at such meeting. If mailed, such notice shall be deemed to be delivered two (2) days after being deposited in the United States mail, postage prepaid, addressed to the Member at his or her address as it appears on the books of the Company. If transmitted by way of electronic mail or facsimile, such notice shall be deemed to be delivered on the date of such electronic mail or facsimile transmission to the electronic mail address or fax number, if any, for the respective Member which has been supplied by such Member to the Company and identified as such Member's electronic mail address or facsimile number. If transmitted by overnight or next-day delivery, such notice shall be deemed to be delivered on the next business day after deposit with the delivery service addressed to the Member at his or her address as it appears on the books of the Company. When a meeting is adjourned to another time or place, notice need not be given of the adjourned meeting if the time and place thereof are announced at the meeting at which the adjournment is taken, unless the adjournment is for more than thirty (30) days. At the adjourned meeting the Company may transact any business which might have been transacted at the original meeting.

6.4. *Meeting of All Members.* If all of the Members shall meet at any time and place, including by conference telephone call, either within or outside of the State of Alaska, and consent to the holding of a meeting at such time and place, such meeting shall be valid without call or notice.

6.5. *Record Date.* For the purpose of determining Members entitled to notice of or to vote at any meeting of Members or any adjournment thereof, the date on which notice of the meeting is mailed shall be the record date for such determination of Members. When a determination of Members entitled to vote at any meeting of Members has been made as provided in this Section, such determination shall apply to any adjournment thereof, unless notice of the adjourned meeting is required to be given pursuant to Section 6.3.

6.6. *Quorum.* A Majority of the Members, represented in person or by proxy, shall constitute a quorum at any meeting of Members. Business may be conducted once a quorum is present.

6.7. *Voting Rights of Members.* Each Member shall be entitled to one (1) vote on all matters stipulated herein. If all of an Interest is transferred to an assignee who does not become a Member, the Member from whom the Interest is transferred shall no longer be entitled to vote. No withdrawn Member shall be entitled to vote nor shall such Member's Interest be considered outstanding for any purpose pertaining to meetings or voting.

6.8. *Manner of Acting.* Unless otherwise provided in the Act, the Articles, or this Agreement, the affirmative vote of a Majority of the Members at a meeting at which a quorum is present shall be the act of the Members.

6.9. *Proxies.* At all meetings of Members, a Member may vote in person or by proxy executed in writing by the Member or by a duly authorized attorney-in-fact. Such proxy shall be filed with the Company before or at the time of its exercise. No proxy shall be valid after eleven (11) months from the date of its execution, unless otherwise provided in the proxy.

6.10. *Action by Members without a Meeting.* Any action required or permitted to be taken at a meeting of Members may be taken without a meeting if the action is evidenced by one or more written consents describing the action taken, circulated to all the Members with an explanation of the background and reasons for the proposed action, signed by that percentage or number of the Members required to take or approve the action. Any such written consent shall be delivered to the Members of the Company for inclusion in the minutes or for filing with the Company records. Action taken by written consent under this Section shall be effective on the date the required percentage or number of the Members have signed and delivered the consent to all Members, unless the consent specifies a different effective date. The record date for determining Members entitled to take action without a meeting shall be the date the written consent is circulated to the Members.

6.11. *Telephonic Communication.* Members may participate in and hold a meeting by means of conference telephone or similar communications equipment by means of which all persons participating in the meeting can hear each other, and participation in such meeting shall constitute attendance and presence in person, except where the Member participates in the meeting for the express purpose of objecting to the transaction of any business on the ground the meeting is not lawfully called or convened.

6.12. *Waiver of Notice.* When any notice is required to be given to any Member, a waiver thereof in writing signed by the Person entitled to such notice, whether before, at, or after the time stated therein, shall be equivalent to the giving of such notice.

Section VII

Transfers and Withdrawals

7.1. *Transfers.* Except as otherwise provided in this Section VII no Member may Transfer all, or any portion of, or any interest or rights in, the Membership Rights owned by the Member, and no Interest Holder may Transfer all, or any portion of, or any

interest or rights in, any Interest without the prior written consent of the other Members, which consent may be withheld in the Members' sole and absolute discretion. Any sale or foreclosure of a security interest will itself constitute a Transfer independent of the grant of security. Each Member hereby acknowledges the reasonableness of this prohibition in view of the purposes of the Company and the relationship of the Members. The Transfer of any Membership Rights or Interests in violation of the prohibition contained in this Section shall be deemed invalid, null, and void, and of no force or effect. Any Person to whom Membership Rights or an Interest are attempted to be transferred in violation of this Section shall not be entitled to vote on matters coming before the Members, participate in the management of the Company, act as an agent of the Company, receive allocations or distributions from the Company, or have any other rights in or with respect to the Membership Rights or Interest.

7.2. *Withdrawal.* Except as otherwise provided in this Agreement, no Member shall have the right to withdraw from the Company. Any such withdrawal shall constitute a material breach of this Agreement and the Company shall have the right to recover damages from the withdrawn member and to offset the damages against any amounts otherwise distributable to such Member under this Agreement.

7.3. *Option on Death, Bankruptcy or Involuntary Transfer.* On the death, bankruptcy, or similar event (whether voluntary or involuntary) of a Member or Interest Holder, and upon any Involuntary Transfer, the Member or Interest Holder (or such Person's estate) shall offer, or shall automatically be deemed to have offered, to sell the Member's or Interest Holder's Interest to the Company or its nominee. Upon the approval of a Majority of the Members other than the offering Member, the Company or its nominee shall have the right and option, within seventy-five (75) days after the Members' actual knowledge of the death, bankruptcy, or similar event, to acquire the Interest, for the purchase price and on the terms set forth in **Exhibit C** attached hereto and made a part hereof. If the Interest is not purchased by the Company or its nominee, the Interest shall be transferred to the assignee of the Interest but shall remain fully subject to and bound by the terms of this Agreement.

7.4. *No Transfer of Membership Rights.* The Transfer of an Interest shall not result in the Transfer of any of the Transferring Member's other Membership Rights, if any, and unless the transferee is admitted as a Member pursuant to Section VII of this Agreement, the transferee shall only be entitled to receive, to the extent transferred, the share of distributions, including distributions representing the return of contributions, and the allocation of Profits and Losses (and other items of income, gain, or deduction), to which the Transferring Member would have otherwise been entitled with respect to the Transferring Member's Interest. The transferee shall have no right to participate in the

management of the business and affairs of the Company or to become or to exercise any rights of a Member.

7.5. *Substitute Members.* Notwithstanding any provision of this Agreement to the contrary, an assignee of a Member may only be admitted as a substitute Member upon the written consent of a Majority of the non-transferring Members, which consent may be withheld in the Members' sole and absolute discretion.

7.6. *Additional Members.* The Company shall not issue additional Interests after the date of formation of the Company without the written consent or approval of a Majority of the Members, which consent may be withheld in the Members' sole and absolute discretion.

7.7. *Expenses.* Expenses of the Company or of any Interest Holder occasioned by transfers of Interests shall be reimbursed to the Company or Interest Holder, as the case may be, by the transferee.

7.8. *Distributions on Withdrawal.* Upon the occurrence of an Event of Withdrawal with respect to a Member, the withdrawn Member shall not be entitled to receive a withdrawal distribution but the withdrawn Member (or the withdrawn Member's personal representatives, successors, and assigns) shall be entitled to receive the share of distributions, including distributions representing a return of Capital Contributions, and the allocation of Profits and Losses, to which the withdrawn Member otherwise would have been entitled if the Event of Withdrawal had not occurred, during the continuation of the business of the Company and during and on completion of winding up. If the Event of Withdrawal violated this Agreement, the distributions paid to the withdrawn Member shall be offset by any damages suffered by the Company or its Members as a result of the Event of Withdrawal.

Section VIII Dissolution and Termination

8.1. *Dissolution.*

8.1.1. *Events of Dissolution.* The Company will be dissolved upon the occurrence of any of the following events:

8.1.1.1. Upon the written consent of a Majority of the Members;

8.1.1.2. Upon the entry of a decree of dissolution under Section 10.50.405 of the Act or an administrative dissolution under Section 10.50.408 of the Act;

8.1.1.3. Upon the sale or other disposition of all or substantially all of the Company's assets and receipt by the Company of the proceeds therefrom; or

8.1.1.4. Upon the occurrence of an Event of Withdrawal of the last remaining Member unless within ninety (90) days all assignees of Interests in the Company consent in writing to admit at least one member to continue the business of the company.

8.2. *Continuation.* An Event of Withdrawal with respect to a Member shall not cause dissolution, and the Company shall automatically continue following such an Event of Withdrawal.

8.3. *Distributions and Other Matters.* The Company shall not terminate until its affairs have been wound up and its assets distributed as provided herein. Promptly upon the dissolution of the Company, the Members shall cause to be executed and filed a Notice of Winding Up with the Alaska Department of Commerce, Community, and Economic Development, and will liquidate the assets of the Company and apply and distribute the proceeds of such liquidation, or distribute the Company's assets in kind, as follows and in the following order:

8.3.1. *Ordinary Debts.* To payment of the debts and liabilities of the Company, including debts owed to Interest Holders, in the order of priority provided by law; provided that the Company shall first pay, to the extent permitted by law, liabilities with respect to which any Interest Holder is or may be personally liable;

8.3.2. *Reserves and Distributions.* To the setting up of such reserves as the Members may deem reasonably necessary for any contingent or unforeseen liabilities or obligations of the Company arising out of or in connection with the Company business;

8.3.3. *Remainder.* The balance of the proceeds shall be distributed to the Interest Holders in accordance with the positive balance in their Capital Accounts, determined as though all of the Company assets were sold for cash at their fair market value as of the date of distribution. Any such distributions shall be made in accordance with the timing requirements of Treasury Regulation Section 1.704-1(b)(2)(ii)(b)(2).

8.4. *Deficit Capital Accounts.* Notwithstanding anything to the contrary in this Agreement, if any Interest Holder's Capital Account has a deficit balance (taking into account all contributions, distributions, and allocations for the year in which a liquidation occurs), the Interest Holder shall not be obligated to make any contribution to the capital of the Company and the negative balance of such Interest Holder's Capital Account shall

not be considered a debt owed by the Interest Holder to the Company or to any other person for any purpose whatsoever.

8.5. *Rights of Interest Holders—Distributions of Property.* Except as otherwise provided in this Agreement, each Interest Holder shall look solely to the assets of the Company for the return of his or her Capital Contribution and shall have no right or power to demand or receive property other than cash from the Company. No Interest Holder shall have priority over any other Interest Holder for the return of his or her Capital Contributions, distributions, or allocations.

8.6. *Articles of Termination.* When all the assets of the Company have been distributed as provided herein, the Members shall cause to be executed and filed Articles of Termination as required by the Act.

Section IX Other Interests of an Interest Holder

Any Interest Holder may engage in or possess interests in other business ventures of every nature and description, independently or with others. Neither the Company nor any Interest Holder shall have any right to any independent ventures of any other Interest Holder or to the income or profits derived therefrom. The fact that an Interest Holder, a member of his or her Family, or an Affiliate is employed by, or owns, or is otherwise directly or indirectly interested in or connected with, any person, firm, or corporation employed or retained by the Company to render or perform services, including without limitation, management, contracting, mortgage placement, financing, brokerage, or other services, or from whom the Company may buy property or merchandise, borrow money, arrange financing, or place securities, or may lease real property to or from the Company, shall not prohibit the Company from entering into contracts with or employing that person, firm, or corporation or otherwise dealing with him or it, and neither the Company nor any of the Interest Holders as such shall have any rights in or to any income or Profits derived therefrom.

Section X Indemnity

10.1. *Indemnity Rights.* The Company shall indemnify each Interest Holder who was or is a party or is threatened to be made a party to any threatened, pending, or completed action, suit, or proceeding, whether civil, criminal, administrative, or investigative, by reason of his or her actions as an Interest Holder or by reason of his or her acts while serving at the request of the Company as a director, officer, employee, or agent of another corporation, partnership, joint venture, trust, or other enterprise, against

expenses, including attorneys' fees, and against judgments, fines, and amounts paid in settlement actually and reasonably incurred by him or her in connection with such action, suit, or proceeding, provided that the acts of such Interest Holder were not committed with gross negligence or willful misconduct, and, with respect to any criminal action or proceeding, such Interest Holder had no reasonable cause to believe his or her conduct was unlawful. The termination of any action, suit, or proceeding by judgment, order, settlement, or conviction, or upon a plea of no contest or its equivalent, shall not, in and of itself, create a presumption that the Interest Holder acted with gross negligence or willful misconduct, or with respect to any criminal action or proceeding, had reasonable cause to believe that his or her conduct was unlawful.

10.2. *Notice and Defense.* Any Interest Holder who is or may be entitled to indemnification shall give timely written notice to the Company, the Interest Holders that a claim has been or is about to be made against him or her, shall permit the Company to defend him or her through legal counsel of its own choosing, and shall cooperate with the Company in defending against the claim. The Interest Holder shall have the sole power and authority to determine the terms and conditions of any settlement of the claim.

10.3. *Other Sources.* The indemnification provided for herein shall apply only in the event, and to the extent that, the person is not entitled to indemnification, or other payment, from any other source (including insurance), and the Company's indemnity obligations hereunder shall be in excess of any indemnification or other payment provided by such other source.

10.4. *Survival.* The indemnification provided for herein shall continue as to a person who has ceased to be an Interest Holder and shall inure to the benefit of the heirs, executors, and administrators of such person.

Section XI Miscellaneous

11.1. *Notices.* Any notice, demand, offer, or other communication which any person is required or may desire to give to any other person shall be delivered in person or by United States mail, electronic mail, facsimile, or overnight or next-day delivery service. If mailed, such notice shall be deemed to be delivered two (2) days after being deposited in the United States mail, postage prepaid, addressed to the person at his or her address as it appears on the books of the Company. If transmitted by way of electronic mail or facsimile, such notice shall be deemed to be delivered on the date of such electronic mail or facsimile transmission to the electronic mail address or facsimile number, if any, for the person which has been supplied by such person and identified as such person's electronic mail address or facsimile number. If transmitted by overnight or

next-day delivery, such notice shall be deemed to be delivered on the next business day after deposit with the delivery service addressed to the person at his or her address as it appears on the books of the Company.

11.2. *Bank Accounts.* All funds of the Company shall be deposited in a bank account or accounts opened in the Company's name. The Members shall determine the institution or institutions at which the accounts will be opened and maintained, the types of accounts, and the Persons who will have authority with respect to the accounts and the funds therein.

11.3. *Partial Invalidity.* The invalidity of any portion of this Agreement will not affect the validity of the remainder hereof.

11.4. *Governing Law; Parties in Interest.* This Agreement will be governed by and construed according to the laws of the State of Alaska without regard to conflicts of law principles and will bind and inure to the benefit of the heirs, successors, assigns, and personal representatives of the parties.

11.5. *Execution in Counterparts.* This Agreement may be executed in counterparts, all of which taken together shall be deemed one original.

11.6. *Titles and Captions.* All article, section, or paragraph titles or captions contained in this Agreement are for convenience only and are not deemed part of the context thereof.

11.7. *Pronouns and Plurals.* All pronouns and any variations thereof are deemed to refer to the masculine, feminine, neuter, singular, or plural as the identity of the person or persons may require.

11.8. *Waiver of Action for Partition.* Each of the Interest Holders irrevocably waive any right that he or she may have to maintain any action for partition with respect to any of the Company Property.

11.9. *Entire Agreement.* This Agreement contains the entire understanding between the parties, and supersedes any prior understandings and agreements between or among them with respect to the subject matter hereof.

11.10. *Estoppel Certificate.* Each Member shall, within ten (10) days after written request by any Member or the Members, deliver to the requesting Person a certificate stating, to the Member's knowledge, that: (a) this Agreement is in full force and effect; (b) this Agreement has not been modified except by any instrument or instruments

identified in the certificate; and (c) there is no default hereunder by the requesting Person, or if there is a default, the nature and extent thereof.

Section XII Arbitration

If the parties are unable to resolve any dispute arising out of this Agreement either during or after its term informally, including the question as to whether any particular matter is arbitrable, the parties agree to submit the matter to binding arbitration. In the event the parties have not agreed upon an arbitrator within twenty (20) days after either party has demanded arbitration, either party may file a demand for arbitration with an Alaska regional office of the American Arbitration Association (“AAA”) and a single arbitrator shall be appointed in accordance with the then existing Commercial Arbitration Rules of the AAA. At all times during arbitration, the arbitrator shall consider that the purpose of arbitration is to provide for the efficient and inexpensive resolution of disputes, and the arbitrator shall limit discovery whenever appropriate to insure that this purpose is pre-served. The dispute between the parties shall be submitted for determination within sixty (60) days after the arbitrator has been selected. The decision of the arbitrator shall be rendered within thirty (30) days after the conclusion of the arbitration hearing. The decision of the arbitrator shall be in writing and shall specify the factual and legal basis for the decision. Upon stipulation of the parties, or upon a showing of good cause by either party, the arbitrator may lengthen or shorten the time periods set forth herein for conducting the hearing or for rendering a decision. The decision of the arbitrator shall be final and binding upon the parties. Judgment to enforce the decision of the arbitrator, whether for legal or equitable relief, may be entered in any court having jurisdiction thereof, and the parties hereto expressly and irrevocably consent to the jurisdiction of the Alaska Courts for such purpose. The arbitrator shall conduct all proceedings pursuant to the then existing Commercial Arbitration Rules of the AAA, to the extent such rules are not inconsistent with the provisions of this Article III. The AAA Uniform Rules of Procedure shall not apply to any arbitration proceeding relating to the subject matter or terms of the documents. In the event a dispute is submitted to arbitration pursuant to this Section, the prevailing party shall be entitled to the payment of its reasonable attorneys’ fees and costs, as determined by the arbitrator. Each of the parties shall keep all disputes and arbitration proceedings strictly confidential, except for disclosures of information required by applicable law or regulation.

Section XIII Agreement of Spouses of Members

By executing this Agreement, the spouse of each Interest Holder acknowledges and consents to the terms and conditions of this Agreement and agrees, for himself or

herself and for the community of himself and herself and the Interest Holder, to be bound hereby. Each spouse of an Interest Holder, for himself or herself and the community of which he or she is a member, hereby irrevocably appoints the Interest Holder as attorney-in-fact with an irrevocable proxy coupled with an Interest to vote on any matter to come before the Members or to agree to and execute any amendments of this Agreement without further consent or acknowledgment of the spouse and to execute proxies, instruments, or documents in the spouse's name as may be required to effect the same. This power of attorney is intended to be durable and shall not be affected by disability of the spouse.


Section XIV Representation

The parties hereby acknowledge that (i) JDW, LLC (the "Firm") has represented GREEN ACRES 907, LLC in connection with the drafting of this Operating Agreement; (ii) that each of the signatories has been advised to seek independent counsel in connection with such matters; and (iii) that the Firm does not represent any Member individually either directly or indirectly, but rather represents the Company. Payment of the Firm's fees by the Company shall not alter or amend any of the relationships.

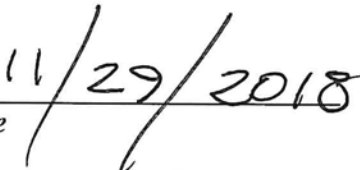
IN WITNESS WHEREOF, the Members have executed this Operating Agreement, effective as of the date first set forth above.

Signatures of the Members to follow on Page 21.

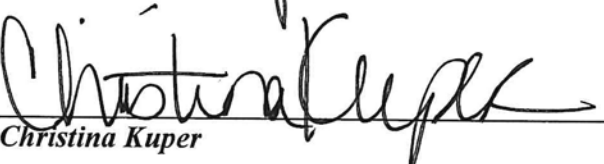
MEMBERS:



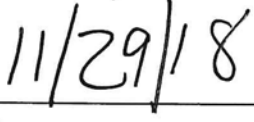
David Kuper



Date



Christina Kuper



Date

EXHIBIT A

Members, Capital Contributions, and Interest

<u>Member</u>	<u>Initial Capital Contribution</u>	<u>Current Capital Account</u>	<u>Percentage Interest</u>
David Kuper			99.00%
Christina Kuper			01.00%
TOTAL			100.00%

EXHIBIT B

Tax Matters

1. *Definitions.* The capitalized words and phrases used in this Exhibit B shall have the following meanings:

1.1. “*Adjusted Book Value*” means with respect to Company Property, the Property’s Initial Book Value with the adjustments required under this Agreement.

1.2. “*Adjusted Capital Account Deficit*” means, with respect to any Interest Holder, the deficit balance, if any, in the Interest Holder’s Capital Account as of the end of the relevant Fiscal Year, after giving effect to the following adjustments:

1.2.1. the Capital Account shall be increased by the amounts which the Interest Holder is obligated to restore under this Agreement or is deemed obligated to restore pursuant to Regulation Sections 1.704-2(g)(1) and (i)(5) (i.e., the Interest Holder’s share of Minimum Gain and Member Minimum Gain); and

1.2.2. the Capital Account shall be decreased by the items described in Regulation Sections 1.704-1(b)(2)(ii)(d)(4), (5) and (6).

This definition of Adjusted Capital Account Deficit is intended to comply with Section 1.704-1(b)(2)(ii)(d) of the Treasury Regulations and shall be interpreted and applied in a manner consistent with that Regulation.

1.3. “*Capital Account*” means the account maintained by the Company for each Interest Holder in accordance with the following provisions:

1.3.1. An Interest Holder’s Capital Account shall be credited with the amount of money contributed by the Interest Holder to the Company; the fair market value of the Property contributed by the Interest Holder to the Company (net of liabilities secured by such contributed Property that the Company is considered to assume or take subject to under Section 752 of the Code); the Interest Holder’s allocable share of Profit and items of income and gain; and the amount of Company liabilities that are assumed by the Interest Holder under Regulation Section 1.704-1(b)(2)(iv)(c);

1.3.2. An Interest Holder’s Capital Account shall be debited with the amount of money distributed to the Interest Holder; the fair market value of any Company property distributed to the Interest Holder (net of liabilities secured by such distributed Property that the Interest Holder is considered to assume or take subject to

under Section 752 of the Code); the Interest Holder's allocable share of Loss and items of deduction; and the amount of the Interest Holder's liabilities that are assumed by the Company under Regulation Section 1.704-1(b)(2)(iv)(c);

1.3.3. If Company Property is distributed to an Interest Holder, the Capital Accounts of all Interest Holders shall be adjusted as if the distributed Property had been sold in a taxable disposition for the gross fair market value of such Property on the date of distribution (taking into account Section 7701 of the Code) and the Profit or Loss from such disposition allocated to the Interest Holders as provided in this **Exhibit B**.

1.3.4. If money or other Property (other than a *de minimis* amount) is (a) contributed to the Company by a new or existing Interest Holder in exchange for an interest in the Company; or (b) distributed by the Company to a retiring or continuing Interest Holder as consideration for an interest in the Company; then, if the Members deem such an adjustment to be necessary to reflect the economic interests of the Interest Holders, the Book Value of the Company's Property shall be adjusted to equal its gross fair market value on such date (taking into account Section 7701(g) of the Code) and the Capital Accounts of all Interest Holders shall be adjusted in the same manner as if all the Company Property had been sold in a taxable disposition for such amount on such date and the Profit or Loss allocated to the Interest Holders as provided in this **Exhibit B**.

1.3.5. To the extent an adjustment to the tax basis of any Company asset pursuant to Code Section 734(b) or Code Section 743(b) is required, pursuant to Regulation Section 1.704-1(b)(2)(iv)(m), to be taken into account in determining Capital Accounts, the Book Value of the Company's Property and the Capital Account of the Interest Holders shall be adjusted in a manner consistent with the manner in which the Capital Accounts are required to be adjusted pursuant to that Section of the Regulations.

1.3.6. If any Interest is transferred pursuant to the terms of this Agreement, the transferee shall succeed to the Capital Account of the transferor to the extent the Capital Account is attributable to the transferred Interest. It is intended that the Capital Accounts of all Interest Holders shall be maintained in compliance with the provisions of Regulation Section 1.704-1(b), and all provisions of this Agreement relating to the maintenance of Capital Accounts or the Adjusted Book Value of Company Property shall be interpreted and applied in a manner consistent with that Section of the Regulations.

1.4. "*Code*" means the Internal Revenue Code of 1986, as amended, or any corresponding provision of any succeeding law.

1.5. "*Company Minimum Gain*" has the meaning set forth in Regulation Section 1.704-2(b)(2) for "partnership minimum gain."

1.6. “*Initial Book Value*” means, with respect to Property contributed to the Company by an Interest Holder, the Property’s fair market value at the time of contribution and, with respect to all other Property, the Property’s adjusted basis for federal income tax purposes at the time of acquisition.

1.7. “*Member Nonrecourse Debt*” has the meaning set forth in Section 1.704-2(b)(4) of the Treasury Regulations for “partner nonrecourse debt.”

1.8. “*Member Nonrecourse Debt Minimum Gain*” has the meaning set forth in Regulation Section 1.704-2(i) for “partner nonrecourse debt minimum gain.”

1.9. “*Member Nonrecourse Deductions*” has the meaning set forth in Regulation Section 1.704-2(i) for “partner nonrecourse deductions.”

1.10. “*Nonrecourse Deductions*” has the meaning set forth in Regulation Section 1.704-2(b)(1). The amount of Nonrecourse Deductions shall be determined according to the provisions of Regulation Section 1.704-2(c).

1.11. “*Nonrecourse Liability*” has the meaning set forth in Regulation Section 1.704-2(b)(3).

1.12. “*Profit*” and “*Loss*” means, for each Fiscal Year of the Company (or other period for which Profit or Loss must be computed), the Company’s taxable income or loss determined in accordance with Code Section 703(a), with the following adjustments:

1.12.1. All items of income, gain, loss, deduction, or credit required to be stated separately pursuant to Code Section 703(a)(1) shall be included in computing taxable income or loss;

1.12.2. Any tax-exempt income of the Company, not otherwise taken into account in computing Profit or Loss, shall be included in computing Profit or Loss;

1.12.3. Any expenditures of the Company described in Code Section 705(a)(2)(B) (or treated as such pursuant to Regulation Section 1.704-1(b)(2)(iv)(i)) and not otherwise taken into account in computing Profit or Loss, shall be included in computing Profit or Loss;

1.12.4. If the Adjusted Book Value of Company Property differs from its adjusted basis for federal income tax purposes, then gain or loss resulting from any taxable disposition of Company property shall be computed by reference to the Adjusted

Book Value of the Property disposed of rather than the adjusted basis of the property for federal income tax purposes;

1.12.5. If the Adjusted Book Value of Company Property differs from its adjusted basis for federal income tax purposes, then in lieu of the depreciation, amortization, or cost recovery deductions allowable in computing taxable income or loss, the depreciation, amortization (or other cost recovery deduction) shall be an amount that bears the same ratio to the Adjusted Book Value of such Property as depreciation, amortization (or other cost recovery deduction) computed for federal income tax purposes for such period bears to the adjusted tax basis of such Property. If the Property has a zero adjusted tax basis, the depreciation, amortization (or other cost recovery deduction) of such Property shall be determined under any reasonable method selected by the Company; and

1.12.6. Any items that are specially allocated pursuant to Sections 2.3 and 2.4 hereof shall not be taken into account in computing Profit or Loss.

1.13. "Treasury Regulations" or "Regulations" means the income tax regulations, including any temporary regulations, promulgated under the Code as such regulations may be amended from time to time (including corresponding provisions of succeeding regulations).

2. *Allocations.* After making any special allocations contained in Section 2.5, remaining Profits and Losses shall be allocated for any Fiscal Year in the following manner:

2.1. *Profits.*

2.1.1. First, Profits shall be allocated among the Interest Holders in proportion to the cumulative Losses previously allocated to the Interest Holder under Section 2.2.3 until the cumulative Profits allocated to each Interest Holder under this subparagraph equal the cumulative Losses previously allocated to each Interest Holder under Section 2.2.3;

2.1.2. Second, Profits shall be allocated proportionately among the Interest Holders until the cumulative Profits allocated to each Interest Holder under this subparagraph equal the cumulative Priority Return each Interest Holder has received through the end of the Fiscal Year plus Losses, if any, allocated to the Interest Holder under Section 2.2.2; and

2.1.3. Third, Profits shall be allocated to the Interest Holders in accordance with their Percentage Interests.

2.2. *Losses.*

2.2.1. First, Losses shall be allocated to the Interest Holders in proportion to the cumulative Profits previously allocated to the Interest Holders under Section 2.1.3 until the cumulative Losses allocated pursuant to this subparagraph to each Interest Holder are equal to the cumulative Profits previously allocated to each Interest Holder under Section 2.1.3.

2.2.2. Second, Losses shall be allocated to the Interest Holders in proportion to the cumulative Profits previously allocated to the Interest Holders under Section 2.1.2 until the cumulative Losses allocated pursuant to this subparagraph to each Interest Holder are equal to the cumulative Profits previously allocated to each Interest Holder under Section 2.1.2; and

2.2.3. Third, Losses shall be allocated to the Interest Holders in accordance with their Percentage Interests.

2.3. *Loss Limitations.*

2.3.1. *Adjusted Capital Account Deficit.* No Losses shall be allocated to any Interest Holder pursuant to Section 2.1 if the allocation causes the Interest Holder to have an Adjusted Capital Account Deficit or increases the Interest Holder's Capital Account Deficit. All Losses in excess of the limitations set forth in this Subsection shall be allocated to the other Interest Holders in accordance with the other Interest Holders' Percentage Interests until all Interest Holders are subject to the limitation of this Subsection, and thereafter, in accordance with the Interest Holders' interest in the Company as determined by the Members. If any Losses are allocated to an Interest Holder because of this Subsection, then notwithstanding any other provision of this Agreement, all subsequent Profits shall be allocated to the Interest Holders pro rata based on Losses allocated to them pursuant to this Subsection until each Interest Holder has been allocated an amount of Profits pursuant to this Subsection equal to the Losses previously allocated to that Interest Holder under this Subsection.

2.3.2. *Cash Method Limitation.* If the Company is on the cash method of accounting and more than 35% of the Company's Losses in any year would be allocable to Interest Holders who are limited entrepreneurs (within the meaning of § 464(e)(2) of the Code), then except as otherwise provided in Section 2.2.1, the Losses in excess of 35% otherwise allocable to those Interest Holders shall be specially allocated among the

other Interest Holders in the ratio that each shares in Losses. If any Losses are allocated to an Interest Holder under this Subsection, then notwithstanding any other provision of this Agreement, all subsequent Profits shall be allocated to the Interest Holders pro rata based on Losses allocated to them pursuant to this Subsection until each Interest Holder has been allocated an amount of Profits pursuant to this Subsection in the current and previous Fiscal Years equal to the Losses allocated to that Interest Holder pursuant to this Subsection in previous Fiscal Years.

2.4. *Section 704(c) Allocations.*

2.4.1. *Contributed Property.* In accordance with Code Section 704(c) and the Regulations thereunder, as well as Regulation Section 1.704-1(b)(2)(iv)(d)(3), income, gain, loss, and deduction with respect to any property contributed (or deemed contributed) to the Company shall, solely for tax purposes, be allocated among the Interest Holders so as to take account of any variation between the adjusted basis of the property to the Company for federal income tax purposes and its fair market value at the date of contribution (or deemed contribution).

2.4.2. *Adjustments to Book Value.* If the Adjusted Book Value of any Company asset is adjusted as provided in clause (iv) of the definition of Capital Account, subsequent allocations of income, gain, loss, and deduction with respect to the asset shall, solely for tax purposes, take account of any variation between the adjusted basis of the asset for federal income tax purposes and its adjusted book value in the manner as provided under Code Section 704(c) and the Regulations thereunder.

2.5. *Regulatory Allocations.* The following allocations shall be made in the following order:

2.5.1. *Company Minimum Gain Chargeback.* Except as set forth in Regulation Section 1.704-2(f)(2), (3), (4), and (5), if during any Fiscal Year there is a net decrease in Company Minimum Gain, each Interest Holder, prior to any other allocation pursuant to this Section IV, shall be specially allocated items of gross income and gain for such taxable year (and, if necessary, succeeding taxable years) in an amount equal to that Interest Holder's share of the net decrease of Company Minimum Gain, computed in accordance with Regulation Section 1.704-2(g)(2). Allocations of gross income and gain pursuant to this Subsection shall be made first from gain recognized from the disposition of Company assets subject to Nonrecourse Liabilities to the extent of the Minimum Gain attributable to those assets and, thereafter, from a pro rata portion of the Company's other items of income and gain for the taxable year. It is the intent of the parties hereto that any allocation pursuant to this Subsection shall constitute a "minimum gain chargeback" under Regulation Section 1.704-2(f).

2.5.2. *Member Nonrecourse Debt Minimum Gain Chargeback.* Except as set forth in Regulation Section 1.704-2(i)(4), if during any Fiscal Year there is a net decrease in Member Nonrecourse Debt Minimum Gain, each Interest Holder with a share of that Member Nonrecourse Debt Minimum Gain (determined under Regulation Section 1.704-2(i)(5)) as of the beginning of the Fiscal Year shall be specially allocated items of income and gain for such Fiscal Year (and, if necessary, succeeding Fiscal Years) in an amount equal to that Interest Holder's share of the net decrease in Member Nonrecourse Debt Minimum Gain, computed in accordance with Regulation Section 1.704-2(i)(4). Allocations of gross income and gain pursuant to this Subsection shall be made first from gain recognized from the disposition of Company assets subject to Member Nonrecourse Debt to the extent of the Member Minimum Gain attributable to those assets and, thereafter, from a pro rata portion of the Company's other items of income and gain for the Fiscal Year. It is the intent of the parties hereto that any allocation pursuant to this Subsection shall constitute a "minimum gain chargeback" under Regulation Section 1.704-2(i)(4).

2.5.3. *Qualified Income Offset.* If an Interest Holder unexpectedly receives an adjustment, allocation, or distribution described in Regulation Section 1.704-1(b)(2)(ii)(d)(4), (5), or (6), then to the extent required under Regulations Section 1.704-1(b)(2)(d), such Interest Holder shall be allocated items of income and gain of the Company (consisting of a pro rata portion of each item of Company income, including gross income and gain for that Fiscal Year) before any other allocation is made of Company items for that Fiscal Year, in the amount and in proportions required to eliminate the Interest Holder's Adjusted Capital Account Deficit as quickly as possible. This Subsection is intended to comply with, and shall be interpreted consistently with, the "qualified income offset" provisions of the Regulations promulgated under Code Section 704(b).

2.5.4. *Nonrecourse Deductions.* Nonrecourse Deductions for a Fiscal Year or other period shall be allocated among the Interest Holders in proportion to their Percentage Interests.

2.5.5. *Member Nonrecourse Deductions.* Any Member Nonrecourse Deduction for any Fiscal Year or other period attributable to a Member Nonrecourse Liability shall be allocated to the Interest Holder who bears the risk of loss for the Member Nonrecourse Debt in accordance with Regulation Section 1.704-2(i).

2.5.6. *Regulatory Allocations.* The allocations contained in Section 2.5 are contained herein to comply with the Regulations under Section 704(b) of the Code. In allocating other items of Profit or Loss, the allocations contained in Section 2.5 shall be

taken into account so that to the maximum extent possible the net amount of Profit or Loss allocated to each Interest Holder will be equal to the amount that would have been allocated to each Interest Holder if the allocations contained in Section 2.4 had not been made.

2.6. *Varying Interests; Allocations in Respect to Transferred Interests.* Profits, Losses, and other items shall be calculated on a monthly, daily, or other basis permitted under Code Section 706 and the Regulations. If any Interest is sold, assigned, or transferred in compliance with the provisions of this Agreement, profits, losses, each item thereof, and all other items attributable to such Interest for such period shall be divided and allocated between the transferor and the transferee by taking into account their varying interests during the period in accordance with Code Section 706(d), using any conventions permitted by law and selected by the Company.

2.7. *Tax Matters Partner.* The Members shall select one Member to be the Company's tax matters partner ("Tax Matters Partner") unless the Members designate a different Person to serve in this capacity. The Tax Matters Partner shall have all powers and responsibilities provided in Code Section 6221, et seq. The Tax Matters Partner shall keep all Members informed of all notices from government taxing authorities which may come to the attention of the Tax Matters Partner. The Company shall pay and be responsible for all reasonable third-party costs and expenses incurred by the Tax Matters Partner in performing those duties. The Company shall be responsible for any costs incurred by any Member with respect to a tax audit or tax-related administrative or judicial proceeding against the Member. The Tax Matters Partner shall not compromise any dispute with the Internal Revenue Service without the approval of the Members.

2.8. *Returns and Other Elections.* The Members shall cause the preparation and timely filing of all tax returns required to be filed by the Company pursuant to the Code and all other tax returns deemed necessary and required in each jurisdiction in which the Company does business.

2.9. *Annual Accounting Period.* The annual accounting period of the Company shall be its Fiscal Year. The Company's Fiscal Year shall be selected by the Members, subject to the requirements and limitations of the Code.

2.10. *Knowledge.* The Interest Holders acknowledge that they understand the economic and income tax consequences of the allocations and distributions under this Agreement and agree to be bound by the provisions of this **Exhibit B** in reporting their taxable income and loss from the Company.

2.11. *Amendment.* The Members are hereby authorized, upon the advice of the Company's tax counsel, to amend this **Exhibit B** to comply with the Code and the Regulations promulgated under Code Section 704(b); provided, however, that no amendment shall materially affect the distributions to an Interest Holder without the Interest Holder's prior written consent.

EXHIBIT C

Formula For Determining The Purchase Price Of A Member's Interest And Payment Terms Pursuant To Section VII

When required pursuant to Section VII of this Agreement, the value of an Interest will be determined by a valuation professional accredited in business valuation by the AICPA or American Society of Appraisers ("Appraiser"). Such Appraiser shall be jointly selected by the Company and the offering Member, Interest Holder, or such Person's estate (the "Offering Member") within fifteen (15) days after the other Members' actual knowledge of the Offering Member's death or bankruptcy. The cost of the Appraiser shall be borne equally by the Company and the Offering Member. If a mutually satisfactory Appraiser cannot be selected, then the Company and the Offering Member each shall select and pay for its own Appraiser and the two Appraisers shall attempt to reconcile their valuations to arrive at a single valuation. If they are unable to do so, they shall jointly select a third Appraiser to value the Offering Member's Interest. The cost of the third Appraiser shall be borne equally by the Company and the Offering Member. The three Appraisers shall attempt to reconcile their valuations to arrive at a single valuation. If they are unable to do so, then the middle of the three appraisals shall be used as the valuation. The standard of value shall be fair market value.

If applicable, each party shall appoint its Appraiser within seven (7) days after the parties determine they cannot agree on a single Appraiser. The two Appraisers appointed shall select a third Appraiser within seven (7) days after they determine they cannot agree on a single valuation. The Appraisers shall be instructed to provide their valuations within thirty (30) days after their appointment.

Payment of the Offering Member's Interest shall be due and payable by the Company as follows: ten percent (10%) in cash within sixty (60) days after acceptance by the Company of the offer to purchase the Offering Member's Interest and the balance in ten (10) equal semi-annual installments commencing on the six (6) month anniversary of the initial down payment, together with interest on the unpaid balance from time to time outstanding until paid at the prime rate of interest reported by *The Wall Street Journal - Western Edition* (such rate to be determined and fixed as of the date of the initial payment hereunder), payable at the same time as and in addition to the installments of principal.

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

Green Acres 907, LLC



IN TESTIMONY WHEREOF, I execute the certificate
and affix the Great Seal of the State of Alaska
effective **October 04, 2018**.

A handwritten signature in cursive script that reads "Mike Navarre".

Mike Navarre
Commissioner



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

Articles of Organization

Domestic Limited Liability Company

Web-10/4/2018 3:51:17 PM

1 - Entity Name

Legal Name: Green Acres 907, LLC

2 - Purpose

To cultivate miscellaneous crops and goods, and any other lawful purpose.

3 - NAICS Code

111998 - ALL OTHER MISCELLANEOUS CROP FARMING

4 - Registered Agent

Name: Jana Weltzin

Mailing Address: 3003 Minnesota Dr, #201, Anchorage, AK 99503

Physical Address: 3003 Minnesota Dr, #201, Anchorage, AK 99503

5 - Entity Addresses

Mailing Address: PO Box 521265, Big Lake, AK 99652

Physical Address: Lot 1 Root Beer Lake, Big Lake, AK 99652

6 - Management

The limited liability company is managed by its members.

7 - Officials

Name	Address	% Owned	Titles
Jana Weltzin			Organizer

Name of person completing this online application

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: Jana D. Weltzin



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

2020 Biennial Report

For the period ending December 31, 2019

Web-12/19/2019 1:31:02 PM

Due Date: This report along with its fees are due by January 2, 2020

Fees: If postmarked before February 2, 2020, the fee is \$100.00.
 If postmarked on or after February 2, 2020 then this report is delinquent and the fee is \$137.50.

Entity Name: Green Acres 907, LLC

Entity Number: 10092503

Home Country: UNITED STATES

Home State/Prov.: ALASKA

Physical Address: LOT 1 ROOT BEER LAKE, BIG LAKE, AK
 99652

Mailing Address: PO BOX 521265, BIG LAKE, AK 99652

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: Jana Weltzin

Physical Address: 901 PHOTO AVE, ANCHORAGE, AK
 99503

Mailing Address: 901 PHOTO AVE, ANCHORAGE, AK
 99503

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
David Kuper	PO BOX 521265, BIG LAKE, AK 99652	99.00	X
Christina Kuper	PO BOX 521265, BIG LAKE, AK 99652	1.00	X

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

Purpose: To cultivate miscellaneous crops and goods, and any other lawful purpose.

NAICS Code: 111998 - ALL OTHER MISCELLANEOUS CROP FARMING

New NAICS Code (optional):

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: Jana Weltzin