

Alcohol & Marijuana Control Office

License Number: 21619

License Status: Active-Operating

License Type: Retail Marijuana Store

Doing Business As: Laughing salmon

Business License Number: 2092852

Designated Licensee: Kyle Lutz

Email Address: kyle.lutz21@gmail.com

Local Government: Matanuska-Susitna Borough

Local Government 2:

Community Council: South Lakes

Latitude, Longitude: 61.345900, -149.233000

Physical Address: 173 N Rosie Circle #1
Wasilla, AK 99654
UNITED STATES

Licensee #1

Type: Entity

Alaska Entity Number: 10105457

Alaska Entity Name: Laughing Salmon, LLC

Phone Number: 907-232-6298

Email Address: kyle.lutz21@gmail.com

Mailing Address: 5684 North Gooseberry Circle
Wasilla, AK 99654
UNITED STATES

Entity Official #1

Type: Individual

Name: Kyle Lutz

SSN: [REDACTED]

Date of Birth: [REDACTED]

Phone Number: 907-232-6298

Email Address: kyle.lutz21@gmail.com

Mailing Address: 5684 North Gooseberry Circle
Wasilla, AK 99654
UNITED STATES

Entity Official #2

Type: Individual

Name: Kamie Moran

SSN: [REDACTED]

Date of Birth: [REDACTED]

Phone Number: 907-232-6299

Email Address: kamiemoran@hightidefarm.net

Mailing Address: 5684 North Gooseberry Circle
Wasilla, AK 99654
UNITED STATES

Note: No affiliates entered for this license.



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:	Laughing Salmon, LLC	License Number:	21619		
License Type:	Retail Marijuana Store				
Doing Business As:	Laughing salmon				
Premises Address:	173 N Rosie Circle #1				
City:	Wasilla	State:	AK	ZIP:	99654

Section 2 – Individual Information

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

Name:	Kamie Moran				
Title:	Owner				

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.

jm

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.

jm

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

jm

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

jm

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

jm

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.

jm

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.

jm

Kemie L. Moran 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.

jm

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.

Kemie L. Moran
Signature of licensee

Anne Johnson
Notary Public in and for the State of Alaska

Kemie L. Moran
Printed name of licensee

My commission expires: 8/29/23

Subscribed and sworn to before me this 10 day of June, 2021.





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:	Laughing Salmon, LLC	License Number:	21619		
License Type:	Retail Marijuana Store				
Doing Business As:	Laughing salmon				
Premises Address:	173 N Rosie Circle #1				
City:	Wasilla	State:	AK	ZIP:	99654

Section 2 – Individual Information

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

Name:	Kyle Lutz				
Title:	Owner				

Section 3 – Violations & Charges

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

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

Initials

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.

Initials

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

Initials

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

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).

Initials



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.

KL

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.

KL

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

KL

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

KL

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

KL

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.

KL

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.

KL

I, Kyle Lutz, 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.

KL

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.

Kyle Lutz
Signature of licensee

Anne Johnson
Notary Public in and for the State of Alaska

Kyle Lutz
Printed name of licensee

My commission expires: 8/29/23

Subscribed and sworn to before me this 10 day of June, 2021.



COMMERCIAL LEASE

This Lease Agreement (this "Lease") is dated as of September 01, 2019, by and between HTF Investments, LLC ("Landlord"), and Laughing Salmon, LLC ("Tenant"). The parties agree as follows:

PREMISES. Landlord, in consideration of the lease payments provided in this Lease, leases to Tenant 2520 sq ft building @ 173 N. Rosie Circle #1 (the "Premises") located at 173 North Rosie Circle #1, Wasilla, AK 99654.

TERM. The lease term will begin on September 01, 2019 and will terminate on September 01, 2029.

LEASE PAYMENTS. Tenant shall pay to Landlord lease payments of \$20,000.00, payable in advance, on the first of each semi-annual period, for a total lease payment of \$400,000.00. Lease payments shall be made to the Landlord at 5684 North Gooseberry Circle, Wasilla, Alaska 99654. The payment address may be changed from time to time by the Landlord.

POSSESSION. Tenant shall be entitled to possession on the first day of the term of this Lease, and shall yield possession to Landlord on the last day of the term of this Lease, unless otherwise agreed by both parties in writing. At the expiration of the term, Tenant shall remove its goods and effects and peaceably yield up the Premises to Landlord in as good a condition as when delivered to Tenant, ordinary wear and tear excepted.

USE OF PREMISES. Tenant may use the Premises only for Licensed Marijuana Retail Store. The Premises may be used for any other purpose only with the prior written consent of Landlord, which shall not be unreasonably withheld. Tenant shall notify Landlord of any anticipated extended absence from the Premises not later than the first day of the extended absence.

EXCLUSIVITY. Landlord shall not directly or indirectly, through any employee, agent, or otherwise, lease any space within the property (except the Premises herein described), or permit the use or occupancy of any such space whose primary business activity is in, or may result in, competition with the Tenants primary business activity. The Landlord hereby gives the Tenant the exclusive right to conduct their primary business activity on the property.

FURNISHINGS. The following furnishings will be provided: Fully furnished retail store. Tenant shall return all such items at the end of the lease term in a condition as good as the condition at the beginning of the lease term, except for such deterioration that might result from normal use of the furnishings.

PROPERTY INSURANCE. Landlord and Tenant shall each maintain appropriate insurance for their respective interests in the Premises and property located on the Premises. Landlord shall be

named as an additional insured in such policies. Tenant shall deliver appropriate evidence to Landlord as proof that adequate insurance is in force issued by companies reasonably satisfactory to Landlord. Landlord shall receive advance written notice from the insurer prior to any termination of such insurance policies. Tenant shall also maintain any other insurance which Landlord may reasonably require for the protection of Landlord's interest in the Premises. Tenant is responsible for maintaining casualty insurance on its own property.

LIABILITY INSURANCE. Tenant shall maintain liability insurance on the Premises in a total aggregate sum of at least \$500,000.00. Tenant shall deliver appropriate evidence to Landlord as proof that adequate insurance is in force issued by companies reasonably satisfactory to Landlord. Landlord shall receive advance written notice from the insurer prior to any termination of such insurance policies.

RENEWAL TERMS. This Lease shall automatically renew for an additional period of 10 years per renewal term, unless either party gives written notice of termination no later than 60 days prior to the end of the term or renewal term. The lease terms during any such renewal term shall be the same as those contained in this Lease.

UTILITIES AND SERVICES. Tenant shall be responsible for all utilities and services incurred in connection with the Premises.

TAXES. Taxes attributable to the Premises or the use of the Premises shall be allocated as follows:

REAL ESTATE TAXES. Landlord shall pay all real estate taxes and assessments for the Premises.

PERSONAL TAXES. Landlord shall pay all personal taxes and any other charges which may be levied against the Premises and which are attributable to Tenant's use of the Premises, along with all sales and/or use taxes (if any) that may be due in connection with lease payments.

TERMINATION UPON SALE OF PREMISES. Notwithstanding any other provision of this Lease, Landlord may terminate this lease upon 60 days' written notice to Tenant that the Premises have been sold.

DEFAULTS. Tenant shall be in default of this Lease if Tenant fails to fulfill any lease obligation or term by which Tenant is bound. Subject to any governing provisions of law to the contrary, if Tenant fails to cure any financial obligation within 5 days (or any other obligation within 10 days) after written notice of such default is provided by Landlord to Tenant, Landlord may take possession of the Premises without further notice (to the extent permitted by law), and without prejudicing Landlord's rights to damages. In the alternative, Landlord may elect to cure any default and the cost of such action shall be added to Tenant's financial obligations under this Lease. Tenant shall pay all costs, damages, and expenses (including reasonable attorney fees and expenses) suffered by Landlord by reason of Tenant's defaults. All sums of money or charges required to be

paid by Tenant under this Lease shall be additional rent, whether or not such sums or charges are designated as "additional rent". The rights provided by this paragraph are cumulative in nature and are in addition to any other rights afforded by law.

HOLDOVER. If Tenant maintains possession of the Premises for any period after the termination of this Lease ("Holdover Period"), Tenant shall pay to Landlord lease payment(s) during the Holdover Period at a rate equal to the normal payment rate set forth in the Renewal Terms paragraph.

CUMULATIVE RIGHTS. The rights of the parties under this Lease are cumulative, and shall not be construed as exclusive unless otherwise required by law.

NOTICE. Notices under this Lease shall not be deemed valid unless given or served in writing and forwarded by mail, postage prepaid, addressed as follows:

LANDLORD:

HTF Investments, LLC
5684 North Gooseberry Circle
Wasilla, Alaska 99654

TENANT:

Laughing Salmon, LLC
173 North Rosie Circle #1
Wasilla, AK 99654

Such addresses may be changed from time to time by any party by providing notice as set forth above. Notices mailed in accordance with the above provisions shall be deemed received on the third day after posting.

GOVERNING LAW. This Lease shall be construed in accordance with the laws of the State of Alaska.

ENTIRE AGREEMENT/AMENDMENT. This Lease Agreement contains the entire agreement of the parties and there are no other promises, conditions, understandings or other agreements, whether oral or written, relating to the subject matter of this Lease. This Lease may be modified or amended in writing, if the writing is signed by the party obligated under the amendment.

SEVERABILITY. If any portion of this Lease shall be held to be invalid or unenforceable for any reason, the remaining provisions shall continue to be valid and enforceable. If a court finds that any provision of this Lease is invalid or unenforceable, but that by limiting such provision, it would become valid and enforceable, then such provision shall be deemed to be written, construed, and enforced as so limited.

WAIVER. The failure of either party to enforce any provisions of this Lease shall not be construed as a waiver or limitation of that party's right to subsequently enforce and compel strict compliance with every provision of this Lease.

BINDING EFFECT. The provisions of this Lease shall be binding upon and inure to the benefit of both parties and their respective legal representatives, successors and assigns.

Disclaimer :

The Landlord/lessor will not take possession of or remove marijuana from the premises, and AMCO will be contacted in the event that this is necessary.

LANDLORD:


HTF Investments, LLC

By: 
Kyle Lutz,
Owner

Date: 4/22/21

TENANT:

Laughing Salmon, LLC

By: 
Kyle Lutz,
Owner

Date: 4/22/21

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

Laughing Salmon, LLC



IN TESTIMONY WHEREOF, I execute the certificate
and affix the Great Seal of the State of Alaska
effective **May 06, 2019**.

A handwritten signature in cursive script, appearing to read "Julie Anderson".

Julie Anderson
Commissioner

Alaska Department of Commerce, Community, and Economic Development

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

This is to certify that

Laughing salmon

5684 north gooseberry circle, Wasilla, AK 99654

owned by

Laughing Salmon, LLC

is licensed by the department to conduct business for the period

October 29, 2020 to December 31, 2022
for the following line(s) of business:

42 - Trade

This license shall not be taken as permission to do business in the state without having complied with the other requirements of the laws of the State or of the United States.
This license must be posted in a conspicuous place at the business location.
It is not transferable or assignable.

Julie Anderson
Commissioner





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

Date Filed: 10/29/2020
State of Alaska, DCCED

FOR DIVISION USE ONLY

Domestic Limited Liability Company

2021 Biennial Report
For the period ending December 31, 2020

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

Fees: If postmarked before February 2, 2021, the fee is \$100.00.
If postmarked on or after February 2, 2021 then this report is delinquent and the fee is \$137.50.

Entity Name: Laughing Salmon, LLC
Entity Number: 10105457
Home Country: UNITED STATES
Home State/Prov.: ALASKA
Physical Address: 5684 NORTH GOOSEBERRY CIRCLE,
WASILLA, AK 99654
Mailing Address: 5684 NORTH GOOSEBERRY CIRCLE,
WASILLA, AK 99654

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: Kyle Lutz
Physical Address: 5684 NORTH GOOSEBERRY CIRCLE,
WASILLA, AK 99654
Mailing Address: 5684 NORTH GOOSEBERRY CIRCLE,
WASILLA, AK 99654

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
Kyle Lutz	5684 N GOOSEBERRY CIRCLE, WASILLA, AK 99654	50.00	X
Kamie Moran	5684 N GOOSEBERRY CIRCLE, WASILLA, AK 99654	50.00	X

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

Purpose: Any lawful purpose.

NAICS Code: 453998 - ALL OTHER MISCELLANEOUS STORE RETAILERS (EXCEPT TOBACCO STORES)

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: Kyle Lutz



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

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1 - Entity Name

Legal Name: Laughing Salmon, LLC

2 - Purpose

Any lawful purpose.

3 - NAICS Code

453998 - ALL OTHER MISCELLANEOUS STORE RETAILERS (EXCEPT TOBACCO STORES)

4 - Registered Agent

Name: Kyle Lutz

Mailing Address: 5684 north gooseberry circle, Wasilla, AK 99654

Physical Address: 5684 north gooseberry circle, Wasilla, AK 99654

5 - Entity Addresses

Mailing Address: 5684 North Gooseberry circle, Wasilla, AK 99654

Physical Address: 5684 North Gooseberry circle, Wasilla, AK 99654

6 - Management

The limited liability company is managed by its members.

7 - Officials

Name	Address	% Owned	Titles
Kamie Moran			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: Susan Engle

The duration of this LLC shall be perpetual. However, this LLC shall terminate when a proposal to dissolve the LLC is adopted by this LLC or when this LLC is otherwise terminated in accordance with law.

2. Management Provisions

a. Management by Members

This LLC shall be managed exclusively by all of its members.

b. Indemnification of Members

A member shall be indemnified by the LLC for any debt, obligation, or other liability, including reasonable attorneys' fees, incurred in the course of the member's activities or performance of duties on behalf of the LLC as long as the member complied with the duties of loyalty and care when incurring the debt, obligation, or other liability. This provision does not in any way limit the indemnification the member would be entitled to under applicable state law. The indemnification provided shall inure to the benefit of successors and assigns of any such member.

3. Membership Provisions

a. Nonliability of Members

No member of this LLC shall be personally liable for the expenses, debts, obligations, or liabilities of the LLC or for claims made against it.

b. Reimbursement of Expenses

Members are entitled to reimbursement by the LLC for reasonable expenses incurred on behalf of the LLC, including expenses incurred in the formation, dissolution, and liquidation of the LLC.

c. Compensation

A member shall not be paid for performing any duties associated with membership, including management of the LLC. Members may be paid, however, for services rendered in any other capacity for the LLC, whether as an officer, employee, independent contractor, or otherwise, as approved by the LLC.

d. Membership Certificates

This LLC shall be authorized to obtain and issue certificates representing or certifying membership interests in this LLC. Each certificate shall show the name of the LLC and the name of the member, and shall state that the person named is a member of the LLC. The certificate shall entitle the member to all the rights granted members of the LLC under the articles of organization, certificate of organization, or certificate of formation; this operating agreement;

and provisions of law. Each membership certificate shall be consecutively numbered and shall include any additional information considered appropriate for inclusion on membership certificates.

In addition to the above information, all membership certificates shall bear a prominent legend on their face or reverse side stating that there are transfer restrictions that apply to membership in this LLC under this operating agreement and shall give instructions for obtaining a copy of these restrictions upon request from this LLC.

The records book of this LLC shall contain a list of the names and addresses of all persons to whom certificates have been issued, show the date of issuance of each certificate, and record the date of all cancellations or transfers of membership certificates by members or the LLC.

e. Other Business by Members

Members shall agree not to own an interest in, manage, or work for another business, enterprise, or endeavor, if such ownership or activities would compete with this LLC's business goals, mission, profitability, or productivity, or would diminish or impair the member's ability to provide maximum effort and performance in accomplishing the business objectives and, if applicable, managing the business of this LLC.

f. Members' Capital Interests

A member's capital interest in this LLC shall be computed as a fraction, the numerator of which is the total of a member's capital account and the denominator of which is the total of all capital accounts of all members.

g. Membership Voting

Except as otherwise may be required by the articles of organization, certificate of organization, or certificate of formation; other provisions of this operating agreement; or under the laws of this state, each member shall vote on any matter submitted to the membership for approval in proportion to the member's capital interest in this LLC. Further, unless otherwise stated in another provision of this operating agreement, the phrase "majority of members" means a majority of members whose combined capital interests in this LLC represent more than 50% of the capital interests of all members in this LLC, and a majority of members, so defined, may approve any item of business brought before the membership for a vote unless a different vote is required under this operating agreement or under state law.

h. Members' Meetings

The LLC shall not provide for regular members' meetings. However, any member may call a meeting by communicating his or her wish to schedule a meeting to all other members. Such notification may be in person or in writing, or by telephone, facsimile machine, or other form of electronic communications reasonably expected to be received by a member, and the other members shall then agree, either personally, in writing, or by telephone, facsimile machine, or other form of electronics communication to the member calling the meeting, to meet at a

mutually acceptable time and place. Notice of the business to be transacted at the meeting need not be given to members by the member calling the meeting, and any business may be discussed and conducted at the meeting.

If all members cannot attend a meeting, it shall be postponed to a date and time when all members can attend, unless all members who do not attend have agreed in writing to the holding of the meeting without them. If a meeting is postponed, and the postponed meeting cannot be held either because all members do not attend the postponed meeting or the nonattending members have not signed a written consent to allow the postponed meeting to be held without them, a second postponed meeting may be held at a date and time announced at the first postponed meeting. The date and time of the second postponed meeting shall also be communicated to any members not attending the first postponed meeting. The second postponed meeting may be held without the attendance of all members as long as a majority of the capital interests of the membership of this LLC is in attendance at the second postponed meeting. Written notice of the decisions or approvals made at this second postponed meeting shall be mailed or delivered to each nonattending member promptly after the holding of the second postponed meeting.

Written minutes of the discussions and proposals presented at a members' meeting, and the votes taken and matters approved at such meeting, shall be taken by one of the members or a person designated at the meeting. A copy of the minutes of the meeting shall be placed in the LLC's records book after the meeting.

i. Admission of New Members

Except as otherwise provided in this agreement, a person or entity shall not be admitted into membership in this LLC unless each member consents in writing to the admission of the new member. The admission of new members into this LLC who have been transferred or wish to be transferred, a membership interest in this LLC by an existing member of this LLC, is covered by separate provisions in this operating agreement.

4. Tax and Financial Provisions

a. Tax Classification of LLC

This LLC shall be initially classified as a partnership for federal and, if applicable, state income tax purposes. It is understood that the LLC may change its tax treatment with the consent of all members by signing, or authorizing the signing of, IRS Form 8832, *Entity Classification Election*, and filing it with the IRS and, if applicable, the state tax department within the prescribed time limits.

b. Tax Year and Accounting Method

The tax year of this LLC shall end on the last day of the month of December. The LLC shall use the cash method of accounting.

Both the tax year and the accounting period of the LLC may be changed with the consent of all

members if the LLC qualifies for such change, and may be effected by the filing of appropriate forms with the IRS and state tax offices.

c. Title to Assets

All personal and real property of this LLC shall be held in the name of the LLC, not in the name of any individual member.

d. Bank Accounts

The LLC shall designate one or more banks or other institutions for the deposit of the funds of the LLC, and shall establish savings, checking, investment, and other such accounts as are reasonable and necessary for its business and investments.

One or more members of the LLC shall be designated with the consent of all members to deposit and withdraw funds of the LLC, and to direct the investment of funds from, into, and among such accounts. The funds of the LLC, however and wherever deposited or invested, shall not be commingled with the personal funds of any member of the LLC.

e. Tax Matters Partner

If required under Internal Revenue Code provisions or regulations, this LLC shall designate a member as its "tax matters partner" in accordance with Internal Revenue Code Section 6231(a)(7) and corresponding regulations, who will fulfill this role by being the spokesperson for the LLC in dealings with the IRS and performing such other duties as required under the Internal Revenue Code and Regulations.

f. Annual Income Tax Returns and Reports

Within 60 days after the end of each tax year of the LLC, a copy of the LLC's state and federal income tax returns for the preceding tax year shall be mailed or otherwise provided to each member of the LLC, together with any additional information and forms necessary for each member to complete his or her individual state and federal income tax returns. This additional information shall include a federal (and, if applicable, state) Form K-1 (Form 1065, *Partner's Share of Income, Credits, Deductions*) or equivalent income tax reporting form, as well as a financial report, which shall include a balance sheet and profit and loss statement for the prior tax year of the LLC.

5. Capital Provisions

a. Capital Contributions

Members shall make the following contributions of cash, property, or services to the LLC, on or by specified dates, as shown next to the member's name below. The fair market values of items of property or services as agreed between the LLC and the contributing member are also shown below.

Name of member: Kyle Franklin Lutz 50%

Description of member's contribution:

The following services valued at \$80: Manager.

Total value of contribution: \$80.00

Contribution deadline: May 4, 2019

Name of member: Kamie Lea Moran 50%

Description of member's contribution:

The following services valued at \$80: Manager.

Total value of contribution: \$80.00

Contribution deadline: May 4, 2019

b. No Interest on Capital Contributions

No interest shall be paid on funds or property contributed as capital to this LLC, or on funds reflected in the capital accounts of the members.

c. Capital Account Bookkeeping

A capital account shall be set up and maintained on the books of the LLC for each member. It shall reflect each member's capital contribution to the LLC, increased by any additional contributions by the member and by the member's share of profits in the LLC, decreased by any distributions to the member and by the member's share of losses and expenses of the LLC, and adjusted as required in accordance with applicable provisions of the Internal Revenue Code and corresponding income tax regulations.

d. Additional Contributions

The members may agree, from time to time, by unanimous vote, to require the payment of additional capital contributions by the members, on or by a mutually agreeable date.

e. Failure to Make Contributions

If a member fails to make a required capital contribution within the time agreed for a member's contribution, the remaining members may, by unanimous vote, agree to reschedule the time for payment of the capital contribution by the late-paying member, setting any additional repayment terms, such as a late payment penalty, rate of interest to be applied to the unpaid balance, or other

monetary amount to be paid by the delinquent member, as the remaining members decide. Alternatively, the remaining members may, by unanimous vote, agree to cancel the membership of the delinquent member, provided any prior partial payments of capital made by the delinquent member are refunded promptly by the LLC to the member after the decision is made to terminate the membership of the delinquent member.

f. Consent to Capital Contribution Withdrawals and Distributions

Members shall not be allowed to withdraw any part of their capital contributions or to receive distributions, whether in property or cash, except as otherwise allowed by this agreement and, in any case, only if such withdrawal is made with the written consent of all members.

g. Allocations of Profits and Losses

Except as otherwise provided in the articles of organization, certificate of organization, or certificate of formation or other provisions of this operating agreement, no member shall be given priority or preference with respect to other members in obtaining a return of capital contributions, distributions, or allocations of the income, gains, losses, deductions, credits, or other items of the LLC. Except as otherwise provided in the articles of organization, certificate of organization, or certificate of formation or this operating agreement, the profits and losses of the LLC, and all items of its income, gain, loss, deduction, and credit shall be allocated to members in accordance with the member's capital interest in this LLC.

h. Allocation and Distribution of Cash

Cash from LLC business operations, as well as cash from a sale or other disposition of LLC capital assets, may be allocated and distributed from time to time to members in accordance with each member's capital interest in the LLC, as may be decided by unanimous vote of the members.

i. Allocation of Noncash Distributions

If proceeds consist of property other than cash, the members shall decide the value of the property and allocate such value among the members in accordance with each member's capital interest in the LLC. If such noncash proceeds are later reduced to cash, such cash may be distributed among the members according to the allocation and distribution of cash provision in this agreement.

j. Allocation and Distribution of Liquidation Proceeds

Regardless of any other provision in this agreement, if there is a distribution in liquidation of this LLC, or when a member's interest is liquidated, all items of income and loss shall be allocated to a member's capital account, and all appropriate credits and deductions shall then be made to the capital account before any final distribution is made. A final distribution shall be made to members only to the extent of, and in proportion to, any positive balance in a member's capital account.

6. Membership Withdrawal and Transfer Provisions

a. Withdrawal of Members

A member may withdraw from this LLC by giving written notice to all other members at least one month before the date the withdrawal is to be effective. In the event of such withdrawal, the LLC shall pay the departing member the fair value of his or her LLC interest, less any amounts owed by the member to the LLC. The departing and remaining members shall agree at the time of departure on the fair value of the departing member's interest and the schedule of payments to be made by the LLC to the departing member, who shall receive payment for his or her interest within a reasonable time after departure from the LLC. If the departing and remaining members cannot agree on the value of departing member's interest, they shall select an appraiser, who shall determine the current value of the departing member's interest. This appraised amount shall be fair value of the departing member's interest and shall form the basis of the amount to be paid to the departing member.

b. Restrictions on the Transfer of Membership

Notwithstanding any other provision of this agreement, a member shall not transfer his or her membership in the LLC unless all of the nontransferring LLC members first agree in writing to approve the admission of the transferee into this LLC. Further, no member may encumber a part or all of his or her membership in the LLC by mortgage, pledge, granting of a security interest, lien, or otherwise, unless the encumbrance has first been approved in writing by all other members of the LLC.

Notwithstanding the above provision, any member shall be allowed to assign an economic interest in his or her membership to another person without the approval of the other members. Any assignment of economic interest shall not include a transfer of the member's voting or management rights in this LLC, and the assignee shall not become a member of the LLC.

7. Dissolution Provisions

a. Events That Trigger Dissolution of the LLC

The following events shall trigger a dissolution of the LLC:

- i. Expiration of LLC Term.** The expiration of the term of existence of the LLC, if such term is specified in the articles of organization, certificate of organization, or certificate of formation or this operating agreement, shall cause the dissolution of this LLC.
- ii. Written Agreement or Consent to Dissolve.** The written agreement or consent of all members to dissolve the LLC shall cause a dissolution of this LLC.
- iii. Entry of Decree.** The entry of a decree of dissolution of the LLC under state law shall cause a dissolution of this LLC.

If the LLC is to dissolve according to any of the above provisions, the member(s) and, if

applicable, manager(s), shall wind up the affairs of the LLC, and take other actions appropriate to complete a dissolution of the LLC in accordance with applicable provisions of state law.

b. Dissociation of a Member

The dissociation of a member, which means the death, incapacity, bankruptcy, retirement, resignation, or expulsion of a member, or any other event that terminates the continued membership of a member, shall not cause a dissolution of this LLC. This LLC shall continue its existence and business following such dissociation of a member.

8. General Provisions

a. Officers

The LLC may designate one or more officers, such as a President, Vice President, Secretary, and Treasurer. Persons who fill these positions need not be members of the LLC. Such positions may be compensated or noncompensated according to the nature and extent of the services rendered for the LLC as a part of the duties of each office. Ministerial services only as a part of any officer position will normally not be compensated, such as the performance of officer duties specified in this agreement, but any officer may be reimbursed by the LLC for out-of-pocket expenses paid by the officer in carrying out the duties of his or her office.

b. Records

The LLC shall keep at its principal business address a copy of all proceedings of membership meetings and resolutions, as well as books of account of the LLC's financial transactions. A list of the names and addresses of the current membership of the LLC also shall be maintained at this address, with notations on any transfers of members' interests to nonmembers or persons being admitted into membership in the LLC.

Copies of the LLC's articles of organization, certificate of organization, or certificate of formation; a signed copy of this operating agreement; and the LLC's tax returns for the preceding three tax years shall be kept at the principal business address of the LLC. A statement also shall be kept at this address containing any of the following information that is applicable to this LLC:

- the amount of cash or a description and value of property contributed or agreed to be contributed as capital to the LLC by each member
- a schedule showing when any additional capital contributions are to be made to this LLC by a member
- a statement or schedule, if appropriate, showing the rights of members to receive distributions representing a return of part or all of members' capital contributions, and
- a description of events, or the date, when the legal existence of the LLC will terminate under provisions in the LLC's articles of organization, certificate of organization, or certificate of formation; or this operating agreement.

If one or more of the above items is included or listed in this operating agreement, it will be sufficient to keep a copy of this agreement at the principal business address of the LLC without

having to prepare and keep a separate record of such item or items at this address.

Any member may inspect any and all records maintained by the LLC upon reasonable notice to the LLC. Copying of the LLC's records by members is allowed, but copying costs shall be paid for by the requesting member.

c. All Necessary Acts

The members, officers, and managers, if any, of this LLC are authorized to perform all acts necessary to perfect the organization of this LLC and to carry out its business operations expeditiously and efficiently as authorized by this agreement and by law. The secretary of the LLC, or other officers, or its members, may certify to other businesses, financial institutions, and individuals as to the authority of one or more members, officers, or managers, if any, of this LLC to transact specific items of business on behalf of the LLC.

d. Severability

If any provision of this agreement is determined by a court or arbitrator to be invalid, unenforceable, or otherwise ineffective, that provision shall be severed from the rest of this agreement, and the remaining provisions shall remain in effect and enforceable.

e. Mediation and Arbitration of Disputes Among Members

In any dispute over the provisions of this operating agreement and in other disputes among the members, if the members cannot resolve the dispute to their mutual satisfaction, the matter shall be submitted to mediation. The terms and procedure for mediation shall be arranged by the parties to the dispute.

If good-faith mediation of a dispute proves impossible or if an agreed-upon mediation outcome cannot be obtained by the members who are parties to the dispute, the dispute may be submitted to arbitration in accordance with the rules of the American Arbitration Association. Any party may commence arbitration of the dispute by sending a written request for arbitration to all other parties to the dispute. The request shall state the nature of the dispute to be resolved by arbitration, and, if all parties to the dispute agree to arbitration, arbitration shall be commenced as soon as practical after such parties receive a copy of the written request.

All parties shall initially share the cost of arbitration, but the prevailing party or parties may be awarded attorneys' fees, costs, and other expenses of arbitration. All arbitration decisions shall be final, binding, and conclusive on all the parties to arbitration, and legal judgment may be entered based upon such decision in accordance with applicable law in any court having jurisdiction to do so.

f. Entire Agreement

This operating agreement represents the entire agreement among the members of this LLC, and it shall not be amended, modified, or replaced except by a written instrument executed by all the parties to this agreement who are current members of this LLC as well as any and all additional

parties who became members of this LLC after the adoption of this agreement. This agreement replaces and supersedes all prior written and oral agreements among any and all members of this LLC.

9. Signatures

a. Execution of Agreement

In witness whereof, the members of this LLC sign and adopt this agreement as the Operating Agreement of this LLC and agree to abide by its terms.

Date: _____

Signature: _____

Name of member: Kyle Franklin Lutz

Date: _____

Signature: _____

Name of member: Kamie Lea Moran