Division of Corporations, Business and Professional Licensing

Name(s)

Type	Name
Legal Name	Alaska Cannabis Exchange, LLC

Entity Details

Entity Type: Limited Liability Company

Entity #: 10039511

Status: Good Standing

AK Formed Date: 6/23/2016

Duration/Expiration: Perpetual

Home State: ALASKA

Next Biennial Report Due: 1/2/2018

Entity Mailing Address: 1807 WEST 47TH AVENUE, ANCHORAGE, AK 99517

Entity Physical Address: 1807 WEST 47TH AVENUE, ANCHORAGE, AK 99517

Registered Agent

Agent Name: Andrea Hobbs

Registered Mailing Address: 15930 TERRACEWOOD LANE, ANCHORAGE, AK 99516

Registered Physical Address: 15930 TERRACEWOOD LANE, ANCHORAGE, AK 99516

Officials

AK Entity#	Name	Titles	Percent Owned
	Aaron Ralph	Member	40
	Andrea Hobbs	Member	40
	Thomas Cowen	Member	20

Filed Documents

Date Filed	Type	Filing	Certificate
6/23/2016	Creation Filing		
8/4/2016	Initial Report		
8/29/2016	Change of Officials		

Alaska Entity #10039511

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

Certificate of Organization

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

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

Alaska Cannabis Exchange, LLC

IN TESTIMONY WHEREOF, I execute the certificate and affix the Great Seal of the State of Alaska effective **June 23, 2016**.

Chris Hladick
Commissioner

Alaska Cannabis Exchange LLC Operating Agreement

This is a Limited Liability Company Operating Agreement (the "Agreement") made on July 1, 2016. The Members in this agreement are as follows:

Aaron Ralph
Andrea Hobbs
Thomas Cowen

The Members to this Agreement agree to the following:

Name:

This Limited Liability Company will be known as Alaska Cannabis Exchange LLC (the "LLC" or "Company").

The LLC:

a) The Members have formed a Limited Liability Company.

b) The terms and conditions of their LLC will be outlined in this Agreement.

c) If the Agreement is executed, the LLC Operating Agreement will be in effect on July 1, 2016.

d) The LLC will only be terminated as outlined in this Agreement.

e) The LLC's primary place of business will be 1807 West 47th Avenue, Anchorage, Alaska, 99517.

f) The LLC will be governed under the laws of the state of Alaska.

g) The LLC's primary purpose is to legally cultivate and sell cannabis and cannabis related products.

Registered Office and Agent:

The Company's initial registered agent shall be Andrea Hobbs, located at 15930 Terracewood Lane, Anchorage, Alaska, 99516. The Company's Managers may, in accordance with the voting authority established above, change the principal office, registered office, or registered agent of the Company, or establish additional agents, offices or places of business of the Company from time to time.

Contributions:

The Members will make an initial contribution to the LLC as follows:

Andrea Hobbs: Required capital investment to open business
Aaron Ralph: Industry knowledge and expertise
Thomas Cowen: Industry knowledge and expertise

Contributions will be submitted as needed. All capital contributions are final unless all Members give written consent of withdrawal.

Interest:

The Members' ownership interest in the LLC will be as follows:

Aaron Ralph: 40%
Andrea Hobbs: 40%
Thomas Cowen: 20%

Costs:

The Company shall reimburse the Managers or Members for all direct out-of-pocket expenses incurred by them in managing the Company.

Profits & Losses:

a) The Members will share the net profits and losses of the LLC according to the following percentages:
Aaron Ralph: 40%
Andrea Hobbs: 40%
Thomas Cowen: 20%

b) Cash distributions, if any, will be made according to the following percentages until the initial capital contribution is repaid:
Andrea Hobbs: 58%
Aaron Ralph: 28%
Tomas Cowen: 14%

Following repayment of the initial capital contribution, cash distributions, if any, will be made according to the percentages identified in (a) above.

c) The Members' profit allocation will be accounted by Kimura and Associates (or alternate accounting firm) according to the above percentages after the costs of the LLC have been paid or calculated according to the above cost percentages.

d) Profit allocations will be distributed as determined by the Members.

e) Each member must receive 0% of their profit allocation each year from the LLC, although percentages greater than the above listed may be distributed according to a member vote.

f) The members are not allowed to withdraw from their profit allocation at any time.

g) Members may not receive enough funds from the LLC to cover their income taxes for total profit allocation by the LLC.

Members and Managers:

a) The liability of the Members is limited according to the Limited Liability statutes for the state of Alaska.

b) No Member shall be an agent of any other Member by reason of being a Member of the Company.

c) All Members of the LLC, by majority vote of Member interest, will maintain 3 Manager(s) to be reelected as needed. All Members will vote in each election.

d) Members that are not elected as Managers shall not have any control or vote in the operation of the Company's affairs and shall have no power to bind the Company.

e) The Managers' voting authority will be defined by the following unless otherwise stated in the Agreement: All decisions for contract or otherwise will be made based on a majority vote of percent of ownership. Each Manager will have the authority based on their percent ownership outlined above in the Agreement. Notwithstanding the above, for all financial decisions greater than $2,500, including but not limited to purchases, guarantees, contracts or cash distributions, will required Andrea Hobbs' consent.

Proxies:

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

Filing of Notices:

The Managers of the Company shall be responsible for preparation, maintenance, filing and dissemination of all necessary returns, notices, statements, reports, minutes or other information to the Internal Revenue Service, the state of Alaska, the Members of the Company, and any other

appropriate state or federal authorities or agencies. The Managers may delegate this responsibility to a single Manager in accordance with the voting authority established above.

Liability of Members and Managers:

All debts, obligations and liabilities of the LLC, whether arising in contract, tort or otherwise, shall be solely the debts, obligations and liabilities of the LLC, and no Member shall be obligated personally for any such debt, obligation or liability of the LLC solely by reason of being a Member. However, each Member remains personally liable for payment of his, her or its Capital Contribution as set forth in the Act or as otherwise provided in this Agreement. This section does not prevent an LLC Member, should they so choose, from separately agreeing to guaranty or otherwise become liable for a debt which is also of the LLC.

Indemnification:

The Company will indemnify the Members, Managers, and agents for all costs, losses, liabilities and damages paid or accrued by the Member, Manager or agent in connection with the Company's business, to the fullest extent provided or allowed by the laws of Alaska.

Accounting:

a) All accounts related to the LLC, including contribution and distribution accounts will be audited upon a majority vote of the Members.

b) All Members will maintain a joint contribution account. All Members will maintain a joint distribution account. Members will keep accurate and complete books of account for all accounts related to the LLC. Any Member, whether majority or minority, will be allowed to review all books of account at any time they request.

c) Accounting records will be kept on a cash basis.

d) All financial records including tax returns and financial statements will be held at the LLC's primary business address and will be accessible to all members.

e) The fiscal year will be complete on the last day of December of each year. All Members will present their position on the state of the LLC within two weeks of the completion of each fiscal year.

f) The following Members will be able to sign checks from any joint Member account:

Aaron Ralph
Andrea Hobbs
Thomas Cowen

New Members:

The LLC will amend this agreement to include new Members upon the written and unanimous vote of all Members.

The name of the LLC may be amended if a new Member is added to the LLC upon the written and unanimous vote of all Members.

Withdrawal or Death:

The Members hereby reserve the right to withdraw from the LLC at any time. Should a Member withdraw from the LLC because of choice or death, the remaining Members will have the option to buy out the remaining shares of the LLC. Should the Members agree to buy out the shares, the shares will be bought in equal amounts by all Members. The Members agree to hire an outside firm to assess the value of the remaining shares. The Members will have 90 days to decide if they want to buy the remaining shares together and disperse them equally. If all Members do not agree to buy the shares, individual Members will then have the right to buy the shares individually. If more than one Member requests to buy the remaining shares, the shares will be split equally among those Members wishing to purchase the shares. If all Members agree by unanimous vote, the LLC may choose to allow a non-Member to buy the shares thereby replacing the previous Member.

If no individual Member(s) finalize a purchase agreement by 60 days, the LLC will be dissolved.

The name of the LLC may be amended upon the written and unanimous vote of all Members if a Member is successfully bought out.

Powers of Legal Representative:

If a Member who is an individual dies or a court of competent jurisdiction adjudges the Member to be incompetent to manage his or her person or property, the Member's personal representative, administrator, guardian, conservator, trustee or other legal representative shall have all of the rights of an assignee of the Member's interest. If a Member is a corporation, trust, partnership, limited liability company or other entity and is dissolved or terminated, the powers of that Member may be exercised by its legal representative or successor.

Dissolution:

Should the LLC be dissolved by majority vote or otherwise, the LLC will be liquidated, and the debts will be paid. All remaining funds after debts have been paid will be distributed based on the percentage of ownership interest outlined in this Agreement. An assignment or sale of a Members interest in the Company does not result in the dissolution of the Company. For the avoidance of doubt, the granting of a lien on any amount of Member interest is not deemed to be an assignment.

Liquidation:

Upon dissolution of the Company, the Managers or one of their members that they select shall liquidate the Company's assets and shall do so as promptly as is consistent with obtaining fair value for them, and shall apply and distribute the assets of the Company as follows:

a) First, to the payment and discharge of all of the Company's debts and liabilities to creditors of the Company other than the Members;

b) Second, to the payment and discharge of all of the Company's debt and liabilities to creditors of the Company that are Members;

c) Third, to the Members in accordance with their capital accounts, after giving effect to all contributions, distributions and allocation for all periods.

Amendments:

a) Amendments may be made hereto upon the unanimous and written consent of all Members.

b) Amendments must be expressly written and have the original signatures of all Members.

Settling Disputes:

All Members agree to enter into mediation before filing suit against any other Member or the LLC for any dispute arising from this Agreement or LLC. Members agree to attend one session of mediation before filing suit. If any Member does not attend mediation, or the dispute is not settled after one session of mediation, the Members are free to file suit. Any law suits will be under the jurisdiction of the state of Alaska.

Action Without Meeting:

Any action required or permitted to be taken by the Managers at a meeting may be taken without a meeting if a consent in writing, setting forth the action so taken, shall be signed by all of the Managers.

No State Law Partnership:

The Members intend that the Company not be a partnership (including, without limitation, a limited partnership) or joint venture, and that no Member or Manager be a partner or joint venturer of any other Member or Manager, for any purposes other than federal and state tax purposes, and this Operating Agreement may not be construed to suggest otherwise.

Choice of Law and Severability:

This Agreement shall be construed in accordance with the internal law of the state of Alaska. If any provision of this Agreement shall be contrary to the internal laws of the state of Alaska or any other applicable law, at the present time or in the future, such provision shall be deemed null and void, but this shall not affect the legality of the remaining provisions of this Agreement. This Agreement shall be deemed to be modified and amended so as to be in compliance with applicable law and this Agreement shall then be construed in such as way as will best serve the intention of the parties at the time of the execution of this Agreement.

Entire Agreement:

This Agreement constitutes the entire agreement among the Members regarding the terms and operations of the Company, except for any amendments to this Agreement adopted in accordance with the terms herein. This Agreement supersedes all prior and contemporaneous agreements, statements, understandings, and representations of the parties regarding the terms and operation of the Company, except as provided in the preceding sentence.

All Members signed hereto agree to the above stated Agreement.

Signed this 29TH day of AUGUST, 2016

Signature: _____
Aaron Ralph

Signature: _____
Andrea Hobbs

Signature: _____
Thomas Cowen

AK Entity #: 10039511
Date Filed: 08/29/2016
State of Alaska, DCCED

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FOR DIVISION USE ONLY

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Juneau
AUG 29 2016
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THE STATE of ALASKA
Department of Commerce, Community and Economic Development
Division of Corporations, Business and Professional Licensing

Corporations Section
State Office Building, 333 Willoughby Avenue, 9th Floor
PO Box 110806, Juneau, AK 99811-0806
Phone: (907) 465-2550 • Fax: (907) 465-2974
Email: *corporations@alaska.gov*
Website: *Corporations.Alaska.Gov*

Notice of Change of Officials

Domestic Limited Liability Company (AS 10.50)

- This Notice of Change of Officials form is only for Domestic Limited Liability Companies and is used to report changes in members, managers and percentage of interest held between biennial reporting periods.
- The Notice of Change of Officials will not be filed if the official signing this form does not match an official on record for this entity and/or if your entity's biennial report is not current. To verify your entity and current officials information on record, go online to Corporations.Alaska.Gov, *Search Corporations Database*
- Standard processing time for complete and correct filings submitted to this office is approximately 10-15 business days. All filings are reviewed in the date order they are received.
- The information you submit is a public record and will be posted on the State's website.

1. Important: AS 10.50.765

Each Domestic Limited Liability Company is required to notify this office when there is a change of officials.
— *AS 10.50.765*

Failure to meet this requirement may result in involuntary dissolution of the entity's authority to transact business in the State of Alaska.

The Domestic Limited Liability Company is to keep and make available the records of the official(s) changes.
— *AS 10.50.860-.870*

2. Fee: ☐ $25 Nonrefundable Filing Fee (CORF) 3 AAC 16.065(b)

Mail this form and the non-refundable $25 filing fee in U.S. dollars to the letterhead address. Make the check or money order payable to the State of Alaska, or use the attached credit card payment form.

3. Entity Information:

Entity Name: Alaska Cannabis Exchange, LLC

Alaska Entity Number: 10039511

K1660927

IMPORTANT: A Limited Liability Company must have one or more members who must hold a percent of interest. — *AS 10.50.155*

4. Officials Changing: (only list officials whose information is changing) AS 10.50.765(b)

a. If applicable, list the resigning official's name whose information will be removed from the record.
b. List the updating or new official's information which will be placed on record.

RECEIVED Juneau AUG 29 2016 CBPL

Changing Official #1

a. Resigning Official's Name: (if applicable) Richard Hobbs II

b. Updating or New Official's Name: Andrea Hobbs

Mailing Address: Address: 15930 Terracewood Lane

City: Anchorage State: AK ZIP: 99516

Check all that apply: ☒ Member 40 %

☐ Manager (must be provided for in the Articles of Organization)

Changing Official #2

a. Resigning Official's Name: (if applicable)

b. Updating or New Official's Name:

Mailing Address: Address:

City: State: ZIP:

Check all that apply: ☐ Member ____ %

☐ Manager (must be provided for in the Articles of Organization)

→ For additional changing officials, continue listing them on the attached form 08-491a. Make copies as necessary.

5. Required Signature: AS 10.50.840

The Notice of Change of Officials must be signed by: a member (AS10.50.840(a)(2)); or a manager (AS 10.50.840(a)(1); or an attorney-in-fact (AS 10.50.840(c). Persons who sign documents filed with the commissioner that are known to the person to be false in material respects are guilty of a class A misdemeanor.

Signature: Andrea S Hobbs Date: 8/27/16

Printed Name: Andrea Hobbs

Title of Authorized Signer: ☒ Member ☐ Manager ☐ Attorney-in-fact

THE STATE of ALASKA

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

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Corporations Section
State Office Building, 333 Willoughby Avenue, 9th Floor
PO Box 110806, Juneau, AK 99811-0806
Phone: (907) 465-2550 • Fax: (907) 465-2974
Email: *corporations@alaska.gov*
Website: *Corporations.Alaska.Gov*

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Alaska Entity Number: 10039511

IMPORTANT: A Limited Liability Company must have one or more members who must hold a percent of interest. — *AS 10.50.155*

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a. If applicable, list the resigning official's name whose information will be removed from the record.
b. List the updating or new official's information which will be placed on record.

Changing Official #1

a. Resigning Official's Name: (if applicable) Richard Hobbs II

b. Updating or New Official's Name: Andrea Hobbs

Mailing Address: Address: 15930 Terracewood Lane

City: Anchorage State: AK ZIP: 99516

Check all that apply: ☒ Member 40 %

☐ Manager (must be provided for in the Articles of Organization)

Changing Official #2

a. Resigning Official's Name: (if applicable)

b. Updating or New Official's Name:

Mailing Address: Address:

City: State: ZIP:

Check all that apply: ☐ Member %

☐ Manager (must be provided for in the Articles of Organization)

→ For additional changing officials, continue listing them on the attached form 08-491a. Make copies as necessary.

5. Required Signature: AS 10.50.840

The Notice of Change of Officials must be signed by: a member (AS10.50.840(a)(2)); or a manager (AS 10.50.840(a)(1); or an attorney-in-fact (AS 10.50.840(c). Persons who sign documents filed with the commissioner that are known to the person to be false in material respects are guilty of a class A misdemeanor.

Signature: Andrea S Hobbs Date: 8/27/16

Printed Name: Andrea Hobbs

Title of Authorized Signer: ☒ Member ☐ Manager ☐ Attorney-in-fact

THE STATE of ALASKA

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

COR

Corporations Section
State Office Building, 333 Willoughby Avenue, 9th Floor
PO Box 110806, Juneau, AK 99811-0806
Phone: (907) 465-2550 • Fax: (907) 465-2974
Email: *corporations@alaska.gov*
Website: *Corporations.Alaska.Gov*

Contact Information

- Return this form with your filing
- This information may be used by the Division to assist with processing your attached filings
- This form will not be filed for record, or appear online

Entity Information	Enter your entity information as it appears on this filing.
Entity Name:	Alaska Cannabis Exchange, LLC
AK Entity #:	10039511

Contact Person	Whom may we contact with any questions or problems with this filing?
Company:	Alaska Cannabis Exchange, LLC
Contact:	Andrea Hobbs
Mailing Address:	Address: 15930 Terracewood Lane
	City: Anchorage State: AK ZIP: 99516
Phone:	(907) 529-6698
Email:	andyhobbs5@hotmail.com

Document Return Address	Provide an address for the return of your filed documents.
☒ Return my filings to the address provided **ABOVE**	
☐ Return my filings to this address provided **BELOW**	
Company:	
Contact:	
Mailing Address:	Address:
	City: State: ZIP:

Alaska Business License # **1038961**

Alaska Department of Commerce, Community, and Economic Development
Division of Corporations, Business and Professional Licensing
P.O. Box 110806, Juneau, Alaska 99811-0806

This is to certify that

ALASKA CANNABIS EXCHANGE, LLC

15930 TERRACEWOOD LANE ANCHORAGE AK 99516

owned by

ALASKA CANNABIS EXCHANGE, LLC

is licensed by the department to conduct business for the period

June 24, 2016 through December 31, 2017
for the following line of business:

11 - Agriculture, Forestry, Fishing and Hunting

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

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

Chris Hladick