



## MEMORANDUM

TO: Chair and Members of the Board      DATE: June 30, 2016  
FROM: Cynthia Franklin      RE: The Frost Frontier #10161  
Director, Marijuana Control Board

This is an application for a new standard cultivation facility in the Municipality of Anchorage by The Frost Frontier, LLC DBA The Frost Frontier.

Date Application Initiated: 03/24/2016

Date Under Review: 04/25/2016

Incomplete Letter Date: 05/10/2016

Date Final Corrections Submitted: 05/23/2016

Determined Complete/Notices Sent: 06/01/2016 due to residency verification

Local Government Response/Date: 06/03/2016 – Protest pending Municipal license and special land use permit

DEC Response/Date: N/A (MOA)

Fire Marshal Response/Date: N/A (MOA)

Objection(s) Received/Date: None

Staff questions for Board: None

# Application Documents (Final)

# Alcohol & Marijuana Control Office

Initiating License Application

3/24/2016 8:12:59 PM

**License Number:** 10161

**License Status:** New

**License Type:** Standard Marijuana Cultivation Facility

**Doing Business As:** THE FROST FRONTIER

**Business License Number:** 1027910

**Designated Owner:** Evan Schlosberg

**Email Address:** thefrostfrontier@gmail.com

**Latitude, Longitude:** 61.143289, -149.874389

**Physical Address:** 8535 Dimond D Circle  
Unit C  
Anchorage, AK 99515  
UNITED STATES

## Owner #1

**Owner Type:** Entity

**Alaska Entity Number:** 10033033

**Alaska Entity Name:** The Frost Frontier LLC

**Phone Number:** 9712379553

**Email Address:** thefrostfrontier@gmail.com

**Mailing Address:** 3333 Lakeshore Dr, Unit 1  
Anchorage, AK 99517  
UNITED STATES

## Affiliate #1

**Owner Type:** Individual

**Name:** Evan Schlosberg

**SSN:** [REDACTED]

**Date of Birth:** [REDACTED]

**Phone Number:** 9712379553

**Email Address:** eschlos@gmail.com

**Mailing Address:** 3333 Lakeshore Drive, Unit 1  
Anchorage, AK 99517  
UNITED STATES

## Affiliate #2

**Owner Type:** Individual

**Name:** Beth Brewington

**SSN:** [REDACTED]

**Date of Birth:** [REDACTED]

**Phone Number:** 9072452437

**Email Address:** beth.brewington@gmail.com

**Mailing Address:** 3333 Lakeshore Drive Unit 1  
Anchorage, AK 99517  
UNITED STATES



## Alaska Marijuana Control Board

**Form MJ-00: Application Certifications****What is this form?**

This application certifications form is required for all marijuana establishment license 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.

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

**Section 1 – Establishment Information**

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

<b>Licensee:</b>	The Frost Frontier, LLC	<b>License Number:</b>	10161		
<b>License Type:</b>	Standard Marijuana Cultivation Facility				
<b>Doing Business As:</b>	The Frost Frontier				
<b>Premises Address:</b>	8535 Dimond D Circle, Unit C				
<b>City:</b>	Anchorage	<b>State:</b>	ALASKA	<b>ZIP:</b>	99515

**Section 2 – Individual Information**

Enter information for the individual licensee or affiliate.

<b>Name:</b>	Beth Brewington
<b>Title:</b>	Owner

**Section 3 – Other Licenses**

Ownership and financial interest in other licenses:

Yes No

Do you currently have or plan to have an ownership interest in, or a direct or indirect financial interest in another marijuana establishment license?



If "Yes", which license numbers (for existing licenses) and license types do you own or plan to own?

The Frost Farms, Marijuana Retail Store 10162





Alaska Marijuana Control Board

## Form MJ-00: Application Certifications

### Section 4 – Certifications

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

Initials

I certify that I have not been convicted of a felony in any state or the United States, including a suspended imposition of sentence, for which less than five years have elapsed from the time of the conviction to the date of this application.

PS

I certify that I am not currently on felony probation or felony parole.

PS

I certify that I have not been found guilty of selling alcohol without a license in violation of AS 04.11.010.

PS

I certify that I have not been found guilty of selling alcohol to an individual under 21 years of age in violation of 04.16.051 or AS 04.16.052.

PS

I certify that I have not been convicted of a misdemeanor crime involving a controlled substance, violence against a person, use of a weapon, or dishonesty within the five years preceding this application.

PS

I certify that I have not been convicted of a class A misdemeanor relating to selling, furnishing, or distributing marijuana or operating an establishment where marijuana is consumed within the two years preceding this application.

PS

I certify that my proposed premises is not within 500 feet of a school ground, recreation or youth center, a building in which religious services are regularly conducted, or a correctional facility, as set forth in 3 AAC 306.010(a).

PS

I certify that my proposed premises is not located in a liquor licensed premises.

PS

I certify that I meet the residency requirement under AS 43.23 for a permanent fund dividend in the calendar year in which I am initiating this application.

PS

I certify that all proposed licensees (as defined in 3 AAC 306.020(b)(2)) and affiliates (as defined in 3 AAC 306.990(a)(1)) have been listed on my online marijuana establishment license application.

PS

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

PS

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

PS



Alaska Marijuana Control Board

## Form MJ-00: Application Certifications

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

Initials

Only initial next to the following statement if this form is accompanying an application for a marijuana testing facility license:

I certify that I do not have an ownership in, or a direct or indirect financial interest in a retail marijuana store, a marijuana cultivation facility, or a marijuana products manufacturing facility.



Only initial next to the following statement if this form is accompanying an application for a retail marijuana store, a marijuana cultivation facility, or a marijuana products manufacturing facility license:

I certify that I do not have an ownership in, or a direct or indirect financial interest in a marijuana testing facility license.

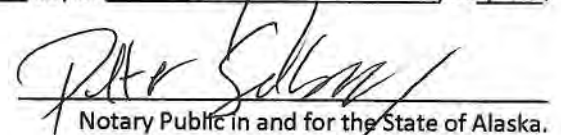


**All marijuana establishment license applicants:**

As an applicant for a marijuana establishment license, I declare under penalty of unsworn falsification that I have read and am familiar with AS 17.38 and 3 AAC 306, and that I have examined the online application and this form, including all accompanying schedules and statements, and to the best of my knowledge and belief find them to be true, correct, and complete.

  
Signature of licensee

Subscribed and sworn to before me this 13<sup>th</sup> day of May, 2016.

  
Notary Public in and for the State of Alaska.

My commission expires: 2/13/17







## Alaska Marijuana Control Board

# Form MJ-00: Application Certifications

### What is this form?

This application certifications form is required for all marijuana establishment license 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.

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

## Section 1 – Establishment Information

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

Licensee:	The Frost Frontier, LLC	License Number:	10161		
License Type:	Standard Marijuana Cultivation Facility				
Doing Business As:	The Frost Frontier				
Premises Address:	8535 Dimond D Circle, Unit C				
City:	Anchorage	State:	ALASKA	ZIP:	99515

## Section 2 – Individual Information

Enter information for the individual licensee or affiliate.

Name:	Evan Schlosberg
Title:	Owner

## Section 3 – Other Licenses

Ownership and financial interest in other licenses:

Yes No

Do you currently have or plan to have an ownership interest in, or a direct or indirect financial interest in another marijuana establishment license?

☒ ☐

If "Yes", which license numbers (for existing licenses) and license types do you own or plan to own?

The Frost Farms, Marijuana Retail Store 10162



Alaska Marijuana Control Board

## Form MJ-00: Application Certifications

### Section 4 – Certifications

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

Initials

I certify that I have not been convicted of a felony in any state or the United States, including a suspended imposition of sentence, for which less than five years have elapsed from the time of the conviction to the date of this application.



I certify that I am not currently on felony probation or felony parole.



I certify that I have not been found guilty of selling alcohol without a license in violation of AS 04.11.010.



I certify that I have not been found guilty of selling alcohol to an individual under 21 years of age in violation of 04.16.051 or AS 04.16.052.



I certify that I have not been convicted of a misdemeanor crime involving a controlled substance, violence against a person, use of a weapon, or dishonesty within the five years preceding this application.



I certify that I have not been convicted of a class A misdemeanor relating to selling, furnishing, or distributing marijuana or operating an establishment where marijuana is consumed within the two years preceding this application.



I certify that my proposed premises is not within 500 feet of a school ground, recreation or youth center, a building in which religious services are regularly conducted, or a correctional facility, as set forth in 3 AAC 306.010(a).



I certify that my proposed premises is not located in a liquor licensed premises.



I certify that I meet the residency requirement under AS 43.23 for a permanent fund dividend in the calendar year in which I am initiating this application.



I certify that all proposed licensees (as defined in 3 AAC 306.020(b)(2)) and affiliates (as defined in 3 AAC 306.990(a)(1)) have been listed on my online marijuana establishment license application.



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



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







Alaska Marijuana Control Board

Form MJ-00: Application Certifications

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

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

Initials

Only initial next to the following statement if this form is accompanying an application for a marijuana testing facility license:

I certify that I do not have an ownership in, or a direct or indirect financial interest in a retail marijuana store, a marijuana cultivation facility, or a marijuana products manufacturing facility.

JA ☒

Only initial next to the following statement if this form is accompanying an application for a retail marijuana store, a marijuana cultivation facility, or a marijuana products manufacturing facility license:

I certify that I do not have an ownership in, or a direct or indirect financial interest in a marijuana testing facility license.

☒

All marijuana establishment license applicants:

As an applicant for a marijuana establishment license, I declare under penalty of unsworn falsification that I have read and am familiar with AS 17.38 and 3 AAC 306, and that I have examined the online application and this form, including all accompanying schedules and statements, and to the best of my knowledge and belief find them to be true, correct, and complete.

  
Signature of licensee

Subscribed and sworn to before me this 18<sup>th</sup> day of May, 2016.

  
Notary Public in and for the State of Alaska.

My commission expires: 2/13/17





## Alaska Marijuana Control Board

# Form MJ-01: Marijuana Establishment Operating Plan

### What is this form?

An operating plan is required for all marijuana establishment license applications. Applicants should review **Title 17.38 of Alaska Statutes** and **Chapter 306 of the Alaska Administrative Code**. This form will be used to document how an applicant intends to meet the requirements of those statutes and regulations. If your business has a formal operating plan, you may include a copy of that operating plan with your application, but all fields of this form must still be completed per 3 AAC 306.020(c).

### What must be covered in an operating plan?

Applicants must identify how the proposed premises will comply with applicable statutes and regulations regarding the following:

- Security
- Inventory tracking of all marijuana and marijuana product on the premises
- Employee qualification and training
- Waste disposal
- Transportation and delivery of marijuana and marijuana products
- Signage and advertising
- Control plan for persons under the age of 21

Applicants must also complete the corresponding operating plan supplemental forms (**Form MJ-03, Form MJ-04, Form MJ-05, or Form MJ-06**) to meet the additional operating plan requirements for each license type.

## Section 1 – Establishment Information

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

Licensee:	The Frost Frontier, LLC	License Number:	10161		
License Type:	Standard Marijuana Cultivation Facility				
Doing Business As:	The Frost Frontier				
Premises Address:	8535 Dimond D Circle, Unit C				
City:	Anchorage	State:	ALASKA	ZIP:	99515

Mailing Address:	8535 Dimond D Circle, Unit C				
City:	Anchorage	State:	ALAS	ZIP:	99515

Primary Contact:	Evan Schlosberg				
Main Phone:	907-245-2437	Cell Phone:	971-237-9553		
Email:	TheFrostFrontier@gmail.com				





## Alaska Marijuana Control Board

# Form MJ-01: Marijuana Establishment Operating Plan

### Section 2 – Security

Review the requirements under 3 AAC 306.710 – 3 AAC 306.720 and 3 AAC 306.755, and identify how the proposed premises will meet the listed requirements.

Describe how the proposed premises will comply with each of the following:

#### Restricted Access Areas (3 AAC 306.710):

Describe how you will prevent unescorted members of the public from entering restricted access areas:

Unescorted members of the public will not be allowed into the premises. The premises will be closed off by security doors as may be seen in the enclosed premises diagram. No one from the public will be allowed into the server/security room unless they are contractors necessary to maintain the system.

Describe your processes for admitting visitors into and escorting them through restricted access areas:

Anyone requiring access to the premises will have at least one employee accompanying them at all times. In the event that an employee cannot be with them at any given point (due to bathroom needs, etc.), the visitor will be required to leave the premises until they can again be escorted in the restricted area. The only people permitted into the restricted area are contractors necessary to maintain any system(s) on the premises and authorized employees.





Alaska Marijuana Control Board

**Form MJ-01: Marijuana Establishment Operating Plan**

Describe your recordkeeping of visitors who are escorted into restricted access areas:

Any visitor accessing a restricted area will be required to make an entry in a ledger showing the date, time and entry into the restricted area. They will also be required to provide photo ID with 1.) their name, 2.) their drivers license number, and 3.) address. New entries in this ledger will be copied at the end of each week and a copy will be kept in the locked files shown in the premises diagram.

Provide a copy of a sample identification badge to be displayed by each licensee, employee, or agent while on the premises:

See attached badge examples at end of form.



Alaska Marijuana Control Board

**Form MJ-01: Marijuana Establishment Operating Plan**

**Security Alarm Systems and Lock Standards (3 AAC 306.715):**

Exterior lighting is required to facilitate surveillance. Describe how the exterior lighting will meet this requirement:

Motion sensor spotlights will be installed at each potential entrance to the property, including any window, even those which are non opening.

An alarm system is required for all license types. Describe the security alarm system for the proposed premises:

We are contracting with Action Security. They will install a DMP XR150 Serise Access/Burglary/Fire 142-Zone Alarm System on the property. It will be triggered by any attempt to break in through any door or window. It will also have interior motion sensors, panic alarms (as shown in the premises diagram) and a sensor that will discern if a window has been broken. It will run on an automatic timing system unless specifically overridden by an owner after-hours. In the event of a problem, the security company, and the police will be notified immediately by the system.

Also, we intend to hire through Action Security, a security service to drive by twice a night to ensure there is no unauthorized activity on the property.

The alarm system must be activated on all exterior doors and windows when the licensed premises is closed for business. Describe how the security alarm system meets this requirement:

Action Security will install a DMP XR150 Serise Access/Burglary/Fire 142-Zone alarm system on the property. It will be triggered by any attempts to break in through any doors or windows. It will also have interior motion sensors, panic alarms, (as shown on enclosed premise diagram) and a sensor that will be able to discern if a window has been broken. It will run on an automatic timing system unless specifically overridden by an owner after-hours. In the event of a problem, the security company, and the police will be notified immediately by the system. Also, we will have a security service drive by, twice a night to ensure the property is secure.





**Alaska Marijuana Control Board**

**Form MJ-01: Marijuana Establishment Operating Plan**

**Describe your policies and procedures for preventing diversion of marijuana or marijuana product:**

Video camera surveillance will be running at all times on the inside of the building and there will be a tracking system to account for materials entering and exiting the building, (Franwell). There will be accounting through Franwell Metric Systems Tracking to make sure all product material is accounted for. In the event of any diversion of product, the offending employee will be fired and reported to the authorities.

**Describe your policies and procedures for preventing loitering:**

In the event that anyone is found loitering near the premises, they will be asked to leave. If they do not leave within 20 minutes, the security company will be called to remove them.

**Describe your policies and procedures regarding the use of any additional security device, such as a motion detector, pressure switch, and duress, panic, or hold-up alarm to enhance security of the proposed premises:**

Motion detectors will cover the interior of the property and three panic switches will be installed as shown on the enclosed diagram of the proposed facility.



Alaska Marijuana Control Board

## Form MJ-01: Marijuana Establishment Operating Plan

Describe your policies and procedures regarding the actions to be taken by a licensee, employee, or agent when any automatic or electronic notification system alerts a local law enforcement agency of an unauthorized breach of security:

If any employee is on the premises, they are to fully and completely cooperate and comply with law enforcement. If it is after hours, Action Security will receive the initial notification and will then notify and work with local law enforcement, in whatever manner requested to deal with the problem.

### Video Surveillance (3 AAC 306.720):

All licensed marijuana establishments must meet minimum standards for surveillance equipment. Applicants should be able to answer "Yes" to all items below.

Video surveillance and camera recording system covers the following areas of the premises:

Yes No

Each restricted access area and each entrance to a restricted access area

☒ ☐

Both the interior and exterior of each entrance to the facility

☒ ☐

Each point of sale area

☒ ☐

Each video surveillance recording:

Yes No

Is preserved for a minimum of 40 days, in a format that can be easily accessed for viewing

☒ ☐

Clearly and accurately displays the time and date

☒ ☐

Is archived in a format that does not permit alteration of the recorded image, so that the images can readily be authenticated

☒ ☐





**Alaska Marijuana Control Board**

**Form MJ-01: Marijuana Establishment Operating Plan**

Describe how the video cameras will be placed to produce a clear view adequate to identify any individual inside the licensed premises, or within 20 feet of each entrance to the licensed premises:

Seven cameras will be installed in the interior of the premises, as shown on the diagram of the proposed premises. A 6-MP Fisheye, 360 degree IP camera will be installed at each entrance to the proposed property.

Describe the locked and secure area where video surveillance recording equipment and records will be housed and stored and how you will ensure the area is accessible only to authorized personnel, law enforcement, or an agent of the board:

There is a separate room for a secured server area with a security door that will require an ID card to access. Only the owner, law enforcement or an agent of the board will have the required ID card necessary to open the server area. Server will have a 40 day back up and off-site storage of security video tapes will be provided through Action Security and will contain legible time and date stamps.

**Location of Surveillance Equipment and Video Surveillance Records:**

Yes No

Surveillance room or area is clearly defined on the premises diagram



Surveillance recording equipment and video surveillance records are housed in a designated, locked, and secure area or in a lock box, cabinet, closet or other secure area



Surveillance recording equipment access is limited to a marijuana establishment licensee or authorized employee, and to law enforcement personnel including an agent of the board



Video surveillance records are stored off-site





Alaska Marijuana Control Board

**Form MJ-01: Marijuana Establishment Operating Plan**

**Business Records (3 AAC 306.755):**

All licensed marijuana establishments must maintain, in a format that is readily understood by a reasonably prudent business person, certain business records. Applicants should be able to answer "Yes" to all items below.

**Business Records Maintained and Kept on the Licensed Premises:**

Yes No

All books and records necessary to fully account for each business transaction conducted under its license for the current year and three preceding calendar years; records for the last six months are maintained on the marijuana establishment's licensed premises; older records may be archived on or off-premises

☒ ☐

A current employee list setting out the full name and marijuana handler permit number of each licensee, employee, and agent who works at the marijuana establishment

☒ ☐

The business contact information for vendors that maintain video surveillance systems and security alarm systems for the licensed premises

☒ ☐

Records related to advertising and marketing

☒ ☐

A current diagram of the licensed premises including each restricted access area

☒ ☐

A log recording the name, and date and time of entry of each visitor permitted into a restricted access area

☒ ☐

All records normally retained for tax purposes

☒ ☐

Accurate and comprehensive inventory tracking records that account for all marijuana inventory activity from seed or immature plant stage until the retail marijuana or retail marijuana product is sold to a consumer, to another marijuana establishment, or destroyed

☒ ☐

Transportation records for marijuana and marijuana product as required under 3 AAC 306.750(f)

☒ ☐





Alaska Marijuana Control Board

## Form MJ-01: Marijuana Establishment Operating Plan

A marijuana establishment is required to exercise due diligence in preserving and maintained all required records.  
Describe how you will prevent records and data, including electronically maintained records, from being lost or destroyed:

All written records will be kept in locked files located on site. All written records will also be scanned, and all electronic data (including scanned documents) will be backed up automatically and uploaded nightly to a cloud-based server offsite.





Alaska Marijuana Control Board

## Form MJ-01: Marijuana Establishment Operating Plan

### Section 3 – Inventory Tracking of All Marijuana and Marijuana Product

Review the requirements under 3 AAC 306.730, and identify how the proposed establishment will meet the listed requirements.

All licensed marijuana establishments must use a marijuana inventory tracking system capable of sharing information with the system the board implements to ensure all marijuana cultivated and sold in the state, and each marijuana product processed and sold in the state, is identified and tracked from the time the marijuana propagated from seed or cutting, through transfer to another licensed marijuana establishment, or use in manufacturing a product, to a completed sale of marijuana or marijuana product, or disposal of the harvest batch of marijuana or production lot of marijuana product.

Applicants should be able to answer "Yes" to all items below.

#### Marijuana Tracking and Weighing:

Yes No

A marijuana inventory tracking system, capable of sharing information with the system the board implements to ensure tracking for the reasons listed above, will be used



All marijuana delivered to a marijuana establishment will be weighed on a scale certified in compliance with 3 AAC 306.745



Describe the marijuana tracking system that you plan to use and how you will ensure that it is capable of sharing information with the system the board implements:

We will contract with Franwell Metric Systems Tracking, the State authorized company, for our inventory tracking and labeling systems, as required by law. We will rely on Franwell to provide the information and processes necessary to comply, and we will follow whatever directions are given.



Alaska Marijuana Control Board

## Form MJ-01: Marijuana Establishment Operating Plan

### Section 4 – Employee Qualification and Training

Review the requirements under 3 AAC 306.700, and identify how the proposed establishment will meet the listed requirements.

A marijuana establishment and each licensee, employee, or agent of the marijuana establishment who sells, cultivates, manufactures, tests, or transports marijuana or a marijuana product, or who checks the identification of a consumer or visitor, shall obtain a marijuana handler permit from the board before being licensed or beginning employment at a marijuana establishment.

Applicants should be able to answer "Yes" to all items below.

**Marijuana Handler Permit:**

Yes No

Each licensee, employee, or agent of the marijuana establishment who sells, cultivates, manufactures, tests, or transports marijuana or marijuana product, or who checks the identification of a consumer or visitor, shall obtain a marijuana handler permit from the board before being licensed or beginning employment at the marijuana establishment

☒ ☐

Each licensee, employee, or agent who is required to have a marijuana handler permit shall keep that person's marijuana handler permit card in that person's immediate possession (or a valid copy on file on the premises of a retail marijuana store, marijuana cultivation facility, or marijuana product manufacturing facility) when on the licensed premises

☒ ☐

Each licensee, employee, or agent who is required to have a marijuana handler permit shall ensure that that person's marijuana handler permit card is valid and has not expired

☒ ☐

Describe how your establishment will meet the requirements for employee qualifications and training:

No one who does not have a valid and current marijuana handler's card will be hired. All employees will be required to keep their certifications current or their employment will be terminated. To ensure employees are up to date, we will check the status of their marijuana handler's card at the beginning of each month.





Alaska Marijuana Control Board

**Form MJ-01: Marijuana Establishment Operating Plan**

**Section 5 – Waste Disposal**

Review the requirements under 3 AAC 306.740, and identify how the proposed establishment will meet the listed requirements.

Applicants should be able to answer "Yes" to the statement below.

**Marijuana Waste Disposal:**

Yes No

The marijuana establishment shall give the board at least 3 days notice in the marijuana inventory tracking system required under 3 AAC 306.730 before making the waste unusable and disposing of it



Describe how you will store, manage, and dispose of any solid or liquid waste, including wastewater generated during marijuana cultivation, production, process, testing, or retail sales, in compliance with applicable federal, state, and local laws and regulations:

**SOLID WASTE:** Solid waste from the cultivation facility; being rockwool, plant detritis, and rootwaste, will be ground and mixed with equal parts, a one to one ratio, with sand purchased from Alaska Sand & Gravel and will be stored on site, in 50 gal. drums, until it is disposed of at the designated disposal site for regulated cannabis waste.

**WATER WASTE:** Most water will be recycled. Water that cannot be recycled will be contained and stored for weekly disposal, and picked up by a waste water disposal company.

Describe what material or materials you will mix with the ground marijuana waste to make it unusable:

Sand at a one to one ratio, supplied by Alaska Sand & Gravel.



Alaska Marijuana Control Board

**Form MJ-01: Marijuana Establishment Operating Plan**

Marijuana waste must be rendered unusable for any purpose for which it was grown or produced before it leaves the marijuana establishment. Describe the process or processes that you will use to make the marijuana plant waste unusable:

Unuseable cannabis material (stems, leaves, and root remains) will be ground by an electric, Chipper/Shredder, (example, Patriot brand, 1.5 hp electric model) to a level of mulch that combines and mixes easily with the sand.





Alaska Marijuana Control Board

## Form MJ-01: Marijuana Establishment Operating Plan

### Section 6 – Transportation and Delivery of Marijuana and Marijuana Products

Review the requirements under 3 AAC 306.750, and identify how the proposed establishment will meet the listed requirements.

Applicants should be able to answer "Yes" to all items below.

Marijuana Transportation:	Yes	No
The marijuana establishment from which a shipment of marijuana or marijuana product originates will ensure that any individual transporting marijuana shall have a marijuana handler permit required under 3 AAC 306.700	<input checked="" type="checkbox"/>	<input type="checkbox"/>
The marijuana establishment that originates the transport of any marijuana or marijuana product will use the marijuana inventory tracking system to record the type, amount, and weight of marijuana or marijuana product being transported, the name of the transporter, the time of departure and expected delivery, and the make, model, and license plate number of the transporting vehicle	<input checked="" type="checkbox"/>	<input type="checkbox"/>
The marijuana establishment that originates the transport of any marijuana or marijuana product will ensure that a complete printed transport manifest on a form prescribed by the board must be kept with the marijuana or marijuana product at all times during transport	<input checked="" type="checkbox"/>	<input type="checkbox"/>
During transport, any marijuana or marijuana product will be in a sealed package or container in a locked, safe, and secure storage compartment in the vehicle transporting the marijuana or marijuana product, and the sealed package will not be opened during transport	<input checked="" type="checkbox"/>	<input type="checkbox"/>
Any vehicle transporting marijuana or marijuana product will travel directly from the shipping marijuana establishment to the receiving marijuana establishment, and will not make any unnecessary stops in between except to deliver or pick up marijuana or marijuana product at any other licensed marijuana establishment	<input checked="" type="checkbox"/>	<input type="checkbox"/>
When the marijuana establishment receives marijuana or marijuana product from another licensed marijuana establishment, the recipient of the shipment will use the marijuana inventory tracking system to report the type, amount, and weight of marijuana or marijuana product received	<input checked="" type="checkbox"/>	<input type="checkbox"/>
The marijuana establishment will refuse to accept any shipment of marijuana or marijuana product that is not accompanied by the transport manifest	<input checked="" type="checkbox"/>	<input type="checkbox"/>



Alaska Marijuana Control Board

## Form MJ-01: Marijuana Establishment Operating Plan

Describe how marijuana or marijuana product will be prepared, packaged, and secured for shipment:

Dried and cured cannabis product will be packaged for transport, in single pound bales using standard size, turkey bags or a product preferred by and recommended by Franwell. They will be labeled according to the state mandated tracking system. The packaged product will then be transported from the cultivation facility through the bay door, to the designated transport vehicle, and put in a locked and secure safe. It will then be moved from the cultivation facility via the transport car to the destination retail store.

Describe the type of locked, safe, and secure storage compartments that will be used in any vehicles transporting marijuana or marijuana product:

Product will be stored for transport in a 2001 GMC yukon with bolted down "Stack On" brand, gun safe, under lock and key in the rear of the vehicle. The Stack On safe is a metal, key operated safe. There are only two keys, both of which will be secured and held by store owners, for their use or an authorized employee only.





Alaska Marijuana Control Board

## Form MJ-01: Marijuana Establishment Operating Plan

### Section 7 – Signage and Advertising

Describe any signs that you intend to post on your establishment with your business name, including quantity and dimensions:

**Signage:**

We will have a 10"x14" metal, decal faced sign with business name and logo, mounted on or above the main door (entrance to the business).

Located in entry, we will also have a sign with the state requirements for entry:

No Unauthorized Personnel

Persons entering this establishment must be 21 years or older and are required to provide a current photo ID

If you are not applying for a retail marijuana store license, you do not need to complete the rest of Section 7, including Page 17.

**Restriction on advertising of marijuana and marijuana products (3 AAC 306.360):**

All licensed retail marijuana stores must meet minimum standards for signage and advertising.

Applicants should be able to answer "Agree" to all items below.

No advertisement for marijuana or marijuana product will contain any statement or illustration that:

Agree Disagree

Is false or misleading



Promotes excessive consumption



Represents that the use of marijuana has curative or therapeutic effects



Depicts a person under the age of 21 consuming marijuana



Includes an object or character, including a toy, a cartoon character, or any other depiction designed to appeal to a child or other person under the age of 21, that promotes consumption of marijuana







Alaska Marijuana Control Board

## Form MJ-01: Marijuana Establishment Operating Plan

No advertisement for marijuana or marijuana product will be placed:

Agree Disagree

Within one thousand feet of the perimeter of any child-centered facility, including a school, childcare facility, or other facility providing services to children, a playground or recreation center, a public park, a library, or a game arcade that is open to persons under the age of 21

☒ ☐

On or in a public transit vehicle or public transit shelter

☒ ☐

On or in a publicly owned or operated property

☒ ☐

Within 1000 feet of a substance abuse or treatment facility

☒ ☐

On a campus for post-secondary education

☒ ☐

Signage and Promotional Materials:

Agree Disagree

I understand and agree to follow the limitations for signs under 3 AAC 306.360(a)

☒ ☐

The retail marijuana store will not use giveaway coupons as promotional materials, or conduct promotional activities such as games or competitions to encourage sale of marijuana or marijuana products

☒ ☐

All advertising for marijuana or any marijuana product will contain the warnings required under 3 AAC 306.360(e)

☒ ☐



Alaska Marijuana Control Board

**Form MJ-01: Marijuana Establishment Operating Plan**

**Section 8 – Control Plan for Persons Under the Age of 21**

Describe how the marijuana establishment will prevent persons under the age of 21 from gaining access to any portion of the licensed premises and marijuana items:

No unauthorized individual, or anyone under the age of 21, may have access or gain entry to the cultivation center. Employees will have security badges and all doors will be secured with security locks requiring a badge. Also, all employees are to be 21 years or older as a requirement for employment at the facility.

I declare under penalty of perjury that I have examined this form, including all accompanying schedules and statements, and to the best of my knowledge and belief find it to be true, correct, and complete.

*Beth Drawington*  
*Evan Schlosgberg*

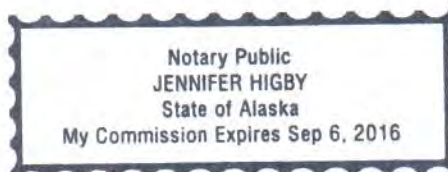
Signature of licensee

Beth Drawington

Evan Schlosgberg

Printed name

Subscribed and sworn to before me this 3<sup>rd</sup> day of April, 2016.



*Jennifer Higby*  
Notary Public in and for the State of Alaska.

My commission expires: 9/6/2016





Alaska Marijuana Control Board

**Form MJ-01: Marijuana Establishment Operating Plan**

**Section 8 – Control Plan for Persons Under the Age of 21**

Describe how the marijuana establishment will prevent persons under the age of 21 from gaining access to any portion of the licensed premises and marijuana items:

No unauthorized individual, or anyone under the age of 21, may have access or gain entry to the cultivation center. Employees will have security badges and all doors will be secured with security locks. Also, all employees are to be 21 years or older as a requirement for employment at the facility.

I declare under penalty of perjury that I have examined this form, including all accompanying schedules and statements, and to the best of my knowledge and belief find it to be true, correct, and complete.

*Beth Brawington*  
*Evan Schlosberg*

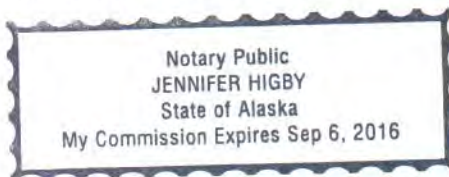
Signature of licensee

Beth Brawington

Evan Schlosberg

Printed name

Subscribed and sworn to before me this 3<sup>rd</sup> day of April, 2016.



*Jennifer Higby*  
Notary Public in and for the State of Alaska.  
My commission expires: 9/6/2016



Alcohol and Marijuana Control Office  
550 W 7<sup>th</sup> Avenue, Suite 1600  
Anchorage, AK 99501

[marijuana.licensing@alaska.gov](mailto:marijuana.licensing@alaska.gov)  
<https://www.commerce.alaska.gov/web/amco>  
Phone: 907.269.0350

Alaska Marijuana Control Board

## Form MJ-01: Marijuana Establishment Operating Plan

---

(Additional Space as Needed):

**The Frost Frontier**

Card Valid Through 12/31/2016

**Evan Schlosberg**

Date of Hire:  
3/1/2016



APR 19 '16 11:06







## Alaska Marijuana Control Board

# Operating Plan Supplemental Form MJ-04: Marijuana Cultivation Facility

Alcohol and Marijuana Control Office

550 W 7<sup>th</sup> Avenue, Suite 1600

Anchorage, AK 99501

[marijuana.licensing@alaska.gov](mailto:marijuana.licensing@alaska.gov)

<https://www.commerce.alaska.gov/web/amco>

Phone: 907.269.0350

### What is this form?

This operating plan supplemental form is required for all applicants seeking a marijuana cultivation facility license and must accompany the **Marijuana Establishment Operating Plan (Form MJ-01)**, per 3 AAC 306.020(b)(11). Applicants should review **Chapter 306: Article 4 of the Alaska Administrative Code**. This form will be used to document how an applicant intends to meet the requirements of those regulations. If your business has a formal operating plan, you may include a copy of that operating plan with your application, but all fields of this form must still be completed per 3 AAC 306.020 and 3 AAC 306.420(2).

### What additional information is required for cultivation facilities?

Applicants must identify how the proposed establishment will comply with applicable regulations regarding the following:

- Prohibitions
- Cultivation plan
- Odor control
- Testing procedure and protocols
- Security

This form must be submitted to AMCO's main office before any marijuana cultivation facility license application will be considered complete.

## Section 1 – Establishment Information

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

Licensee:	The Frost Frontier, LLC	License Number:	10161
License Type:	Standard Marijuana Cultivation Facility		
Doing Business As:	The Frost Frontier		
Premises Address:	8535 Dimond D Circle, Unit C		
City:	Anchorage	State:	ALASKA
		ZIP:	99515





## Alaska Marijuana Control Board

### Operating Plan Supplemental

# Form MJ-04: Marijuana Cultivation Facility

## Section 2 – Prohibitions

Applicants should review 3 AAC 306.405 – 3 AAC 306.410 and be able to answer "Agree" to all items below.

The marijuana cultivation facility will not:

Agree Disagree

Sell, distribute, or transfer any marijuana or marijuana product to a consumer, with or without compensation

☒ ☐

Allow any person, including a licensee, employee, or agent, to consume marijuana or marijuana product on its licenses premises or within 20 feet of the exterior of any building or outdoor cultivation facility

☒ ☐

Treat or otherwise adulterate marijuana with any organic or nonorganic chemical or compound to alter the color, appearance, weight, or odor of the marijuana

☒ ☐

## Section 3 – Cultivation Plan

Review the requirements under 3 AAC 306.420, and identify how the proposed premises will meet the listed requirements.

Describe the size of the space(s) the marijuana cultivation facility intends to be under cultivation, including dimensions and overall square footage. Provide your calculations below:

Space Size: Total Dimension: Approximately 70 feet by 49 feet  
The space will be divided into two sections:

Section One: Approximately 34 feet x 49 feet. This area will be dedicated to vegetative plant growth, seedlings, plant clones and mature-preflowering, adolescent plants. Of this area, a portion of space is dedicated to a room for drying and processing of finished cannabis, an on-site restroom, a mechanical room, as well as the secured security/server room. All of this will utilize approximately 7 feet x 34 feet, leaving the total amount of square footage for grow space at approximately 1428 square feet of vegetative, 24 hour light, grow room.

Section Two: Approximately 36 feet by 49 feet (1764 square feet). This area will be dedicated to the cultivation flower room which will house the final cannabis product for harvesting.





## Alaska Marijuana Control Board

# Operating Plan Supplemental Form MJ-04: Marijuana Cultivation Facility

Describe the marijuana cultivation facility's growing medium(s) to be used:

Rockwool cubes of varying sizes will be used at different stages of plant growth as plant grow medium.

Describe the marijuana cultivation facility's fertilizers, chemicals, gases, and delivery systems, including carbon dioxide management, to be used:

Synthetic nutrients from "Advanced Nutrients" will be used for fertilizer. The full Sensi, Grow, and Bloom Formulas, and any and all supplements for secondary nutrients and additives. A Blue Lab, or a product equivalent, parts per million measuring tool, will be used to designate measurements of necessary nutrients for optimal plant growth.

Propane burners for CO<sub>2</sub> enrichment will be used to adjust environment, for maximizing plant growth and development. CO<sub>2</sub> burners will be installed by professionals, (i.e. Air Liquide), and will be controlled by automatic sensors, to allow them to operate at optimal efficiency and safety.

Describe the marijuana cultivation facility's irrigation and waste water systems to be used:

Recirculating top feed, hydroponic systems will be installed on 4x8 Botanicare tables, (or product equivalent). There will be a 115 gallon Botanicare Reservoir, (or product equivalent) per table, and will be housed beneath the table.

Water will be pumped from the reservoir through an irrigation system using an Active Aqua 1000 GPH pump, (or product equivalent), through a 3/4 inch hydroponic hose, with 1/4 inch hose line connecting to each plant. Each plant will have its own individual connection line to the irrigation system for watering and feeding.

The waste water from the water change over(s) will be stored on site in 50 gallon drums, for pickup and disposal from Anchorage Water and Waste Water Utility on a weekly, biweekly, and as needed basis.





## Alaska Marijuana Control Board

### Operating Plan Supplemental

### Form MJ-04: Marijuana Cultivation Facility

Describe the marijuana cultivation facility's waste disposal arrangements:

Waste water will be stored on site in 50 gallon drums for weekly pickup and disposal through Anchorage Water and Waste Water Disposal. Stored waste water will be kept in the vegetative garden area and will be picked up on a weekly, bi-weekly, or as needed basis.

## Section 4 – Odor Control

Review the requirements under 3 AAC 306.430, and identify how the proposed premises will meet the listed requirement.

Describe the odor control method(s) to be used and how the marijuana cultivation facility will ensure that any marijuana at the facility does not emit an odor that is detectable by the public from outside the facility:

Carbon filters will be placed in every corner of each of the cultivation areas:

four in the vegetative garden and four in the bloom area. These carbon filters will be used in conjunction with 12 inch, inline fans that scrub approximately 2000 cubic feet per minute.



Alaska Marijuana Control Board  
Operating Plan Supplemental  
Form MJ-04: Marijuana Cultivation Facility

Alcohol and Marijuana Control Office  
550 W 7<sup>th</sup> Avenue, Suite 1600  
Anchorage, AK 99501

[marijuana.licensing@alaska.gov](mailto:marijuana.licensing@alaska.gov)  
<https://www.commerce.alaska.gov/web/amco>  
Phone: 907.269.0350

## Section 5 – Testing Procedure and Protocols

Review the requirements under 3 AAC 306.455 and 3 AAC 306.465, and identify how the proposed premises will meet the listed requirements.

Applicants should be able to answer "Agree" to the item below.

I understand and agree that:

Agree Disagree

The board will or the director shall from time to time require the marijuana cultivation facility to provide samples of the growing medium, soil amendments, fertilizers, crop production aids, pesticides, or water for random compliance checks



Describe the testing procedure and protocols the marijuana cultivation facility will follow:

The Frost Farms will employ "CanTest", testing facility, or one of the other licensed "testing facilities", in the Anchorage area, for all product testing requirements.





Alaska Marijuana Control Board  
Operating Plan Supplemental  
Form MJ-04: Marijuana Cultivation Facility

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

**Section 6 – Security**

Review the requirements under 3 AAC 306.430 and 3 AAC 306.470 – 3 AAC 306.475, and identify how the proposed premises will meet the listed requirements.

Applicants should be able to answer “Agree” to the two items below.

The marijuana cultivation facility applicant has:

Agree Disagree

Read and understands and agrees to the packaging of marijuana requirements under 3 AAC 306.470

☒ ☐

Read and understands and agrees to the labeling of marijuana requirements under 3 AAC 306.475

☒ ☐

Restricted Access Area (3 AAC 306.430):

Yes No

Will the marijuana cultivation facility include outdoor production?

☐ ☒

If “Yes”, describe the outdoor structure(s) or the expanse of open or clear ground fully enclosed by a physical barrier:



Alaska Marijuana Control Board  
Operating Plan Supplemental  
Form MJ-04: Marijuana Cultivation Facility

Alcohol and Marijuana Control Office

550 W 7<sup>th</sup> Avenue, Suite 1600

Anchorage, AK 99501

[marijuana.licensing@alaska.gov](mailto:marijuana.licensing@alaska.gov)

<https://www.commerce.alaska.gov/web/amco>

Phone: 907.269.0350

Describe the method(s) used to ensure that any marijuana at the marijuana cultivation facility cannot be observed by the public from outside the facility:

There are no open areas which make the cultivation area visible. There is only one main door and one bay door for accessing the cultivation area and no windows. Both doors will be secured and locked at all times.

As a precaution, there will be a screen wall installed at bay door opening as depicted in the space layout, to prohibit any possible viewing of the cultivation area when the bay door is in use.

I certify that as a marijuana cultivation facility, I will submit monthly reports to the Department of Revenue and pay the excise tax required under AS 43.61.010 and 43.61.020 on all marijuana sold or provided as a sample to a marijuana establishment, as required under 3 AAC 306.480.

I declare under penalty of perjury that I have examined this form, including all accompanying schedules and statements, and to the best of my knowledge and belief find it to be true, correct, and complete.

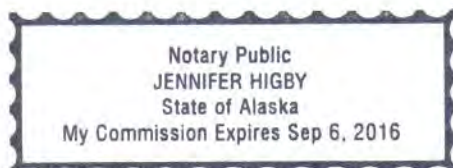
*Beth Brewington*

Signature of licensee

Beth Brewington  
Evan Schlossberg

Printed name

Subscribed and sworn to before me this 3<sup>rd</sup> day of April, 2016.



*Jennifer Higby*  
Notary Public in and for the State of Alaska.

My commission expires: 9/6/2016





**Alaska Marijuana Control Board  
Operating Plan Supplemental**

**Form MJ-04: Marijuana Cultivation Facility**

---

Alcohol and Marijuana Control Office  
550 W 7<sup>th</sup> Avenue, Suite 1600  
Anchorage, AK 99501

[marijuana.licensing@alaska.gov](mailto:marijuana.licensing@alaska.gov)  
<https://www.commerce.alaska.gov/web/amco>  
Phone: 907.269.0350

(Additional Space as Needed):



Alaska Marijuana Control Board

## Form MJ-07: Public Notice Posting Affidavit

### What is this form?

A public notice posting affidavit is required for all marijuana establishment license applications, per 3 AAC 306.020(b)(10). As soon as practical after initiating a new marijuana establishment license application, an applicant must give notice of the application to the public by posting a copy of the application (produced by the board's application website) for ten (10) days at the location of the proposed licensed premises and one other conspicuous location in the area of the proposed premises, per 3 AAC 306.025(b)(1).

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

### Section 1 – Establishment Information

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

Licensee:	The Frost Frontier, LLC	License Number:	10161		
License Type:	Standard Marijuana Cultivation Facility				
Doing Business As:	The Frost Frontier				
Premises Address:	8535 Dimond D Circle, Unit C				
City:	Anchorage	State:	ALASKA	ZIP:	99515

### Section 2 – Certification

I certify that I have met the public notice requirement set forth under 3 AAC 306.025(b)(1) by posting a copy of my application for the following 10-day period at the location of the proposed licensed premises and at the following conspicuous location in the area of the proposed premises:

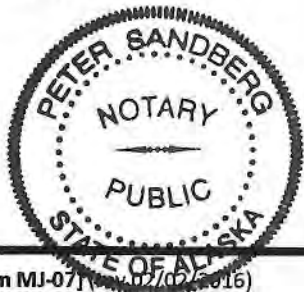
Start Date: March 25th, 2016 End Date: April 4, 2016

Other conspicuous location: light pole at N. Dimond end of Dimond Circle, between C-street and Dimond

I declare under penalty of perjury that I have examined this form, including all accompanying schedules and statements, and to the best of my knowledge and belief find it to be true, correct, and complete.

[Signature]  
Signature of licensee

Subscribed and sworn to before me this 15<sup>th</sup> day of May, 2016.



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

My commission expires: 2/13/17





Alaska Marijuana Control Board

## Form MJ-08: Local Government Notice Affidavit

### What is this form?

A local government notice affidavit is required for all marijuana establishment license applications with a proposed premises that is located within a local government, per 3 AAC 306.025(b)(3). As soon as practical after initiating a new marijuana establishment license application, an applicant must give notice of the application to the public by submitting a copy of the application (produced by the board's application website) to the local government and any community council in the area of the proposed licensed premises.

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

### Section 1 – Establishment Information

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

Licensee:	The Frost Frontier, LLC	License Number:	10161		
License Type:	Standard Marijuana Cultivation Facility				
Doing Business As:	The Frost Frontier				
Premises Address:	8535 Dimond D Circle, Unit C				
City:	Anchorage	State:	ALASKA	ZIP:	99515

### Section 2 – Certification

I certify that I have met the local government notice requirement set forth under 3 AAC 306.025(b)(3) by submitting a copy of my application to the following local government and community council (if applicable):

Local Government: Municipality of Anchorage Date Submitted: 4-6-2016

Community Council: see attached Date Submitted: \_\_\_\_\_  
(Municipality of Anchorage and Matanuska-Susitna Borough only)

I declare under penalty of perjury that I have examined this form, including all accompanying schedules and statements, and to the best of my knowledge and belief find it to be true, correct, and complete.

[Signature]  
Signature of licensee

Subscribed and sworn to before me this 19<sup>th</sup> day of May, 2016.



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

My commission expires: 2/13/17





Alaska Marijuana Control Board

## Form MJ-08: Local Government Notice Affidavit

### What is this form?

A local government notice affidavit is required for all marijuana establishment license applications with a proposed premises that is located within a local government, per 3 AAC 306.025(b)(3). As soon as practical after initiating a new marijuana establishment license application, an applicant must give notice of the application to the public by submitting a copy of the application (produced by the board's application website) to the local government and any community council in the area of the proposed licensed premises.

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

### Section 1 – Establishment Information

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

Licensee:	The Frost Frontier, LLC	License Number:	10161		
License Type:	Marijuana Grow Operation				
Doing Business As:	The Frost Frontier				
Premises Address:	8535 Dimond D Circle, Unit C				
City:	Anchorage	State:	ALASKA	ZIP:	99515

### Section 2 – Certification

I certify that I have met the local government notice requirement set forth under 3 AAC 306.025(b)(3) by submitting a copy of my application to the following local government and community council (if applicable):

Local Government: Taku Community Council

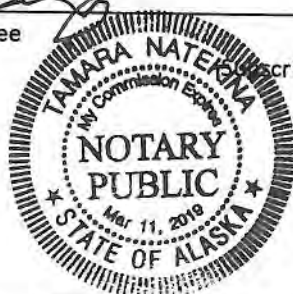
Date Submitted: March 25, 2016

Community Council: Taku Community Council  
(Municipality of Anchorage and Matanuska-Susitna Borough only)

Date Submitted: March 25, 2016

I declare under penalty of perjury that I have examined this form, including all accompanying schedules and statements, and to the best of my knowledge and belief find it to be true, correct, and complete.

[Signature]  
Signature of licensee



scribed and sworn to before me this 19<sup>th</sup> day of April, 2016.

Tamara Naterina  
Notary Public in and for the State of Alaska.

My commission expires: 03/11/2019





**Alaska Marijuana Control Board**

**Form MJ-09: Statement of Financial Interest**

**What is this form?**

A statement of financial interest completed by each proposed licensee (as defined in 3 AAC 306.020(b)(2)) and affiliate (as defined in 3 AAC 306.990(a)(1)) is required for all marijuana establishment license applications, per 3 AAC 306.020(b)(4). 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 proposed licensee or affiliate before any license application will be considered complete.

**Section 1 – Establishment Information**

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

Licensee:	The Frost Frontier, LLC	License Number:	10161		
License Type:	Standard Marijuana Cultivation Facility				
Doing Business As:	The Frost Frontier				
Premises Address:	8535 Dimond D Circle, Unit C				
City:	Anchorage	State:	ALASKA	ZIP:	99515

**Section 2 – Individual Information**

Enter information for the individual licensee or affiliate.

Name:	Beth Brewington
Title:	Owner
SSN:	[REDACTED]



Alaska Marijuana Control Board

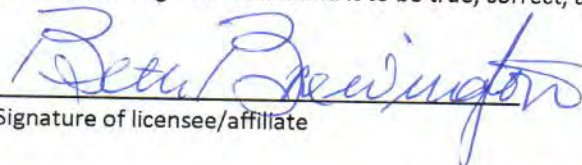
## Form MJ-09: Statement of Financial Interest

### Section 3 – Certifications

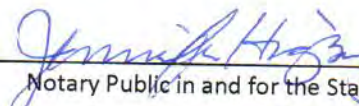
I certify that no person other than a proposed licensee listed on my marijuana establishment license application has a direct or indirect financial interest, as defined in 3 AAC 306.015(e)(1), in the business for which a marijuana establishment license is being applied for.

I further certify that any ownership change shall be reported to the board as required under 3 AAC 306.040.

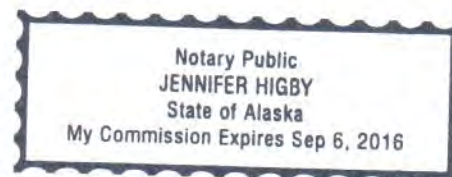
I declare under penalty of perjury that I have examined this form, including all accompanying schedules and statements, and to the best of my knowledge and belief find it to be true, correct, and complete.

  
Signature of licensee/affiliate

Subscribed and sworn to before me this 3<sup>rd</sup> day of April, 2016.

  
Notary Public in and for the State of Alaska.

My commission expires: 9/6/2016







Alaska Marijuana Control Board

## Form MJ-09: Statement of Financial Interest

### What is this form?

A statement of financial interest completed by each proposed licensee (as defined in 3 AAC 306.020(b)(2)) and affiliate (as defined in 3 AAC 306.990(a)(1)) is required for all marijuana establishment license applications, per 3 AAC 306.020(b)(4). 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 proposed licensee or affiliate before any license application will be considered complete.

### Section 1 – Establishment Information

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

Licensee:	The Frost Frontier, LLC	License Number:	10161		
License Type:	Standard Marijuana Cultivation Facility				
Doing Business As:	The Frost Frontier				
Premises Address:	8535 Dimond D Circle, Unit C				
City:	Anchorage	State:	ALASKA	ZIP:	99515

### Section 2 – Individual Information

Enter information for the individual licensee or affiliate.

Name:	Evan Schlosberg
Title:	Owner
SSN:	[REDACTED]



Alaska Marijuana Control Board

## Form MJ-09: Statement of Financial Interest

### Section 3 – Certifications

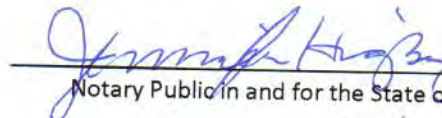
I certify that no person other than a proposed licensee listed on my marijuana establishment license application has a direct or indirect financial interest, as defined in 3 AAC 306.015(e)(1), in the business for which a marijuana establishment license is being applied for.

I further certify that any ownership change shall be reported to the board as required under 3 AAC 306.040.

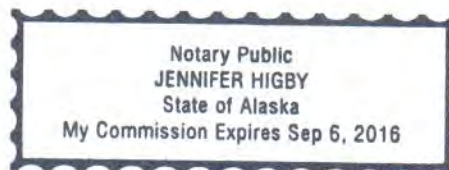
I declare under penalty of perjury that I have examined this form, including all accompanying schedules and statements, and to the best of my knowledge and belief find it to be true, correct, and complete.

  
\_\_\_\_\_  
Signature of licensee/affiliate

Subscribed and sworn to before me this 3<sup>rd</sup> day of April, 2016.

  
\_\_\_\_\_  
Notary Public in and for the State of Alaska.

My commission expires: 9/6/2016





## WAREHOUSE/RETAIL SPACE LEASE

AGREEMENT OF SPACE LEASE, made this 28th day of January, 2016 between: LET, LLC, hereinafter called "Landlord", and Evan Schlosberg and Beth Brewington, d.b.a The Frost Frontier, LLC hereinafter called "Tenant".

The Property: 8535 Dimond D Circle Unit C Anchorage Alaska 99515  
Legal Description: Dimond D Development Blk 2 Lt 3A

Landlord owns a building on the above described real property and Tenant desires to lease space within such building from Landlord under terms and conditions herein contained.

NOW, THEREFORE IT IS AGREED:

### ARTICLE I SPACE LEASED

#### Section 1.01 DESCRIPTION OF SPACE LEASED

Landlord hereby leases to Tenant, and Tenant leases from Landlord, approximately 5,600 rentable square feet of warehouse/retail space.

#### Section 1.02 CONDITION OF PREMISES

Tenant accepts the warehouse space in an "as-is" condition. Should Tenant not execute their Option for Early Termination, Landlord shall provide and pay for two (2) sub-meters to measure gas and electric usage to be billed directly to Tenant. These Improvements shall be done no later than June 30<sup>th</sup>, 2016.

#### Section 1.03 SERVICES FURNISHED BY THE LANDLORD

Landlord shall furnish and pay all costs for:

- a. Real property taxes.
- b. Building insurance.
- c. Major Maintenance items to include Roof repairs, any repairs to the structure, or capital improvements.

Landlord shall not be liable for damages or otherwise for failure, stoppage or interruption of any services or utilities.

#### Section 1.04 SERVICES FURNISHED BY THE TENANT

Tenant shall be responsible for all:

- a. Telephone service, computer services and for payment of all charges for installation and monthly fees.
- b. Regular maintenance of operating equipment (plumbing, mechanical and electrical – including replacement of bulbs/ballasts) within the space leased.
- c. Personal property and liability insurance.
- d. Utilities (Heating, Electric, Water, Sewer, Refuse). Gas and Electric shall be billed directly to Tenant via sub-meters. Landlord shall have the right to install a separate water sub-meter, should the Tenant's consumption prove to be more water than average warehouse or retail usage. The remainder of Utility costs shall be pro-rated based on square footage occupied by Tenant.
- e. Pro-rata share of snow removal for Tenant's parking area. See Exhibit A.

LET, LLC and Evan Schlosberg and Beth Brewington d.b.a The Frost Frontier, LLC  
8535 Dimond D Circle -- LEASE  
Page 1 of 13

- f. All Pass through costs over the Base Year of 2016 for increases in Landlord's operating expenses.

#### Section 1.05 QUIET ENJOYMENT

- (A) Tenant, upon paying the rents and performing all of the terms and covenants on its part to be performed, shall peaceably and quietly enjoy the Space Leased under the terms of the Lease.  
(B) Tenant, at any time during the term of this Lease, shall permit inspection of the Space Leased during business hours by Landlord, or Landlord's agents or representatives.

#### Section 1.06 CONTROL OF COMMON AREAS

The common area about the Space Leased (the exterior parking lot) shall be subject to the exclusive control and management of the Landlord. Landlord shall have the right to construct, maintain and operate lighting and other improvements in all said areas; to police the same; to change the area, level, location and arrangement for parking areas and other facilities, provided that Tenant shall have the same amount of parking area available after any said changes.

#### Section 1.07 SIGNAGE

Landlord agrees and permits Tenant to place a sign above the main door entrance on the West facing customer entrance. All signage shall follow city and state regulations established for retail marijuana sales. For any other signage, Tenant shall obtain approval in writing from Landlord prior to installation of any signage this includes signs in windows. Tenant shall bear all such signage cost, including labor, materials, and permit costs.

#### Section 1.08 PARKING

Tenant shall be allowed to utilize all existing parking adjacent to the Northern wall of the Premises, as well as along the fence opposite that wall. All parking in this area shall allow for a drive-through lane for traffic to reach the rest of the building. This parking shall be used for customer and employee parking during regular business hours (8 a.m. - 6 p.m.), and only for employee parking once the gate is closed and locked. Any additional customers shall only park in the front parking area along Diamond D Cir outside the locked gate. See Exhibit A for details.

### ARTICLE II TERM

#### Section 2.01 LENGTH OF TERM

The term of the Lease shall be for thirty-nine (39) months following the commencement of the term, unless sooner terminated or extended as herein provided.

Option to renew lease. Tenant shall have one (1) option to renew lease for three (3) years each with ninety (90) days prior written notice providing tenant is not in default of its lease. The base rent for the option period shall be renegotiated to market rate for similar space at the time of the option period but in no event shall the rent be less than the last year of the preceding term.

Option for Early Termination. Tenant shall have the right to Terminate this Lease and all conditions herein with notice given no later than May 31, 2016. If Tenant chooses to Terminate the Lease, Tenant shall forfeit the Base Rent payment for the month of May as well as the Security Deposit being held by the Landlord.

#### Section 2.02 COMMENCEMENT OF TERM

The term of this Lease shall commence on February 1, 2016. Regular Base Rent payments shall not begin until May 1<sup>st</sup>, 2016. During the term of Abated rent, no Improvements shall be performed by Tenant or Landlord unless Tenant waives their Option for Early Termination.



### Section 2.03 HOLD OVER

If Tenant shall hold over after the expiration date of the Lease term, such tenancy shall be from month to month and subject to all the terms, covenants and conditions of this Lease except that the rent for each holdover month or part thereof will be one hundred fifty percent (150%) of the monthly rental provided herein for the last month of the term of the Space Leased.

### Section 2.04 SURRENDER OF POSSESSION

Upon expiration or on the sooner termination of this Lease, Tenant shall peaceably and quietly leave, surrender and yield to Landlord all and singular the Space Leased, broom clean, in good order and repair, ordinary wear and tear excepted, together with all alteration, additions and improvements which have been made upon the Space Leased, except personal property or moveable trade fixtures put in at the expense of the Tenant. If the last day of the term of this Lease falls on Sunday, this Lease shall expire on the business day immediately preceding. Tenant, on or before said date, shall remove all such property from the Space Leased, and all such property not so removed shall be surrendered promptly at the end of the term. Tenant shall indemnify Landlord against loss or liability resulting from such delay by Tenant, including without limitations any claims made by any succeeding Tenant founded on such delay.

### Section 2.05 POSSESSION

If Landlord is unable to give possession of the Space Lease on the date herein fixed for the commencement of the demised term, by reason of the fact that the Space Leased has any remainder issues related to prior tenancy, or for any other cause beyond Landlord's control, unless Landlord elects to terminate this Lease, as hereinafter provided, this Lease and all its provisions, including the date herein fixed for expiration of the leased term, shall nevertheless continue in full force and effect. Tenant's remedies and expressly limited to the following:

- The commencement and expiration date shall be extended in accordance with the actual date of Tenant's occupancy.
- Landlord shall not be liable to Tenant for any damages including without limitation consequential damages or economic loss to Tenant's business as a result of Landlord's inability to give possession of the Space Leased on the date set for commencement.
- In the event said occupancy is delayed by Landlord's inability to provide said space for Tenant, beyond thirty days from the anticipated date of commencement, Tenant shall have the right to terminate this lease in its entirety. In such event neither Tenant nor Landlord shall have any liability to the other.

## ARTICLE III RENT

### Section 3.01 COVENANT TO PAY RENT

Tenant covenants to and shall pay to Landlord at:

LET, LLC  
P.O. Box 110409  
Anchorage, Alaska 99511

Or at such other place as Landlord may designate, in advance, on the first day of each calendar month during the term hereof, base monthly rent as follows:

Period Monthly

LET, LLC and Evan Schlosberg and Beth Brewington d.b.a The Frost Frontier, LLC  
8535 Dimond D Circle -- LEASE  
Page 3 of 13

02/01/2016 - 04/30/2016	Rent Abated
05/01/2016 - 04/30/2017	\$6,000.00/month
05/01/2017 - 04/30/2018	\$6,200.00/month
05/01/2018 - 04/30/2019	\$6,400.00/month

### Section 3.02 ADDITIONAL RENT

In addition to the foregoing rent provided for in Sections 3.01 above, all other payments to be made by Tenant to Landlord shall be deemed to become additional rent hereunder, whether or not the same be designated as such; and shall be due and payable on demand or together with the next succeeding installment of rent, whichever shall first occur, together with interest thereon; and Landlord shall have the same remedies for Tenant's failure to pay the same as for nonpayment of rent. Landlord, at its election, shall have the right to pay or do any act which requires the expenditure of any sums of money by reason of the failure or neglect of Tenant to perform any of the provisions of the Lease, and in the event Landlord shall at his election pay such sums or do such acts requiring the expenditure of moneys, Tenant agrees to pay Landlord, upon demand, all such sums, and the sum so paid to the Landlord, together with interest thereon, shall be deemed additional rent and payable as such. Tenant agrees to pay a pro-rata share of any increase in Taxes or Property Insurance over the base year of 2014. These increases shall be based on a per square foot basis.

### Section 3.03 SECURITY DEPOSIT: *Payment at signing of lease. 22*

Tenant shall deposit with Landlord the sum of \$6,400.00 as a security deposit for the full and faithful performance by Tenant of each and every term, provision, covenant and condition of this Lease. In the event Tenant defaults with respect to any of the term, provisions, covenants and conditions of this Lease, including, but not limited to, payment of rent or Additional Rent, Landlord may use, apply or retain the whole or any part of the security so deposited for the payment of any rent in default or for any other sum which Landlord may expend or be required to expend by reason of Tenant's default. In the event Tenant shall fully and faithfully comply with all of the terms, provisions, covenants and conditions of this Lease, the security deposit, or any balance thereof, shall be returned to tenant within thirty (30) days after the time fixed as the expiration of the lease term and after the removal of Tenant and surrender of possession to Landlord of the Space Leased. Tenant shall not be entitled to any interest on such security deposit. In the absence of evidence satisfactory to Landlord of an assignment of the right to receive the security, or the remaining balance thereof, Landlord may return the security to the original Tenant, regardless of one or more assignments of Tenants in this Lease.

### Section 3.05 LATE CHARGE ON UNPAID RENT

Landlord may declare due and payable a onetime late share, in the amount of Five Cents (\$0.05) per One Dollar (\$1.00) for any periodic rent(s) not received at the designated place of payment within five (5) days of its due date.

### Section 3.06 SERVICE CHARGE ON PAST DUE AMOUNTS

All amounts due under the terms of this Lease that are not paid when due by Tenant shall also be subject to an ongoing Service Charge of 1.5% interest on the unpaid balance as compensation to the Landlord for accounting and administrative costs related to collecting past due rental amounts.

## ARTICLE IV USE OF PREMISES

### Section 4.01 USE OF PREMISES

LET, LLC and Evan Schlossberg and Beth Brewington d.b.a The Frost Frontier, LLC  
8535 Dimond D Circle -- LEASE  
Page 4 of 13



Tenant shall be occupying the space only for use with cultivation/processing/and retail sales of regulated and legally grown marijuana. All cultivation, sales, processing shall be done in strict compliance with any state or municipal regulations in the Anchorage area.

#### Section 4.02 COMPLIANCE WITH LAWS

Tenant shall comply with all applicable laws, ordinances and regulations of duly constituted public authorities now elected or hereafter amended in any manner affecting the Space Leased, whether or not any such law, ordinance or regulation which may be hereafter enacted involves a change of policy on the part of the governmental body enacting as the same. Tenant further agrees it will not permit any unlawful occupation, business or trade to be conducted on said premises or any use to be made thereof contrary to any such law, ordinance or regulation.

#### Section 4.03 RULES AND REGULATIONS OF BUILDING

As a condition to use of the Space Leased, Tenant shall comply with all reasonable rules and regulations promulgated by Landlord from time to time for all tenants in the building.

### ARTICLE V MAINTENANCE, REPAIR, ALTERATIONS

#### Section 5.01 COVENANT TO MAINTAIN AND REPAIR

- (A) Tenant shall, during the term of this Lease and any renewal extension thereof, at its sole expense, keep the interior of the Space Leased in good order and repair as it was at the date of commencement of this Lease, reasonable wear and tear and damages by accidental fire or other casualty excepted, and be responsible for all day to day janitorial and light bulb and fluorescent tube replacement services and the associated expense. Tenant shall be responsible for the maintenance and repair of all plumbing fixtures and mechanical features that are specifically used within Tenant's space leased and not in the common areas.
- (B) Landlord during the term of this Lease and any renewal or extension thereof shall keep the structural supports and exterior walls of the premises in good order and repair. Landlord shall maintain and repair all common area plumbing line and equipment for the general supply of hot and cold water, heat, ventilation and electricity, except that the Tenant shall be responsible for any and all repairs to the above as a result of alternations or damages thereto by Tenant, its employees, customers, servants, agents, licensees or invitees.

#### Section 5.02 ALTERATIONS, ADDITIONS

- (A) Landlord shall provide improvements to the space as agreed by Tenant and Landlord.
- a. Should the Tenant not exercise their Option for Early Termination, Landlord agrees to provide and pay for two (2) sub-meters for electricity and water to allow metering to be done separately from the building.
- (B) In addition, Tenant agrees that they:
1. Shall not cut or drill or otherwise deface or injure the building;
  2. Shall not obstruct or permit the obstruction of any light or skylight in or upon the building, or the adjoining sidewalk or street, or the entrance, or any other part of the building to the exclusive use of which Tenant is not entitled;
  3. Shall comply with all reasonable regulations of Landlord designated to promote the safety or good order of the building;
  4. Shall not, without Landlord's prior written consent obtained in each instance, make any alteration, additions, decorations, or improvements in or about the Space Leased.

5. Shall not, without Landlord's prior written consent obtained in each instance, make any alterations or additions to the (i) electrical wiring, (ii) plumbing, heating or ventilating equipment, appliances, or systems, (iii) water, sewer or gas lines, equipment, appliances or systems, (iv) tap any mains or pipes to supply water for refrigeration or ventilating apparatus, or, (v) to any other equipment, machinery, apparatus, or installation in or about the Space Leased or the building.
- (C) All alteration, additions or improvements made to the Space Leased by the Tenant or Landlord, including, but not limited to; partitions, wallpaper, paneling and build-in shelving, unless Landlord shall otherwise elect in writing, shall at the end of the term of this Lease, become property of Landlord and be surrendered as part of the Space Leased. Portable partitions and shelving not furnished by Landlord shall remain the property of the Tenant, provided Tenant has complied with all other terms and conditions of this Lease.
- (D) Tenant shall not, without Landlord's prior written approval, place or permit and sign, advertisements(s), trademarks(s) or logo(s) on Tenant's: (i) corridor or entrance doors (s); (ii) stairwell doors; (iii) entrance glass or entrance panel(s), (iv) entry-way(s) or exit doors, panels or glass, except the type and size consistent with the building standard used to identify other tenant's places of business.

#### Section 5.03 PROHIBITION OF LIENS

Tenant shall not do or suffer anything to be done causing the Space Lease to be encumbered by liens of any nature, and shall whenever and as often as any lien is recorded against said property, purporting to be for labor or materials furnished or to be furnished to the Tenant, discharge the same of record within the ten (10) days after the date of filing.

#### Section 5.04 NOTICE OF NON-RESPONSIBILITY

Notice is hereby given that Landlord shall not be liable for any labor or materials furnished or to be furnished to Tenant on credit, and that no lien of any nature or type shall attach to or affect the reservation or other estate of Landlord in and to the premises herein demised. At least twenty (20) days before commencement of any work that is or may be the subject of a lien for work done or materials furnished to the Space Leased, Tenant shall notify Landlord in writing thereof, to allow Landlord, if it desires, to post and record notices of non-responsibility or to take any other steps Landlord deems appropriate to protect its interests. The provision in the Section 5.04 does not eliminate the requirement for written consent of Landlord and contemplated in section 5.02.

### ARTICLE VI ASSIGNMENT AND SUBLETTING

#### Section 6.01 ASSIGNMENT AND SUBLETTING

Tenant shall not assign, mortgage or encumber this Lease, in whole or in part, or sublet all or any part of the Space Leased without written consent of Landlord. Such consent by Landlord shall not be unreasonably withheld. The consent by Landlord to any assignment or subletting shall not constitute a waiver of the necessity for such consent to any subsequent assignment or subletting. This prohibition against any assignment or subletting shall be construed to include a prohibition against any assignment or subletting by operation of law. If this Lease is assigned or if the Space Leased or any part thereof is occupied by anyone other than the Tenant, Landlord may collect rent from the assignee or occupant, and apply the net amount collected to the rent herein reserved, but no such assignment, under letting, occupancy or collection shall be deemed a waiver of this provision or the acceptance of the assignee, under tenant or occupant as Tenant, or as a release of Tenant from the further performance to the provisions on its part to be observed or performed herein. Notwithstanding and assignment or sublease, Tenant shall remain fully liable and shall not be released from performing any of the



terms, covenants and conditions of this Lease. Any assignment, hypothecation or sublease of the Space Leased, or any part thereof, whether by operation of law or otherwise, without the written consent of Landlord, shall be avoidable at the option of Landlord.

If Tenant assigns or subleases the Space Leased or any part thereof, for all or part of the Lease term at a rental rate per square foot which is greater than that stated in Article III, the benefit of the higher payment shall accrue to the Landlord and shall be paid by the Tenant to the Landlord. Tenant responsibility under Article III shall not be reduced by any assignment or sublease at a lesser rental rate than that contained in Article III.

## ARTICLE VII INSURANCE AND INDEMNITY

### Section 7.01 INDEMNIFICATION OF LANDLORD

- (A) Tenant shall indemnify, defend and save Landlord harmless for all suits, demands, claims, actions, damages, liability and penalties, judgments, awards, interest, cost and expenses, including all reasonable and actual attorney's fees incurred in connection with loss of life, bodily or personal injury or property damage arising from or out of any occurrence in, upon, said premises or any part thereof, including the sidewalks, common areas, restrooms and other facilities in or about the building, or occasioned wholly or in part by any act or omission of Tenant, its agents, contractors, customers, employees, servants, invitees, licensees or concessionaires or any person in or about the Space Leased with the expressed or implied consent of any of the above.
- (B) In no event shall Landlord be liable to Tenant for any injury to any person or damage to anything in or about the premises or the building unless such loss, damage or injury is caused by the sole gross negligence of the Landlord. None of the owners, managers or agents of the Landlord shall be responsible for any of the liabilities, obligations or agreements of Landlord under this lease.

### Section 7.02 INSURANCE

Tenant shall maintain insurance coverage at its own cost and expense. The following coverage requirement and conditions shall apply:

- (A) Physical Damage Insurance in an amount adequate to cover full cost of all decorations, fixtures, contents and improvements in the Space Leased in the event of fire, vandalism, malicious mischief, or other casualty generally included in extended coverage policies.
- (B) General Comprehensive Liability Insurance with single limits coverage in an amount of Two Million Dollars (2,000,000) for personal injury, property damage and third party liability.
- (C) Such insurance may not be canceled or amended without thirty (30) days written notice by certified or registered mail to Landlord by the insurance company.
- (D) In the event of payment of any loss covered by such policy(s), payment shall be made to Tenant and Landlord as their interests may appear.
- (E) Landlord shall be named as an additional insured on such insurance policy. At Landlord's option and request, the original policy of all such insurance shall be delivered to Landlord by Tenant within ten (10) days of receipt of such request.
- (F) Tenant shall be solely responsible for payment of premiums for all such insurance.
- (G) Tenant shall provide Landlord with a certificate of insurance providing for the above requirements upon lease execution and before occupancy of the space.
- (H) Tenant shall be responsible for payment of any increase(s) to existing insurance premiums or for additional insurance premiums required of Landlord to maintain its insurance coverage as a result of Tenant's occupancy of the Space Leased.

The minimum limits of any insurance coverage required herein shall not limit Tenant's liability under Section 7.01.

### Section 7.03 NOTIFICATION

Tenant shall give prompt notice to Landlord in case of fire, accidents, or defects in any fixtures or equipment in the Space Leased, in the building or on or about the premises of which the Space Leased is a part.

## ARTICLE VIII CASUALTIES, DESTRUCTION

### Section 8.01 RESTORATION, ABATEMENT

If all or any part of the Space Leased or the building in which such Space Leased is situate is damaged or destroyed by fire or other casualty insured under Landlord's standard fire insurance policy or any other standard fire insurance policy that Landlord may elect to obtain from time to time, Landlord, unless it otherwise elects as herein provided, shall repair the same with reasonable dispatch out of the insurance proceeds received from the insurer.

If the Space Leased or any parts thereof are damaged by fire or other casualties to such an extent corresponding with the part untenable, and for a period corresponding with the period during which such unavailability exists, the rent shall be abated. If, due to fault or failure of Tenant, Tenant fails to adjust its own insurance claim within a reasonable time, and as a result thereof the repair and restoration is delayed, there shall be no abatement of rent during the period of such resulting delay, or if the fire or damage to said premises is caused by carelessness, negligence or improper conduct of Tenant, the notwithstanding such damage or destruction, Tenant shall be liable for the rent during the unexpired period of the demised term, without an abatement.

### Section 8.02 TERMINATION OF LEASE UPON CASUALTY

- (A) If Landlord, in its sole discretion, shall decide within ninety (90) days after the occurrence of any fire or other casualty affecting the building in which the Space Leased is situated, even though the Space Leased may not have been affected by such fire or other casualty, to demolish, rebuild or otherwise replace or alter the building containing the Space Leased, then upon written notice given by Landlord to Tenant, this Lease shall terminate on a date specified in such notice, as if that date had been originally fixed as the expiration date of the term herein leased.
- (B) In the event of damage to or destruction of or to the Space Leased, unless the Landlord shall have repaired such damage within ninety (90) days, or had commenced repair within ninety (90) days and is proceeding with diligence and continuity, Tenant may, by written notice, terminate this Lease on the date specified in such notice, as if that date had been originally fixed as the expiration date of the term herein leased, provided such early termination date be not later than one hundred fifty (150) days after the event of damage or destruction contemplated herein.

### Section 8.03 EXEMPTION OF LIABILITY

Landlord shall not be liable for any loss of business or anything else arising from any damage or destruction of the premises or building or surrounding areas or any repair or restoration.

## ARTICLE IX EMINENT DOMAIN

### Section 9.01 GENERAL

If the whole or part of the Space Leased shall be taken for any public or quasi-public use, under any statute, or by right of eminent domain, or private purchase in lieu thereof by a public body vested with the

power of eminent domain, then at such time as possession shall be taken thereunder of the Space Leased, or any part thereof, the following provisions described in Sections 9.02 and 9.04 shall be operative.

#### Section 9.02 TAKING OF ALL PREMISES

If all of the Space Leased is taken, the term herein lease and all rights of Tenant hereunder shall immediately cease and terminate and the rent shall be adjusted as of the time of such termination so that Tenant shall have paid rent up to the time of taking only.

#### Section 9.03 TAKING OF SUBSTANTIAL PART OF PREMISES

If the taking reduces the area of the Space Leased which materially affects the use being made by the Tenant of the Space Leased, Tenant shall have the right by written notice to Landlord, not later than thirty (30) days after possession is taken, to elect to, terminate this Lease. If the taking reduces the area of the Space Leased, in an amount which materially affects the use being made by the Tenant, Landlord shall have the right by written notice to the Tenant, affected not later than thirty (30) days after possession is taken to elect to terminate this lease.

(A) If such election to terminate is made by either Tenant or Landlord, the provisions for the taking of the whole shall govern, or:

(B) If such election to terminate is not made, this Lease shall continue and Landlord shall be entitled to the full condemnation proceeds and the rent shall be reduced in the same proportion that the rentable area of the Space Leased taken bears to the rentable area leased and the Landlord shall, upon receipt of the award in condemnation make all necessary repairs or alterations to the building in which the Space Leased is located so as to constitute the portion of the building not taken a completed architectural unit, but such work shall not exceed the scope of the work done by Landlord in originally constructing said building, nor shall the cost of such work be in excess of the amount received by Landlord as damages for the part of the premises so taken. "Amounts received by Landlord" shall mean that part of the award in condemnation which is free and clear to Landlord of any collection by mortgagees for the value of the diminished security.

#### Section 9.04 AWARD

Tenant shall not be entitled to and expressly waives all claim to any condemnation award for any such taking, whether whole or partial, except Tenant shall have the right to claim from the condemned, but not from Landlord, such compensation as may be recoverable by Tenant in its own right for damage to Tenant's fixtures and improvements installed by Tenant at its expense or for relocation expense.

### ARTICLE X CONSTRUCTION

#### Section 10.01 CONSTRUCTION OF SPACE LEASED

Landlord is not liable, nor responsible for any Tenant Improvement except the sub-meters outlined in Section 1.02. The opening by Tenant of its business in the Space Leased shall constitute an acknowledgement by Tenant that the Space Leased is in the condition called for by this Lease.

### ARTICLE XI DEFAULT AND REMEDIES

#### Section 11.01 DEFAULT OF TENANT

Each of the following, but not limited thereto, shall be deemed a default by Tenant and a breach of this Lease:



- (A) A failure in the payment of any rent herein reserved, or any part thereof, for a period of ten (10) days after the date on which such rent is due.
- (B) A failure in the performance of any covenant or conditions on the part of Tenant to be performed, for a period of thirty (30) days after the service of notice thereof by Landlord, provided, however, that no default on the part of Tenant shall be deemed to exist as the result of failure in the performance of work required to be performed or acts to be done or conditions to be modified if before the end of such thirty (30) day period, Tenant has begun to rectify the same, and thereafter prosecutes the curing thereof to completion with diligence and continuity.
- (C) The filing of a case, by or against Tenant, for any relief under the Federal Bankruptcy Code 1978, as now or hereafter amended or supplemented, or its successor, or the filing of any case by or against Tenant under any future bankruptcy act for the same or similar relief.
- (D) The dissolution, or the commencement of any action or proceeding for the dissolution or for liquidation, of Tenant, whether instituted by or against Tenant, or for the appointment of a receiver to trustee of the property of Tenant.
- (E) The taking possession of the property of Tenant by any governmental office or agency to statutory authority for the dissolution or liquidation of Tenant.
- (F) The making by Tenant of a general assignment for the benefit of creditors.
- (G) The vacation or abandonment of the Space Leased by Tenant for a period exceeding twenty (20) consecutive days.

#### Section 11.02 REMEDIES OF LANDLORD

In the event of any default of Tenant as above provided, Landlord shall have the following rights or remedies, in addition to any rights or remedies that may be given to Landlord by statute, law or otherwise:

- (A) To immediately re-enter and re-let the Space Leased, in Landlord's name, at such price and on such terms as Landlord in its sole and absolute discretion deem fit, subject to any obligations Landlord may have to mitigate Tenant's damages.
- (B) Re-entry or re-letting of all or part of the Space Leased shall not be deemed a termination of the Lease unless declared to be by Landlord.
- (C) Notwithstanding any such termination, Tenant shall remain liable to pay Landlord, and shall promptly pay Landlord, (1) all past due rent, (2) the present value, computed at a discount rate of six percent (6%) per annum, of all future rents which Tenant will owe Landlord under this Lease, and (3) all direct and indirect costs, fees and damages incurred or suffered by Landlord as a proximately or foreseeable result of such default, including without limitation, all legal costs and full actual attorney's fees.

### ARTICLE XII GENERAL PROVISIONS

#### Section 12.01 WAIVER OF BREACH

No failure by either Landlord or Tenant to insist upon strict performance by the other of any covenant, agreement, term or condition of this Lease, or to exercise any right or remedies consequent upon breach thereof, shall constitute a waiver of any such breach or of such covenant, agreement, term or condition. No waiver of any breach shall affect or alter this Lease but each and every covenant, condition, agreement and term of this Lease shall continue in full force and effect with respect to any other then existing or subsequent breach.

#### Section 12.02 ENTIRE AGREEMENT. CHANGES. WAIVERS

- (A) This agreement supersedes all other prior agreements and understanding between the parties and may not be changed or terminated orally. No change, termination or attempted waiver of any of the

provisions hereof shall be binding unless in writing and signed by the parties against whom the same is sought to be enforced.

(B) If any provision of this Lease, the deletion of which would not be adversely affect the receipt of any material benefit by either party, shall be held unenforceable or invalid to any extent, the remaining provisions shall not be affected and shall be valid and enforceable.

#### Section 12.03 CONSTRUCTION OF LEASE

Words of any gender used in this Lease shall be held to include any other gender and words of the singular number shall be held to include the plural when the sense requires.

#### Section 12.04 NOTICES

Any notices or demand which under the terms of this Lease or any statute must be given or made by the parties hereto, shall be in writing and given or made by mailing the same by registered or certified mail address to the other party as follows:

Landlord: LET, LLC  
P.O. Box 110409  
Anchorage, AK 99511

*LET, LLC  
Taylor Road Restoration Office  
To Jan Caddell*

Tenant: Evan Schlosberg  
Beth Brewington  
The Frost Frontier, LLC  
3333 Lakeshore Dr #1  
Anchorage, AK 99517

*48535 Diamond D Circle, Unit A  
LZ Anchorage, AK 99515*

Either party may, however designate in writing such new or other address to which such notice or demand shall thereafter be given, made or mailed. Any notice given hereunder by mail shall be deemed delivered when deposited in the United States mail at any general branch post office, and mailed by registered or certified prepaid mail.

#### Section 12.05 HAZARDOUS MATERIALS

Tenant shall keep the Space Leased in the building and surrounding areas (the premises) free of any and all hazardous materials. Without limiting the foregoing, Tenant shall neither release upon the premises nor cause nor permit the premises to be used to manufacture, process, transport, store, handle or dispose of hazardous materials except in compliance with all applicable laws and other governmental requirements. Tenant shall defend, indemnify and hold harmless Landlord and all of its affiliated parties against any claims, costs and liabilities related to the presence of hazardous materials claimed to have been released by the Tenant or for the claimed breaches by Tenant of any law or governmental requirement concerning the presence or release of hazardous materials. The term "hazardous materials" includes without limitation: flammable explosives, radioactive materials and hazardous and toxic substances as defined in any federal, state and local law regulation.

#### Section 12.06 ESTOPPEL CERTIFICATE

Tenant shall at any time and from time to time upon not less than fifteen (15) days prior request by Landlord, provide a statement in writing certifying that this Lease is in full force and effect and if modified, stating the modification and the dates to which the rent(s) and any other charges have been paid in advance. It is intended that any such statement delivered pursuant to this Section 12.06 may be relied upon by any prospective purchaser, assignee or encumbrancer of the premises.

*10/11/15 10:43:33*

#### Section 12.07 EXCUSE FOR NON-PERFORMANCE

LET, LLC and Evan Schlosberg and Beth Brewington d.b.a The Frost Frontier, LLC  
8535 Diamond D Circle -- LEASE

Page 11 of 13

*LZ*

Either party hereto shall be excused from performing any or all of its obligations hereunder with respect to any repair work required under the terms of this Lease for such times the performance of such obligations is prevented or delayed by an act of God, floods, explosion, war, invasion, insurrection, riot, mob violence, sabotage, inability to procure labor, equipment, facilities, materials or supplies in the open market, failure of transportation, strikes, lockouts, actions by labor unions, or laws or order of governmental agencies, or any other cause whether similar or dissimilar to the foregoing which is not within the reasonable control of such party.

#### Section 12.08 SUBORDINATION

- (A) This Lease, at Landlord's option, shall be subordinate to any ground lease, mortgage, deed of trust, or any other hypothecation for security now or hereafter placed upon the real property or building of which the Space Leased is a part and which constitute a mortgage or deed of trust lien or encumbrance against such real property or building of which the Space Leased is a part and to any and all advance made on security thereof and to all renewals, modifications, amendments, consolidations, replacements and extensions thereof.
- (B) Tenant agrees to execute any documents required to effectuate such subordination as the case may be, and failure to do so within ten (10) days after written demand shall give Landlord the right to either terminate the leasehold or execute said document(s) on Tenant's behalf.
- (C) In the event of any sale of Landlord's interest in the property, Landlord shall be automatically relieved of any obligations and liabilities accruing after the time of transfer.

#### Section 12.09 EXCLUSIVE JURISDICTION / VENUE

In the event that a question, dispute or requirement for interpretation or construction should arise with respect to this Lease, jurisdiction and venue therefore shall lie exclusively with the courts of the Third Judicial District for the State of Alaska, at Anchorage, Alaska, unless a non-waivable federal or Alaska state law should require the contrary.

#### Section 12.10 TIME OF ESSENCE

Time is of the essence of each and every provision hereof.

#### Section 12.11 BINDING EFFECT

This Lease, subject to the provisions of Section 6.01, shall be binding upon and insure to the benefit of the parties hereto, their legal representatives, successors and assigns.

#### Section 12.12 LIMITATION OF LANDLORD'S LIABILITY

The obligations of Landlord under this lease do not constitute personal obligations of Landlord or its owners, trustees, directors, officers and Tenant shall look solely to Landlord's then existing interest in the property and to no other assets of Landlord for any liability in respect to this Lease.

#### Section 12.13 BROKERS

Tenant represents it has not had any dealings with any Realtor, broker, agent or finder, in connection with the negotiation of this Lease, except only: Bruce A. Chambers, (Chambers Commercial Real Estate) Listing Broker, and Eric J Sobolik (Licensee with Chambers Commercial Real Estate). Landlord shall be responsible for any and all commissions related to this leasehold agreement. Tenant and Landlord acknowledge receipt of the Alaska Real Estate Commission Consumer Pamphlet with Chambers Commercial Real Estate representing a dual agency for Goodwill Industries of Alaska.

#### Section 12.14 EFFECTIVE DATE



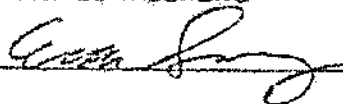
The Space Lease shall be effective the instant the dated signatures of Landlord and Tenant are affixed hereto.

Section 12.15 PERSONAL GUARENTEE

The Frost Frontier, LLC, an organization owned and operated by Evan Schlosberg and Beth Brewington. Both members shall individually sign a personal guarantee to ensure full faithful performance on this executed Leasehold Agreement.

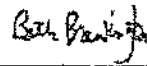
IN WITNESS WHEREOF, the parties have executed this Space Lease the day and year set opposite their respective signatures.

TENANT: EVAN SCHLOSBERG

Signature: 

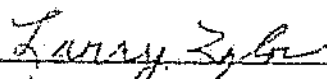
Date: 1/25/2016

TENANT: BETH BREWINGTON

Signature: 

Date: 01/25/2016

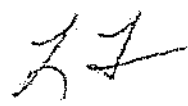

LET, LLC & L  
LANDLORD: ~~BUILD, LLC~~

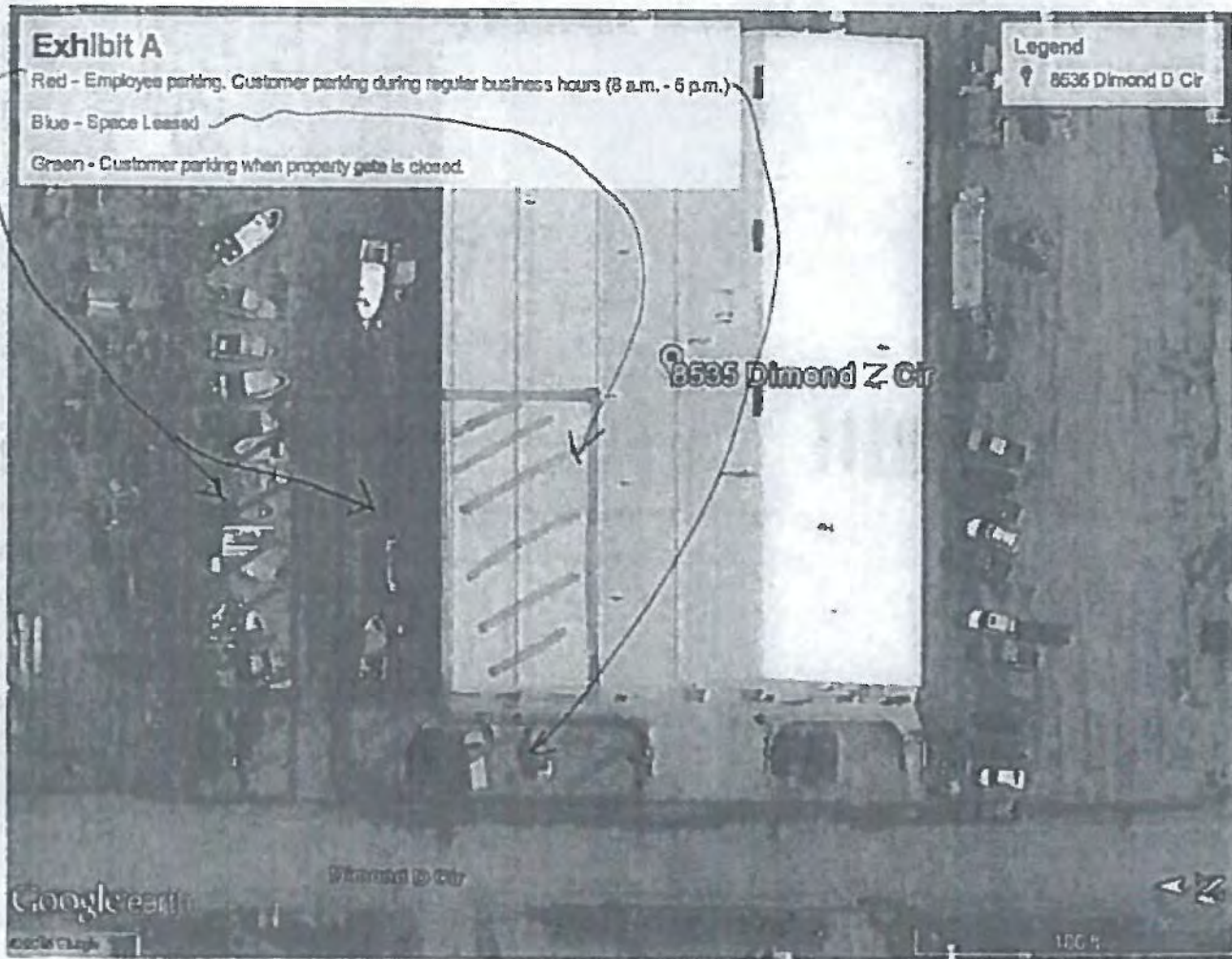
By: 

Date: 1/28/2016

Its: Partner (Managing)

MAY 19 2016 PM 4:35



MAY 19 '16 PM 4:36

LZ



## ALASKA REAL ESTATE COMMISSION CONSUMER DISCLOSURE

This Consumer Disclosure, as required by law, provides you with an outline of the duties of a real estate licensee (licensee). This document is not a contract. By signing this document you are simply acknowledging that you have read the information herein provided and understand the relationship between you, as a consumer, and a licensee. (AS 08.68.600 - 08.68.695)

There are different types of relationships between a consumer and a licensee. Following is a list of such relationships created by law:

### Specific Assistance

The licensee does not represent you. Rather the licensee is simply responding to your request for information. And, the licensee may "represent" another party in the transaction while providing you with specific assistance.

*Unless you and the licensee agree otherwise, information you provide the licensee is not confidential.*

Duties owed to a consumer by a licensee providing specific assistance include:

- Exercise of reasonable skill and care;
- Honest and good faith dealing;
- Timely presentation of all written communications;
- Disclosing all material information known by a licensee regarding the physical condition of a property; and
- Timely accounting of all money and property received by a licensee.

### Representation

The licensee represents only one consumer unless otherwise agreed to in writing by all consumers in a transaction.

Duties owed by a licensee when representing a consumer include:

- Duties owed by a licensee providing specific assistance as described above;
- Not intentionally taking actions which are adverse or detrimental to a consumer;
- Timely disclosure of conflicts of interest to a consumer;
- Advising a consumer to seek independent expert advice if a matter is outside the expertise of a licensee;
- Not disclosing consumer confidential information during or after representation without written consent of the consumer unless required by law; and
- Making a good faith and continuous effort to accomplish a consumer's real estate objective(s).

### Neutral Licensee

A neutral licensee is a licensee that provides specific assistance to both consumers in a real estate transaction but does not "represent" either consumer. A neutral licensee must, prior to providing specific assistance to such consumers, secure a Waiver of Right to be Represented (form 08-4212) signed by both consumers.

Duties owed by a neutral licensee include:

- Duties owed by a licensee providing specific assistance as described above;
- Not intentionally taking actions which are adverse or detrimental to a consumer;
- Timely disclosure of conflicts of interest to both consumers for whom the licensee is providing specific assistance;
- If a matter is outside the expertise of a licensee, advise a consumer to seek independent expert advice;
- Not disclosing consumer confidential information during or after representation without written consent of the consumer unless required by law; and
- Not disclosing the terms or the amount of money a consumer is willing to pay or accept for a property if different than what a consumer has offered or accepted for a property.

If authorized by the consumers, the neutral licensee may analyze and provide information on the merits of a property or transaction, discuss price terms and conditions that might be offered or accepted, and suggest compromise solutions to assist consumers in reaching an agreement.

### Designated Licensee

In a real estate company, a broker may designate one licensee to represent or provide specific assistance to a consumer and another licensee in the same office to represent or provide specific assistance to another consumer in the same transaction.

272



**ACKNOWLEDGEMENT:**

I/We, EVAN SCHLOSBERG have read the information provided in this Alaska Real Estate  
(print consumer's name(s))  
Consumer Disclosure and understand the different types of relationships I/we may have with a real estate licensee. I/We  
understand that ERIC SOBOLIK of CHAMBERS COMMERCIAL REAL ESTATE  
(licensee name) (brokerage name)  
will be working with me/us under the relationship(s) selected below.

(Initial)

\_\_\_\_\_ Specific assistance without representation.

\_\_\_\_\_ Representing the Seller/Lessor only. (may provide specific assistance to Buyer/Lessee)

ETS Representing the Buyer/Lessee only. (may provide specific assistance to Seller/Lessor)

\_\_\_\_\_ Neutral Licensee. (must attach Waiver of Right to be Represented, form 08-4212)

Date: 1/25/2016

Signature: \_\_\_\_\_

(Licensee)

Date: 1/25/2016

Signature: \_\_\_\_\_

(Consumer)

Date: \_\_\_\_\_

Signature: \_\_\_\_\_

(Consumer)

**THIS CONSUMER DISCLOSURE IS NOT A CONTRACT**

APR 19 16 PM 4:30

23

**ADDENDUM A TO SPACE LEASE BETWEEN THE FROST FRONTIER, LLC AND LET, LLC:**

The Lease dated the 28<sup>th</sup> of January, 2016 between The Frost Frontier, LLC and LET, LLC shall undergo the following addendum in order to continue with the Tenant's pursuit for a license with the State of Alaska for cultivation of marijuana. The executed Leasehold Agreement shall remain in full force and effect, with the following changes:

1. The Tenant shall be The Frost Frontier, LLC. Evan Schlosberg and Beth Brewington shall maintain their personal guarantee on the full performance of the lease.
2. Section 2.04 - Surrender of Possession shall include that if any marijuana and/or marijuana products are left on the premises after the Tenant vacates, that the Landlord agrees they shall notify AMCO Enforcement to remove marijuana from the premises. The Landlord shall not retain or remove any product themselves.
3. The Tenant signature line shall be The Frost Frontier, LLC signed by Evan Schlosberg and Beth Brewington.

All parties signed below agree to the original Leasehold Agreement (dated January 28<sup>th</sup>, 2016) with the changes made here in Addendum A:

LANDLORD: LET, LLC

Larry Taylor

05/18/2016

By: Larry Taylor

Date

Its: Managing Partner

TENANT: The Frost Frontier, LLC

Evan Schlosberg

By: Evan Schlosberg

Date

Beth Brewington

By: Beth Brewington

May 18, 2016

Date

WAT 10116 PM 4:30

**PERSONAL  
GUARANTY**

THIS LEASE GUARANTY ("Guaranty") is made as of the 18th day of May 2016,  
by ~~The First Party~~ Tenant" or "Guarantor") in favor of LET, LLC ("Landlord").  
LLC

**RECITALS:**

A. Landlord and Tenant have entered into a Lease ("Lease") dated as of January 28th, 2016, whereby Landlord leased to Tenant, and Tenant leased from Landlord, space in an existing building at 8535 Dimond D Cir Unit C, Anchorage, Alaska ("Premises");

B. As a condition of Landlord entering into the Lease, Guarantor has agreed to guaranty the payment and performance of all of Tenant's obligations under the Lease, all as more particularly set forth herein; and

C. Guarantor will substantially benefit from Landlord leasing the Premises to Tenant.

NOW THEREFORE, for and in consideration of Landlord executing the Lease, Guarantor hereby unconditionally and irrevocably guarantees the full payment and performance of each and all of the terms, covenants and conditions of the Lease to be kept and performed by Tenant, including the payment of all rent and other charges.

Guarantor further agrees as follows:

1. This Guaranty shall continue in favor of Landlord notwithstanding any extension, modification or alteration of the Lease entered into by and between Landlord and Tenant, or their successors and assigns, or notwithstanding any assignment of the Lease, and no extension, modification, alteration or assignment of the Lease shall in any manner release or discharge the undersigned and the undersigned hereby consents to same.

2. This Guaranty shall continue unchanged by any bankruptcy, reorganization or insolvency of the Tenant or any successor or assignee of Tenant, or by any disaffirmance or abandonment by a trustee of Tenant.

3. Landlord may, without notice, assign this Guaranty in whole or in part and no assignment or transfer of the Lease shall operate to extinguish or diminish the liability of the undersigned.

4. The liability of the undersigned under this Guaranty shall be primary, and in any right of action which shall accrue to Landlord under the Lease, Landlord may at its option, proceed against the undersigned without having commenced any action, or having obtained any judgment against Tenant.

5. The undersigned shall pay Landlord's reasonable attorneys' fees, costs and other expenses incurred in any collection or attempted collection or in any negotiations relative

MM 12 '16 PM 4:56



to the obligations hereby guaranteed or enforcing this Guaranty against the undersigned, individually and jointly.

6. The undersigned hereby waives notice of any demand by Landlord, as well as any notice of default in the payment of rent or any other amount contained or reserved in the Lease.

The terms and provisions of this Guaranty shall be binding upon and inure to the benefit of the respective successors and assigns of the parties herein named.

Tenant: The Frost Frontier, LLC

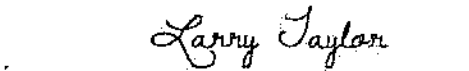
  
Name: Evan Schlosberg

5-18-16  
Date

  
Name: Beth Brewington

May 18, 2016  
Date

Landlord: LET, LLC

  
Name: Larry Taylor

05/18/2016  
Date

WIN 13 15 486

TITLE	Addendum to Lease and Personal Guarantee
FILE NAME	Addendum and Personal Guarantee.pdf
DOCUMENT ID	28408e900a8618f224933c88e1a39ab6372fcf4a
STATUS	Completed

## Document History



SENT

05/18/2016  
14:39:16 UTC-9

Sent for signature to Larry Taylor (larryt@tayloredak.com)  
IP: 66.223.244.80



VIEWED

05/18/2016  
21:36:34 UTC-9

Viewed by Larry Taylor (larryt@tayloredak.com)  
IP: 66.190.241.146



VIEWED

05/18/2016  
21:36:40 UTC-9

Viewed by Larry Taylor (larryt@tayloredak.com)  
IP: 66.190.241.146



SIGNED

05/18/2016  
21:39:34 UTC-9

Signed by Larry Taylor (larryt@tayloredak.com)  
IP: 66.190.241.146



COMPLETED

05/18/2016  
21:39:34 UTC-9

The document has been completed.

4/17/19 4:37

**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

**The Frost Frontier LLC**



IN TESTIMONY WHEREOF, I execute the certificate  
and affix the Great Seal of the State of Alaska  
effective **October 28, 2015**.

A handwritten signature in black ink, appearing to read "Chris Hladick".

Chris Hladick  
Commissioner

2015 OCT 28 10:16 AM



**THE FROST FRONTIER, LLC**  
*(an Alaska Limited Liability Company)*

**CONSENT IN LIEU OF MEETING  
MEMBERS**

DATED: February 12, 2016

EVAN SCHLOSBERG and BETH BREWINGTON, being all of the members of THE FROST FONTIER, LLC (the "Company") pursuant to action set forth herein, do hereby consent to the following action without meeting:

**EXPLANATORY STATEMENT**

1. The Articles of Organization of the Company were filed in the office of the Alaska Department of Commerce, Community, and Economic Development and the Department issued a Certificate of Organization to the Company on October 28, 2015.
2. Certain expenses have been incurred in connection with the organization of the Company and certain actions have been taken to accomplish the organization of the Company. The members desire to ratify such actions.

**NOW THEREFORE IT IS:**

**Capital Contributions; Membership Interests**

**RESOLVED**, that the Company accepts the capital contribution made by each of the Members as stated in the Company's Operating Agreement, adopted pursuant to action set forth herein, and in exchange for such capital contributions Evan Schlosberg and Beth Brewington are admitted as Members of the Company, owning fifty-one percent (51%) and forty-nine percent (49%) of the Membership Interests in the Company, respectively.

**Operating Agreement**

**RESOLVED**, that the form of Operating Agreement prepared by counsel in connection with the organization of the Company is approved and adopted as the Operating Agreement of this Company.

**Managing Member**

**RESOLVED**, that in accordance with the Operating Agreement of the Company, Evan Schlosberg is appoint as Managing Member of the Company.

### **Registered Agent**

**RESOLVED** that Evan Schlosberg shall be the Registered Agent for the Company with the registered address of the Company being 3333 Lakeshore Dr., Unit #1, Anchorage, AK 99517.

### **Banking**

**RESOLVED**, that the Managing Member is authorized and directed to establish banking arrangements and accounts of the Company with such financial institutions on such terms as the Managing Member determines are in the best interests of the Company. Further, that the Managing Member shall be authorized signatory on any said bank accounts. Further, that the Managing Member shall be authorized to negotiate and execute any and all required documents to establish such banking relationships and that any such acts done are approved and ratified.

### **Cannabis Licensing and Permits**

**RESOLVED**, that the Managing Member is authorized and directed to apply for and obtain on behalf of the Company all permits and licenses necessary for the Company to conduct its business. Further, that the Managing Member shall be authorized to negotiate and execute any and all required documents to accomplish the same and that any such acts done are approved and ratified.

### **Ratification**

**RESOLVED**, that each and every action undertaken in furtherance of the organization of the Company and the conveyance and acquisition of property for the Company are hereby approved, adopted, ratified and confirmed in all respects.

**FURTHER RESOLVED** that the Managing Member is authorized to take such actions and to deliver and execute such documents necessary or appropriate to effectuate the foregoing resolutions.

**IN WITNESS WHEREOF**, the undersigned, being all of Members of the Company have duly executed this Written Consent effective as of the date first written above.

\_\_\_\_\_  
Evan Schlosberg

\_\_\_\_\_  
Beth Brewington

---

**OPERATING AGREEMENT**  
**OF**  
**THE FROST FRONTIER, LLC**  
**Alaska Limited Liability Company**  
**Dated and Effective**  
**as of**  
**February 12, 2016**

THE LIMITED LIABILITY COMPANY INTERESTS EVIDENCED BY THIS LIMITED LIABILITY COMPANY OPERATING AGREEMENT (THE "AGREEMENT") HAVE NOT BEEN REGISTERED WITH THE SECURITIES AND EXCHANGE COMMISSION UNDER THE SECURITIES ACT OF 1933 (THE "ACT") OR PURSUANT TO THE ALASKA SECURITIES ACT. ACCORDINGLY, THE LIMITED LIABILITY COMPANY INTERESTS CANNOT BE RESOLD OR TRANSFERRED BY ANY PURCHASER THEREOF WITHOUT REGISTRATION OF THE SAME UNDER THE ACT AND THE ALASKA SECURITIES ACT, OR IN A TRANSACTION WHICH IS EXEMPT FROM THE REGISTRATION REQUIREMENTS OF THE ACT AND THE ALASKA SECURITIES ACT OR WHICH IS OTHERWISE IN COMPLIANCE THEREWITH.

---



**OPERATING AGREEMENT  
OF  
THE FROST FRONTIER, LLC**

This Alaska Limited Liability Company Operating Agreement (this "*Agreement*") is entered into by and among THE FROST FRONTIER, LLC, an Alaska limited liability company (the "*Company*"), and EVAN SCHLOSBERG and BETH BREWINGTON, each of their respective addresses set forth in this Agreement. Evan Schlosberg and Beth Brewington are referred to in this Agreement collectively as "*Members*" and individually as "*Member*." The Members have agreed to organize and operate a limited liability company in accordance with the terms and subject to the conditions set forth in this Agreement.

**NOW, THEREFORE**, for good and valuable consideration, the sufficiency and receipt of which is hereby acknowledged, the parties, intending legally to be bound, agree as follows:

**ARTICLE I  
DEFINITIONS**

Unless the context otherwise specifies or requires, capitalized terms used in this Operating Agreement shall have the meanings assigned to them in this Article I for all purposes of this Operating Agreement (such definitions to be equally applicable to both the singular and the plural forms of the terms defined). Unless otherwise specified, all references in this Operating Agreement to Articles or Sections are to Articles or Sections of this Operating Agreement.

1.1. "**Act**" means the Alaska Revised Limited Liability Company Act, AS 10.50.010, *et seq.*, as in effect and hereafter amended, and, unless the context otherwise requires, applicable regulations thereunder. Any reference to a specific section or sections of the Act shall be deemed to include a reference to any corresponding provisions of future law.

1.2. "**Additional Capital Contribution**" means any Capital Contribution made by any Member after the Initial Capital Contribution pursuant to Section 3.1.

1.3. "**Articles of Organization**" or "**Articles**" means the Articles of Organization filed for the Company in accordance with the Act.

1.4. "**Capital Account**" means the separate account established and maintained for each Member pursuant to Section 3.3.

1.5. "**Capital Contribution**" means any property, including cash, contributed to the Company by or on behalf of a Member.

1.6. "**Code**" means the Internal Revenue Code, as in effect and hereafter amended, and, unless the context otherwise requires, applicable regulations thereunder. Any reference herein to a specific section or sections of the Code shall be deemed to include a reference to any corresponding provisions of future law.

1.7. "**Company**" means THE FROST FRONTIER, LLC.

1.8. "**Department**" means the State of Alaska, Department of Commerce and Economic Development, Division of Banking, Securities, and Corporations



1.9. **"Dollars"** and **"\$"** mean the lawful money of the United States.

1.10. **"Initial Capital Contribution"** means the initial contribution of capital to the Company made by the Members as set forth in Section 3.1.

1.11. **"Interest"** means the interest of a Person at a particular time in the profits, losses and any other items allocable to any period and distributions associated with an Interest in the Company pursuant to the Act, the Certificate and this Agreement, but shall not include any right to vote on or consent to any matter submitted to the Members for approval under this Agreement or the Act or otherwise to participate in the management of the Company.

1.12. **"Involuntary Withdrawal"** means, with respect to any Member, the occurrence of any of the events set forth in AS 10.50.225, 10.50.210, 10.50.215 or 10.50.220(a) or (b).

1.13. **"Member" or "Members"** means Evan Schlosberg and Beth Brewington, which constitute all the initial members of the Company, and any other Person who shall in the future shall execute this Operating Agreement, pursuant to the provisions of this Operating Agreement, and be admitted as a Member of the Company upon the unanimous consent of the Members.

1.14. **"Membership Interest"** means the Interest in the Company owned by the Member entitling the holder to all the rights and benefits of a Member under this Agreement, 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.

1.15. **"Operating Agreement"** means this Operating Agreement, as this Operating Agreement may be amended or modified from time to time, together with all addenda, exhibits, and schedules attached to this Operating Agreement from time to time.

1.16. **"Person" or "Persons"** means any individual, corporation, association, partnership, limited liability company, joint venture, trust, estate, or other entity or organization.

1.18. **"Transfer"** means any sale, assignment, transfer, exchange, gift, bequest, pledge, hypothecation, mortgage, security interest, or other alienation or disposition of an Interest in the Company. The term "Transfer" also includes the transfer of a controlling interest in a Member to another Person. Any Person, other than an existing Member, who obtains any Interest in the Company by any means permitted under this Agreement shall be deemed a Transferee and shall become a Member only upon the consent of all the Members.

1.19. **"Transferee"** means the holder of any Interest who has not been admitted as a Member. The transfer of all or a portion of an Interest does not entitle the Transferee to become a Member or to exercise any rights of a Member. Except as otherwise expressly provided in this Agreement, a Transferee shall be entitled to receive, to the extent transferred, only the distributions to which the transferor would be entitled.



## ARTICLE II ORGANIZATION

2.1. Organization. The parties have organized a limited liability company pursuant to the Act and the provisions of this Agreement and for that purpose have caused Articles of Organization for the Company to be filed with the Department.

2.2. Name of the Company. The name of the Company shall be "THE FROST FRONTIER, LLC". The Company shall do business under the name "THE FROST FRONTIER, LLC" or under any other name or names which the Managing Member selects. The Managing Member may agree to permit a lessee of the Company to use the name in connection with the operation of the Company's property. If the Company does business under a name other than that set forth in its Articles of Organization, then the Company shall file an assumed business name as required by law.

2.3. Purpose. The Company is organized to acquire, own, maintain, develop, and operate retail stores conducting the sale of cannabis and related products, and merchandise, and to do all things necessary, convenient, or incidental to that purpose. In addition, the Company may engage in such other business as it may lawfully engage in upon approval of the Managing Member.

2.4. Term. The term of the Company shall begin upon the acceptance of the Articles of Organization by the Department and shall be perpetual, unless its existence is sooner terminated pursuant to this Agreement or the mandatory provisions of the Act.

2.5. Members. The names and Membership Interest of each of the Members of the Company are set forth in Section 3.1.

2.6. Representatives of Members. For each Member that is other than a natural person, that Member shall appoint a representative to act for and on behalf of the Member and such representative shall have full authority to bind the Member in all matters requiring action or a vote of the Member.

2.7. Principal Office. The principal office of the Company in the State of Alaska shall be located at 8535 Dimond D Circle, Unit C, Anchorage, AK 99515. The Managing Member may change the principal place of business of the Company to such other place or places within the United States as the Managing Member may from time to time determine, in its sole and absolute discretion.

2.8. Registered Agent. The name and address of the Company's initial registered agent in the State of Alaska shall be Evan Schlosberg, 3333 Lakeshore Drive, Unit #1, Anchorage, AK 99517. The registered office and/or registered agent may be changed from time to time in accordance with the Act. If the registered agent resigns, the Company shall promptly appoint a successor.

2.9. Title to Property and Assets. Title to all property and assets of the Company shall be held in the name of the Company. The Members shall have no right to the property and assets of the Company and shall have no ownership interest in the property and assets of the Company except the Member's indirect ownership interest in the property and assets of the Company arising out of the Member's interest in the Company.



2.10. Foreign Qualification. Before the Company conducts business in any jurisdiction other than Alaska, the Company shall comply with all requirements necessary to qualify the Company as a foreign limited liability company in that jurisdiction. Each Member agrees to execute, acknowledge, swear to, and deliver all certificates and other instruments that may be reasonably necessary or appropriate to qualify, continue or terminate the Company as a foreign limited liability company in all jurisdictions in which the Company may conduct business.

2.11. No Partnership Intended for Non-Tax Purposes. The Members have formed the Company under the Act and expressly do not intend hereby to form a joint venture or a partnership under the laws of Alaska. The Members do not intend to be partners one to another or partners to any third party. The Members hereto agree and acknowledge that the Company is to be treated as a partnership for federal and state income tax purposes.

2.12. Agreement. The rights, liabilities and obligations of the Members, both as amongst themselves and as to persons not parties to this Agreement, shall be governed by this Agreement, unless this Agreement is silent on a matter provided for in the Act, in which case the Act shall govern. The Members agree that this Agreement is a contract enforceable according to its terms. If any provision of this Agreement is prohibited by or is ineffective under the Act, then such provision shall be deemed modified only to the smallest degree possible to make the Agreement effective under the Act. This Agreement is expressly not intended for the benefit of any creditor or any other person or entity. Except and only to the extent provided by applicable law, no creditor or third-party shall have any rights under this Agreement.

2.13 Unit Certificates. In accordance with AS 10.50.800 of the Act, the Company has authority to, but is not required to, issue certificates of ownership to each of the Members evidencing the Members' respective Interest in the Company. The Company may cause certificates to be imprinted with legends as to such restrictions on transfer that it may in its discretion deem necessary or appropriate, including legends as to applicable federal or state securities laws or other legal or contractual restrictions, and may require any Member to which securities are to be distributed to agree in writing (i) that such securities will not be transferred except in compliance with such restrictions and (ii) to such other matters as the Managing Member may deem necessary or appropriate.

### ARTICLE III CAPITAL

3.1. Initial Capital Contributions. The Members have agreed to contribute capital to the Company as follows. Accordingly, the Members of the Company and their Membership Interests in the Company are as follows:

<u>Member</u>	<u>Capital Contribution</u>	<u>Membership Interest</u>
Evan Schlosberg	\$1,275	51%
Beth Brewington	\$1,225	49%

#### 3.2 . Contributions and Financing.

3.2.1. Additional Contributions. When and if the Managing Member determines that additional funds are required or desirable for carrying out the Company's business, or to



pay any liabilities arising therefrom, or to make good any deficits by reason of prior overpayments, the Managing Member shall promptly notify the Members in writing of the amount required or desired ("*Additional Capital Contributions*"). Additional Capital Contributions shall be made within ten (10) days of the receipt of such notice.

3.2.2. Deficiency Advances; Member Loans. Should any Member be unable, or fail or neglect to make a required Additional Capital Contribution (an "*Unpaid Contribution*"), then the other Member may make the Unpaid Contribution and elect, in its sole discretion:

3.2.2.1. To treat the sum contributed as a loan with interest on the amount advanced at the rate of ten percent (10%) per annum, or the maximum legal rate of interest authorized by AS §45.45.010(b), whichever is less, on the date that each such deficiency advance is made, and the interest shall apply from the time of the advancement to the time of repayment to the Member making the deficiency advance. If not sooner paid, such advances shall be repaid in full with interest from any distribution otherwise due to the Member that failed to make the Additional Capital Contribution.

3.2.2.2. To treat the sum contributed as a Capital Contribution, in which case the defaulting Member's Interest in the Company shall be reduced and the Interest of the Member who makes up the Unpaid Contribution shall be increased, so that each Member's Interest is equal to a fraction, the numerator of which is that Member's total Capital Contribution and the denominator of which is the total Capital Contributions of all Members. This remedy is in addition to any other remedies allowed by law or by this Agreement.

3.3. Capital Accounts. A separate Capital Account shall be maintained for each Member. "*Capital Account*" means the account to be maintained by the Company for each Member in accordance with the following provisions:

3.3.1. a Member's Capital Account shall be credited with the Member's Capital Contributions, the amount of any Company liabilities assumed by the Member (other than liabilities secured by Company property distributed to the Member), the Member's allocable share of profit and any item in the nature of income or gain specially allocated to the Member pursuant to the provisions of Article IV, if any; and

3.3.2. a Member's Capital Account shall be debited with the amount of money and the fair market value of any Company property distributed to the Member (net of liabilities secured by such distributed property that such Member is considered to assume or take subject to under Section 752 of the Code), the amount of the Member's individual liabilities that are assumed by the Company (other than liabilities that reduce the amount of any Capital Contribution made by such Member), and any item in the nature of expenses or losses specially allocated to the Member pursuant to the provisions of Article IV, if any.

3.3.3. The manner in which Capital Accounts are to be maintained pursuant to this Section 3.3 is intended to comply with the requirements of Code §704(b) and the Regulations promulgated thereunder. If in the opinion of the Company's legal counsel or accountants the manner in which Capital Accounts are to be maintained pursuant to the preceding provisions of this Section 3.3 should be modified in order to comply with Code §704(b) and the Regulations thereunder, then notwithstanding anything to the contrary contained in the preceding provisions of this Section 3.3, the method in which Capital Accounts are maintained shall be so modified; provided, however, that any change in the manner of main-



taining Capital Accounts shall not materially alter the economic agreement between or among the Members.

3.4. No Interest on Capital Contributions. No Member shall be entitled to receive any interest on the Member's Capital Contributions or such Member's outstanding Capital Account balance.

3.5. Return of Capital Contributions. Except as otherwise provided in this Agreement, no Member shall have the right to receive the return of any Capital Contribution. If a Member is entitled to receive a return of a Capital Contribution, the Member shall not have the right to receive anything but cash in return of the Member's Capital Contribution.

3.6. Advances to Company. Except as provided herein, no Member shall advance funds or make loans to the Company in excess of the amounts required hereunder to be contributed by such Member to the capital of the Company without the express written consent of all the Members.

3.7. Liability of Members. Except as otherwise provided in the Act, the debts, obligations, and liabilities of the Company, whether arising in contract, tort, or otherwise, shall be solely the debts, obligations, and liabilities of the Company, and none of the Members shall be obligated personally for any such debt, obligation, or liability of the Company solely by reason of being a Member. The failure of the Company to observe any formalities or requirements relating to the exercise of its powers or management of its business or affairs under the Act or this Agreement shall not be grounds for imposing personal liability on the Members for liabilities of the Company.

#### ARTICLE IV ALLOCATIONS

4.1. Allocations. The Company intends to be treated for federal and state tax purposes as a partnership under Subchapter K of the Code; and, the following subsections of this Article IV shall apply.

4.2. Definition of Net Profit and Net Loss. "Net Profit" and "Net Loss" shall mean, for each fiscal year or other period, an amount equal to the Company's taxable income or loss for such period, determined in accordance with Section 703(a) of the Code, with the adjustments provided in the regulations thereunder and the regulations under Section 704 of the Code; provided, however, that items which are specially allocated pursuant to Section 4.4 hereof shall not be taken into account in computing Net Profit or Net Loss.

4.3. General Allocation of Net Profit and Net Loss. After giving effect to the special allocations set forth in Section 4.4, Net Profit or Net Loss, as the case may be, for any fiscal year or other period for which such allocation is made, shall be allocated among the Members in accordance with this Section 4.3.

4.3.1. Allocation of Net Profit. Net Profit shall be allocated as follows:

a. First, to Members in an amount necessary to cause their respective Capital Accounts to be in proportion to their respective Interests; and

b. Second, to Members in accordance with their respective Interests.



4.3.2. Allocation of Net Loss. Net Loss shall be allocated as follows:

- a. First, proportionately to the appropriate Members in an amount necessary to cause their respective Capital Accounts to be in proportion to their respective Interests;
- b. Second, proportionately to the appropriate Members in an amount necessary to cause their respective Capital Accounts to equal zero;
- c. Third, proportionately to any Members with a positive Capital Account to reduce any remaining positive Capital Accounts to zero; and
- d. Fourth, to Members in accordance with their respective Interests.

4.4. Special Allocations. The Managing Member shall make special allocations under this Article IV in accordance with the provisions of the regulations under Section 704 of the Code, including Member minimum gain chargeback, qualified income offset and gross income allocation as they deem necessary in order to cause the allocations under this Article IV to comply with the provisions of Section 704 of the Code.

4.5. Other Allocation Rules.

4.5.1. For purposes of determining the Net Profit, Net Loss or any other items applicable to any period, Net Profit, Net Loss and any other such items shall be determined on a daily, monthly or other basis, as determined by the Managing Member using any permissible method under Section 706 of the Code.

4.5.2. Except as otherwise provided in this Agreement, all items of Company income, gain, loss, deduction and any other allocations not otherwise provided for shall be allocated among the Members in the same proportions as they share Net Profit or Net Loss, as the case may be, for the fiscal year or other period for which such allocation is made.

4.5.3. In accordance with Section 704(c) of the Code, income, gain, loss and deduction, with respect to any property contributed to the capital of the Company, shall, solely for tax purposes, be allocated to the Members so as to take account of the variation between the adjusted basis of such property to the Company for federal income tax purposes and its initial value on the date of contribution to the Company as determined by the Members. Allocations of income, gain loss and deduction with respect to any such assets shall take into account any variation between the adjusted basis of such asset for federal income tax purposes and its value in the same manner as under Section 704(c) of the Code. Any elections or other decisions relating to such allocations shall be made by the Managing Member in any manner that reasonably reflects the purpose and intention of this Agreement. Allocations pursuant to this section are solely for federal, state and local taxes and shall not affect, or in any way be taken into account in computing any Member's Capital Account or share of Net Profit, Net Loss or other items or distributions pursuant to any provision of this Agreement.



## ARTICLE V DISTRIBUTIONS

5.1. Non-liquidating Distributions. From time to time, the Managing Member shall distribute Distributable Cash. "Distributable Cash" means all cash received by the Company, less the sum of the following to the extent paid or set aside by the Company: (i) all principal and interest payments on indebtedness of the Company (including debt owed to Members) and other sums paid or payable to lenders; (ii) all cash expenditures incurred incident to the operation of the Company's business; and (iii) reserves, which, with respect to any fiscal period, means funds set aside or amounts allocated during such period in amounts deemed sufficient by the Managing Member for working capital and to pay taxes, insurance, debt service, capital expenditures, or other costs or expenses incident to the ownership or operation of the Company's business. Except as otherwise provided in Article X, the Company shall make distributions of Distributable Cash to the Members in the following order and priority:

5.1.1. First, to all Members, to return their Capital Contributions, in proportion to their respective Capital Contributions, until all Member Capital Contributions have been returned;

5.1.2. Second, the balance, if any, to the Members (or a Transferee) in proportion to their Interests.

5.2. Distributions in Liquidation. Notwithstanding Section 5.1, distributions in liquidation of the Company shall be made to each Member in the manner set forth in Article IX.

5.3. Distributions in Kind. Except in connection with a liquidation pursuant to Article IX, the Company shall not make any in-kind distributions of non-cash assets.

5.4. Withholding; Amounts Withheld Treated as Distributions. The Company is authorized to withhold from distributions, or with respect to allocations or payments, to Members and to pay over to the appropriate federal, state or local governmental authority any amounts required to be withheld pursuant to the Code or provisions of applicable state or local law. All amounts withheld pursuant to the preceding sentence in connection with any payment, distribution or allocation to any Member shall be treated as amounts distributed to such Member pursuant to this Article V for all purposes of this Agreement.

5.5. Limitation upon Distributions. No distributions or return of contributions shall be made and paid if, after the distribution or return of distribution is made, either (i) the Company would be insolvent; or (ii) the net assets of the Company would be less than zero.

## ARTICLE VI MANAGEMENT; MEMBERS

6.1. Managing Member.

6.1.1. General. The business and affairs of the Company shall be managed by the Managing Member. Except as otherwise expressly provided in this Agreement, the Managing Member shall have full and complete authority, power and discretion to manage and control the business, affairs and properties of the Company, to make all decisions regarding those matters and to perform any and all other acts or activities customary or incident to the

management of the Company's business. The initial Managing Member shall be Evan Schlosberg.

6.1.2. Specific Powers. Without limiting the generality of the foregoing, the Managing Member shall have the power and authority, on behalf of the Company, to:

- (a) acquire by purchase, lease or otherwise, any real or personal property, tangible or intangible;
- (b) construct, operate, maintain, finance and improve, and to own, sell, convey, assign, mortgage or lease any real estate and any personal property;
- (c) sell, dispose, trade or exchange Company assets in the ordinary course of the Company's business;
- (d) enter into agreements and contracts and to give receipts, releases and discharges;
- (e) purchase liability and other insurance to protect the Company's properties and business;
- (f) borrow money for and on behalf of the Company, and, in connection therewith, execute and deliver instruments to hypothecate, encumber and grant security interests in the assets of the Company to secure repayment of the sums borrowed;
- (g) execute or modify leases with respect to any part or all of the assets of the Company;
- (h) prepay, in whole or in part, refinance, amend, modify, or extend any mortgages or deeds of trust which may affect any asset of the Company and in connection therewith to execute for and on behalf of the Company any extensions, renewals or modifications of such mortgages or deeds of trust;
- (i) execute any and all other instruments and documents which may be necessary or in the opinion of the Managing Member desirable to carry out the intent and purpose of this Agreement, including, but not limited to, documents whose operation and effect extend beyond the term of the Company;
- (j) make any and all expenditures which the Managing Member, in its sole discretion, deems necessary or appropriate in connection with the management of the affairs of the Company and the carrying out of its obligations and responsibilities under this Agreement, including, without limitation, all legal, accounting and other related expenses incurred in connection with the organization and financing and operation of the Company;
- (k) enter into any kind of activity necessary to, in connection with, or incidental to, the accomplishment of the purposes of the Company;
- (l) invest and reinvest Company reserves in short-term instruments or money market funds; and



(m) employ accountants, legal counsel, agents, and other experts to perform services for the Company.

6.1.3. Extraordinary Transactions. Notwithstanding anything to the contrary in this Agreement, the Managing Member shall not undertake any of the following without the approval of the Members:

- (a) the Company's lending more than \$25,000 of its money on any one occasion;
- (b) the admission of additional Members to the Company;
- (c) the Company's engaging in business in any jurisdiction which does not provide for the registration of limited liability companies;
- (d) discontinuance of the Company's business;
- (e) sale of the Company's property, business or substantial portion thereof;
- (f) any merger, reorganization or recapitalization of the Company;
- (g) any borrowings by the Company in excess of \$100,000;
- (h) any contract which would require the Company to expend more than \$100,000 and the adoption of any profit sharing, bonus pension or similar plan;
- (i) settlement or confession of judgment in any legal matter;
- (j) taking or effecting any action that would render the Company bankrupt or insolvent or, except as expressly provided in this agreement, cause the termination, dissolution, liquidation or winding-up of the Company.
- (k) transactions with a person or entity that is: (a) an officer, director, or member of a Member, or, (b) the spouse, child, grandchild, or parent of a person identified in (a), above, or, (c) any other entity of which a Member or a person identified in (a) or (b), above, owns 10% or more of the equity interests.
- (l) advancing expenses pursuant to Section 7.3 of this Agreement.

6.2. Resignation and Removal of Managing Members. A Managing Member may resign at any time by delivering a written resignation to the Members. The Members may remove any Managing Member at any time for good and just cause. Cause shall include willful misconduct, fraud, theft, incompetence, failure to carry out written policies or directives of the Members, or the Managing Member's Involuntary Withdrawal as a Member. A Managing Member may be removed by the Members only at a meeting of the Members called for the purpose of removing the Managing Member, and the notice of the meeting must state that removing a Managing Member is a purpose of the meeting. If a Managing Member resigns or is removed, a meeting of Members to elect a successor must be called promptly and held as soon as reasonably possible. Any dispute over the removal of a Managing Member shall be a dispute subject to the dispute resolution procedures set forth in Article XI of this Agreement.



6.3. Officers and Agents. The Managing Member may appoint such officers and agents as the Managing Member shall deem necessary or expedient, who shall hold offices for such terms and shall exercise such powers and perform such duties as shall be determined from time to time by the Managing Member.

6.3.1. Positions. The officers of the Company may be a President/CEO, one or more Vice Presidents, a Secretary, and a Treasurer, as appointed by the Managing Member. The duties of each officer, if appointed, shall be established by the Managing Member. No officer need be a Member or a Managing Member of the Company. Any two or more offices may be held by the same person.

6.3.2. Appointment and Term of Office. If appointed, the officers of the Company shall be appointed annually by the Managing Member. Each officer shall hold office until a successor shall have been appointed and qualified or until said officer's earlier death, resignation, or removal.

6.3.3. Salaries and Contract Rights. The compensation, if any, of the officers shall be fixed from time to time by the Managing Member. The appointment of an officer shall not of itself create contract rights.

6.3.4. Resignation or Removal. Any officer of the Company may resign at any time by giving written notice to the Managing Member. Any such resignation is effective when the notice is delivered, unless the notice specifies a later date, and shall be without prejudice to the contract rights, if any, of such officer. The Managing Member may remove any officer or agent appointed by it, with or without cause.

6.3.5. Vacancies. If any office becomes vacant by any reason, the Managing Member may appoint a successor or successors who shall hold office for the unexpired term.

6.4. Standard of Care. The Managing Member and officers shall discharge management duties in good faith, with the degree of care, including reasonable inquiry, an ordinarily prudent person in a like position would exercise under similar circumstances, and in a manner reasonably believed to be in the best interests of the Company. The Managing Member and officers may rely on information, opinions, reports or statements, including, but not limited to, financial statements or other financial data, if prepared or presented by: (a) an employee of the Company reasonably believed to be competent and reliable in the matter presented; or (b) legal counsel, accountants, engineers or other persons as to matters reasonably believed within the person's professional or expert competence.

6.4. Voting Rights of Members. Each Member is entitled to vote in proportion to the Member's Membership Interest in the Company on all matters coming before the Members.

6.5. Consent Required.

6.5.1. The unanimous vote or written consent of all the Members is required to admit an additional or substitute Member, to merge the Company into another entity, to dissolve and liquidate the Company, to amend the Articles of Organization, or to amend this Agreement.

6.5.2. The vote or written consent of the Members holding among them a majority of the Company's Membership Interests is required for all other actions of the Members.



6.6. Meetings of Members.

6.6.1. Meetings. Meetings of the Members may be called at any time by Members holding among them at least forty-nine (49%) of the Membership Interests in the Company. Only business within the purpose or purposes described in the notice of the special meeting may be conducted at such special meeting.

6.6.2. Notice. Notice of each Member meeting shall be given to each Member entitled to vote at the meeting, in writing, not less than ten (10) nor more than thirty (30) days before the meeting. The notice shall state the time, place, and purpose of the meeting. Notwithstanding the foregoing provisions, each Member who is entitled to notice waives notice if before or after the meeting the Member signs a waiver of the notice which is filed with the records of Members' meetings or is present at the meeting.

6.6.3. Quorum. All the Members must be represented in person or by proxy to constitute a quorum at any meeting of Members.

6.6.4. Action without a Meeting. In lieu of holding a meeting, the Members may vote or otherwise take action by a written instrument indicating the unanimous consent of the Members.

6.6.5. Telephone Meetings. Members may participate in and hold meeting by conference telephone or similar communications equipment, by means of which all persons participating in such meeting can simultaneously hear each other and participation in a meeting pursuant to this Section shall constitute presence of the person at such meeting.

6.7. Other Matters. At a meeting of the Members, all matters that are not covered by this Agreement shall be governed by the most recent edition of Roberts Rules of Order.

6.8. Limitation on the Authority of Members. Except as expressly provided in this Agreement, no Member, in its capacity as a Member, shall take part in the management or control of the Company business, or have any right or authority to act for the Company or to vote on matters, other than the matters requiring such vote as set forth in this Agreement or in the Act. Except as approved by the Managing Member or in this Agreement, no Member, in such capacity alone, shall have any powers to bind the Company in contract or otherwise, nor will the Company be liable, responsible, or accountable in damages or otherwise for any action or failure to act by the Member.

6.9. Independent Activities. Any Member or Managing Member may engage in or possess an interest in other business ventures of every nature and description, independently or with others, including but not limited to, the ownership financing of, employment by, lending to or otherwise participating in businesses that are similar to the business of the Company, and neither the Company nor the Members shall have any right by virtue of this Agreement in and to such independent ventures or to the income or profits therefrom; provided that, unless otherwise approved by the Members, no Member or its affiliates shall engage in or possess an interest in any business directly in competition with the business of the Company.



## ARTICLE VII LIABILITY; INDEMNIFICATION

7.1. Limitation of Liability. The Members and Managing Member shall not be liable, responsible or accountable in damages or otherwise to the Company or the Members for any act or omission by any such Person (which shall include any applicable entity) performed in good faith pursuant to the authority granted to such Person by this Agreement or in accordance with its provisions, and in a manner reasonably believed by such Person to be within the scope of the authority granted to such Person and in the best interest of the Company; provided, however, that such Person shall retain liability for acts or omissions that involve intentional misconduct, a knowing violation of the law, a violation of AS 10.50.320 (in the case of Members only) or for any transaction from which the Person will personally receive a benefit in money, property, or services to which the Person is not legally entitled.

7.2. Indemnification. In accordance with the Act and this Operating Agreement, the Company shall indemnify, defend, and hold harmless any Member or Managing Member, their directors, officers, employees, and agents (individually, in each case, an "Indemnitee") to the fullest extent permitted by law, from and against any and all losses, claims, demands, costs, damages, liabilities (joint or several), expenses of any nature (including attorneys' fees and disbursements), judgments, fines, settlements, and other amounts arising from any and all claims, demands, actions, suits, or proceedings, whether civil, criminal, administrative, or investigative, in which the Indemnitee may be involved or threatened to be involved, as a party or otherwise, arising out of or incidental to the business or activities of the Company, regardless of whether the Indemnitee continues to be a Member or Managing Member, or a director, officer, employee or agent at the time any such liability or expense is paid or incurred; provided, however, that this provision shall not eliminate or limit the liability of an Indemnitee (i) for any breach of this Agreement or for any breach of the Indemnitee's duty of loyalty to the Company or the Members, (ii) for acts or omissions which involve intentional misconduct or a knowing violation of law, or (iii) for any transaction from which the Indemnitee received any improper personal benefit.

7.3. Advances of Expenses. Expenses incurred by an Indemnitee in defending any claim, demand, action, suit, or proceeding subject to Section 7.2 shall, from time to time, upon request by the Indemnitee, be advanced by the Company prior to the final disposition of such claim, demand, action, suit, or proceeding upon receipt by the Company of an undertaking by or on behalf of the Indemnitee to repay such amount if it shall be determined in a judicial proceeding or a binding arbitration that such Indemnitee is not entitled to be indemnified as authorized in Section 7.2.

7.4. Other Rights. The indemnification provided by Section 7.2 shall be in addition to any other rights to which an Indemnitee may be entitled under any agreement, vote of the Members, as a matter of law or equity, or otherwise, both as to an action in the Indemnitee's capacity as a Member, Managing Member, officer, or any affiliate thereof, and as to an action in another capacity, and shall continue as to an Indemnitee who has ceased to serve in such capacity and shall inure to the benefit of the heirs, successors, assigns, and legal representatives of the Indemnitee.

## ARTICLE VIII TRANSFERS



8.1. Transfers Prohibited. No Person may Transfer all or any portion of any Interest or rights in an Interest in the Company except as provided in this Article VIII, except that a Member may transfer all or a portion of the Member's Interest to another Member.

8.2. Acknowledgement. Each Member hereby acknowledges the reasonableness of the prohibition contained in this Article VIII in view of the purposes of the Company and the relationship of the Members. The Transfer of any Interest in violation of the prohibition contained in this Article VIII shall be deemed invalid, null and void, and of no force or effect. Any Person to whom a Transfer is made in violation of this Article VIII 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 distributions from the Company, or have any other rights in or with respect to an Interest.

8.3. No Right to Withdraw. Subject to the provisions of this Agreement, no Member shall have any right to resign or otherwise withdraw from the Company without the express written consent of all the other Members.

8.4. Involuntary Withdrawal. Immediately upon the occurrence of an Involuntary Withdrawal, if the Company is continued, the withdrawn Member or the successor of the withdrawn Member, as applicable, shall provide notice of the event of Involuntary Withdrawal. Upon receipt of the notice, the Company and other Members shall have the option to purchase all of the Interest of the withdrawn Member for the Purchase Price determined pursuant to Section 8.5.1 of this Agreement. The option shall be exercised in accordance with the procedures set forth in Section 8.5.2 of this Agreement. If the Company or the other Members do not exercise the option to acquire the Interest, the Transferee shall be an assignee, having all the Economic Rights associates with an the Interest, but shall not be a Member and shall not be entitled to receive in liquidation of the Interest the fair market value of the Member's Interest as of the date the Member involuntarily withdrew or became dissociated from the Company.

8.5. Voluntary Transfer. If a Person ("*Transferor*") desires to Transfer all or any portion of, or any interest or rights in, an Interest (the "*Transferor Interest*"), the Transferor shall notify the Company and other Members of that desire (the "*Transfer Notice*"). The Transfer Notice shall describe the Transferor Interest. The Company and other Members shall have the option (the "*Purchase Option*") to purchase all of the Transferor Interest for a price (the "*Purchase Price*") determined as follows:

8.5.1 Purchase Price. The purchase price shall be the amount the Transferor would receive if the Company were liquidated and an amount equal to the Appraised Value were available for distribution to the Members.

8.5.2 Exercise of Option. The Company and other Members shall have ninety (90) days after receipt of a Transfer Notice to elect to exercise the Purchase Option by giving written notice to the Transferor. The Transferor shall not be deemed a Member for the purpose of voting on whether the Company shall elect to exercise the Purchase Option.

8.5.3 Release of Guaranties. In conjunction with the closing of a purchase and sale hereunder, the purchaser shall obtain a release of all guaranties made by the Transferor in favor of a third party.



8.5.4 Failure to Exercise or Release Guaranties. If the Purchase Option is not exercised, or if the purchaser cannot obtain the release of guaranties as required by Section 8.5.3, the Company shall be dissolved in accordance with Article IX.

8.6 Appraised Value. The term "*Appraised Value*" means the appraised value of the equity of the Company's assets established by agreement of the Members or, if the Members cannot agree, by appraisal. If the Member does not agree within fifteen (15) days after exercise of the Purchase Option, the Company and the Transferor shall each appoint an appraiser to determine the value of the equity of the Company's assets. If the two appraisers agree upon the equity value of the Company's assets, they shall jointly render a single written report stating that value. If the two appraisers cannot agree upon the equity value of Company's assets, they shall each render a separate written report and shall appoint a third appraiser, who shall appraise the Company's assets and determine the value of the equity therein, and shall render a written report of his opinion thereon. Each party shall pay the fees and other costs of the appraiser appointed by that party, and the fees and other costs of the third appraiser shall be shared equally by both parties. The equity value contained in the joint written report or written report of the third appraiser, as the case may be, shall be the Appraised Value; provided, however, that if the value of the equity contained in the appraisal report of the third appraiser is more than the higher of the first two appraisals, the higher of the first two appraisals shall govern; and provided, further, that if the value of the equity contained in the appraisal report of the third appraiser is less than the lower of the first two appraisals, the lower of the first two appraisals shall govern.

8.7 Payment of Purchase Price. The Purchase Price will be paid in the following manner:

8.7.1 Down Payment. The down payment will be 20% of the purchase price.

8.7.2 Promissory Note. The remaining balance of the purchase price will be evidenced by, and payable in accordance with the terms of, a promissory note payable in five equal annual installments, including interest on the unpaid balance, with the first annual installment to be due one year after the date of closing and an additional installment to be due on the same day of each year thereafter until the promissory note is paid in full. The unpaid balance of the promissory note will bear interest at the rate of 8% per annum from the date of closing. The promissory note must provide that the holder may declare the entire remaining balance, together with all accrued interest, immediately due and payable if any installment is not paid when due. Partial or complete prepayment of the remaining balance due under the promissory note will be permitted at any time without penalty, provided that no partial prepayment will affect the amount or regularity of payments coming due thereafter. Payment of the indebtedness under the promissory note shall be secured by a deed of trust against the Company's real property in a usual and customary form.

8.8 Closing. A purchase under this Article VIII must be closed within 90 days following the exercise of an option, or at such other time as the parties agree. However, if the purchase is made following the death of a Member, the closing will not occur before a personal representative is appointed for the Member's estate. At the closing, the down payment must be paid to the Member or the Member's successor in interest, and the promissory note must be delivered to such person. The Member or successor in interest must deliver to the Company the certificate or certificates representing the Interest purchased, duly endorsed for transfer on the



books of the Company, together with any other documents necessary in order to transfer the Interest.

## ARTICLE IX DISSOLUTION AND LIQUIDATION

9.1. Events of Dissolution. The Company shall be dissolved upon the happening of any of the following events:

9.1.1. upon the written agreement of all of the Members;

9.1.2. at such time as the Company has no Members;

9.1.3. the occurrence of any event set forth in AS 10.50.440 or in this Agreement for the dissolution of the Company.

The death, retirement, resignation, expulsion, or bankruptcy of a Member or the occurrence of any other event which terminates the continued membership of a Member in the Company under AS 10.50.185 through 10.50.225 shall not result in the dissolution of the Company.

9.2. Allocation of Gains and Losses upon Dissolution. The allocation of Profits, Losses and other items of the Company following the date of dissolution, including but not limited to gain or loss upon the sale of Company property, shall be determined in accordance with Article IV.

9.3. Distributions. If the Company is dissolved, the Members shall wind up its affairs. On winding up of the Company, the assets of the Company, after taking into account all allocations of Profit or Loss pursuant to Section 9.2, and all contributions, distributions and allocations for all periods, the assets of the Company shall be distributed in the following manner and order of priority:

9.3.1. Payment, or adequate provision for payment, to creditors, including, to the extent permitted by law, Members who are creditors and are not covered by Section 9.3.2 hereof, in satisfaction of the Company's liabilities.

9.3.2. Payment to Members or former Members in satisfaction of the Company's liabilities for distributions under AS §§10.50.295 – .330.

9.3.3. Payment of balance, if any, to Members or Transferees in accordance with their Interests.

9.4. Winding-Up. The winding-up of the Company affairs and the liquidation and distribution of its assets shall be conducted under the direction of the Managing Member. If the Managing Member does not commence the winding-up, the winding-up shall be conducted by the Members. The Managing Member or Members shall comply with any requirements of applicable law pertaining to the winding up of the affairs of the Company and the final distribution of its assets. Upon completion of the winding up, liquidation and distribution of the assets, the Company shall be deemed terminated.

9.5. Deficit Capital Account. If a Member has a deficit balance in the Member's Capital Account upon liquidation of the Company, after giving effect to all contributions,



distributions, and allocations for all fiscal years, including the fiscal year in which liquidation occurs, the Member shall have no obligation to make any contribution to the capital of the Company with respect to such deficit, and such deficit shall not be considered a debt owed to the Company or any other Person for any purpose whatsoever.

## **ARTICLE X BOOKS, RECORDS, AND ACCOUNTING**

10.1. 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.

### 10.2. Books and Records.

10.2.1. The Company shall keep complete and accurate books and records of the Company and supporting documentation of the transactions with respect to the conduct of the Company's business. The records shall include, but not be limited to, complete and accurate information regarding the state of the business and financial condition of the Company, a copy of the Articles of Organization and this Agreement and all amendments thereto, a current list of the names and last known business, residence, or mailing addresses of all Members; and the Company's federal, state, and local tax returns.

10.2.2. The books and records shall be maintained in accordance with sound accounting practices consistently applied and shall be available at the Company's principal office for examination by any Member or the Member's duly authorized representative at any and all reasonable times during normal business hours.

10.2.3. Each Member shall reimburse the Company for all costs and expenses incurred by the Company in connection with the Member's inspection and copying of the Company's books and records.

10.3. Annual Accounting Period. The fiscal year of the Company shall be the calendar year unless the Members otherwise unanimously consent.

10.4. Tax Matters Member. The Managing Member shall be the Company's tax matters partner ("*Tax Matters Member*"). The Tax Matters Member shall have all powers and responsibilities of a "tax matters partner" as defined in Section 6231 of the Code. The Tax Matters Member shall keep all Members informed of all notices from government taxing authorities that may come to the attention of the Tax Matters Member. The Company shall pay and be responsible for all reasonable third-party costs and expenses incurred by the Tax Matters Member in performing those duties. A Member shall be responsible for any costs incurred by the Member with respect to any tax audit or tax-related administrative or judicial proceeding against any Member, even though it relates to the Company. The Tax Matters Member shall not compromise any dispute with the Internal Revenue Service without the approval of the Members.

10.5. Tax Elections. The Company will file a form 1065 partnership return and account for its books on a cash basis, subject to the requirements and limitations of the Code and Regulations.



10.6. Taxes and Reports. As soon as practicable after the end of each fiscal year, the Company shall have prepared and mail to each Member a report containing all information necessary for the Member to include its share of taxable income or loss (or items thereof) in its income tax return.

## **ARTICLE XI DISPUTE RESOLUTION**

11.1 Mediation. In the event of a controversy or claim arising out of or relating to this Agreement, or the breach thereof, the parties must first meet and attempt to resolve the dispute through face to face negotiations. If a resolution cannot be obtained after two such face-to-face negotiations, any controversy or claim arising out of or relating to this Agreement, or the breach thereof, shall then be attempted to be settled by mediation administered by a mediator selected by the parties to such matter (acting reasonably and in good faith in the selection process). The place of mediation shall be in Anchorage, Alaska, or such other place as the parties may agree. The parties shall bear equally the cost of mediation, except that each party shall bear its own attorneys' fees and costs.

11.2 Arbitration. If a resolution cannot be obtained within 60 days following initiation of mediation, any controversy or claim arising out of or relating to this Agreement, or the breach thereof, shall be settled by final, binding arbitration administered by an arbitrator selected by the parties to such matter (acting reasonably and in good faith in the selection process) and conducted in accordance with the American Arbitration Association's Commercial Arbitration Rules (the "Rules"), and judgment on the award rendered by the arbitrator may be entered in any court having jurisdiction thereof. The place of arbitration shall be Anchorage, Alaska, or such other place as the parties may agree.

11.3 Interim Relief. Either party may apply to the arbitrator seeking injunctive relief until the arbitration award is rendered or the controversy is otherwise resolved. Either party also may, without waiving any remedy under this agreement, seek from any court having jurisdiction any interim or provisional relief that is necessary to protect the rights or property of that party, pending the establishment of the arbitral tribunal (or pending the arbitral tribunal's determination of the merits of the controversy).

11.4 Discovery. Consistent with the expedited nature of arbitration, each party will, upon the written request of the other party, promptly provide the other with copies of documents relevant to the issues raised by any claim or counterclaim on which the producing party may rely in support of or in opposition to any claim or defense. Any dispute regarding discovery, or the relevance or scope thereof, shall be determined by the arbitrator, which determination shall be conclusive. All discovery shall be completed within forty-five (45) days following the appointment of the arbitrator.

11.5. Depositions. At the request of a party, the arbitrator(s) shall have the discretion to order examination by deposition of witnesses to the extent the arbitrator(s) deem(s) such additional discovery relevant and appropriate. Depositions shall be limited to a maximum of three per party and shall be held within twenty (20) days of the making of a request. Each deposition shall be limited to a maximum of four hours duration. All objections are reserved for the arbitration hearing except for objections based on privilege and proprietary or Confidential Information.



11.6 Award. The award shall be made within ninety (90) days of after selection of the arbitrator, and the arbitrator shall agree to comply with this schedule before accepting appointment. However, this time limit may be extended by agreement of the parties and the arbitrator if necessary. All determinations, rulings, awards and sanctions by the arbitrator are final and non-appealable.

## **ARTICLE XII GENERAL PROVISIONS**

12.1. Notices. Any and all notices required or permitted to be given under this Agreement will be sufficient if delivered in person or a courier (including an international courier such as Federal Express or UPS), or sent by registered or certified mail, postage prepaid, to the address set opposite the signature of each Member or to such other address as either Member from time to time may furnish in writing to the other Member. Any such notice shall be deemed to be given when personally delivered or upon delivery by a courier, or, if mailed, five business days after the date of mailing. Notices shall be addressed to the address of the Members set forth below.

12.2. Applicable Law. This Agreement, all questions relative to the execution, validity, interpretation or performance of this Agreement and the rights, duties and obligations of the parties shall be determined, construed and governed by the laws of the State of Alaska without respect to its conflicts of laws principles.

12.3. Non-Waiver. The failure by either Member to insist upon strict performance of any term, condition or covenant of this Agreement or to exercise any right or remedy available on a breach thereof, shall not constitute a waiver of any such breach of any applicable term, condition or covenant, of this Agreement. Waiver of performance of any term, condition or covenant, or of any breach thereof, shall be only by written instrument executed by the waiving Member. Waiver of any default shall not affect or alter any term, condition or covenant of this Agreement and they shall continue in full force and effect with respect to any other or subsequent default.

12.4. Binding Agreement. This Agreement shall be binding upon and inure to the benefit of the parties hereto, their heirs, successors and assigns.

12.5. Modifications of Agreement. No Modification of this Agreement shall be binding upon either of the parties to this Agreement unless reduced to writing and signed by all Members.

12.6. Merger. This Agreement contains the entire agreement of the parties and no representations, inducements, or agreements, oral or otherwise, between the parties shall be of any force or effect.

12.7. Authority. The Members warrant that they have the required authority in their By-Laws, Articles, board of directors or management committee to enter into this Agreement.

12.8. Severability. If any provision of this Agreement or the application thereof to any Person or circumstance shall be invalid, illegal or unenforceable to any extent, the remainder of this Agreement and the application thereof shall not be affected and shall be enforceable to the fullest extent permitted by law.

12.9. Investment Intent. Each Member hereby warrants that such Member is acquiring its Interest for purposes of investment only, for its own account and not with the view to resell or to distribute the same or any part thereof, and that no other Person has any Interest in such Interest or in the rights of such Member hereunder other than as an owner in such Member in the case of a Member that is an Entity, in which case the names of and all requested information concerning all such owners have been disclosed to the Members.

12.10. Waiver of Right of Partition. The Members hereby irrevocably waive any and all rights that each may have to maintain any action for partition with respect to the Property, which is now held by the Company or is hereafter acquired, or to compel any sale thereof under any law now existing or hereinafter enacted.

12.11. Counterparts. This Agreement may be executed in counterparts, each of which shall be deemed an original and all of which shall constitute one and the same instrument.

12.12. Attorneys' Fees. In the event of a dispute between the Members arising out of this Agreement that is arbitrated or litigated, the non-prevailing party shall pay the reasonable costs and attorneys' fees of the prevailing party, including the reasonable costs and attorneys' fees incurred in the appeal of any final or interlocutory judgment.

IN WITNESS WHEREOF, the parties have signed this Agreement, effective as of the dates set forth below.

**COMPANY: THE FROST FRONTIER, LLC**

  
Evan Schlosberg, Managing Member


**MEMBERS:**

Address:

**EVAN SCHLOSBERG**

3333 Lakeshore Dr., Unit 1  
Anchorage, AK 99517

By:

  
Evan Schlosberg

Address:

**BETH BREWINGTON**

3333 Lakeshore Dr. #1  
Anchorage, Ak.  
99517

By:

  
Beth Brewington





Anchorage Press  
540 E. Fifth Avenue  
Anchorage, Alaska 99501  
Phone: 561-7737 Fax: 561-7777

#### Application For New Marijuana License

The Frost Frontier LLC is applying for a new Standard Marijuana Cultivation Facility License 3 AAC 306.400(1), doing business as THE FROST FRONTIER located at 8535 Dimond D Circle, Unit C, Anchorage, AK, 99515, UNITED STATES.

Interested persons should submit written comment or objection to their local government, the applicant, and to the Alcohol & Marijuana Control Office at 550 W 7th Ave, Suite 1600, Anchorage, AK 99501 or to [marijuana.licensing@alaska.gov](mailto:marijuana.licensing@alaska.gov) not later than 30 days after this notice of application.

I, Zach Menzel, Sales Representative for the Anchorage Press, verify that the New Marijuana License for The Frost Frontier appeared in the March 31<sup>st</sup>, April 7<sup>th</sup>, and April 14th, 2016 issues of the Anchorage Press Newspaper.

Zach Menzel

Subscribed and sworn to me in the Municipality of Anchorage, in the state Alaska, on  
this 18 day of April, 2016

  
Notary Public Signature

July 26, 2018  
Commission Expires

DAVE DIAZ  
NOTARY PUBLIC  
State of Alaska  
My Commission Expires July 26, 2018

# Correspondence





THE STATE  
*of* **ALASKA**  
GOVERNOR BILL WALKER

**Department of Commerce, Community,  
and Economic Development**

ALCOHOL & MARIJUANA CONTROL OFFICE  
550 West 7<sup>th</sup> Avenue, Suite 1600  
Anchorage, AK 99501  
Main: 907.269.0350

May 20, 2016

The Frost Frontier, LLC  
DBA: The Frost Frontier  
Via email: [thefrostfrontier@gmail.com](mailto:thefrostfrontier@gmail.com)  
Re: Standard Marijuana Cultivation Facility License Application #10161

Dear Applicant,

AMCO staff has reviewed the online application and supplemental documents submitted for the proposed marijuana establishment license referenced above. The following items need to be corrected and/or resubmitted.

- MJ-08 Local Government Notice Affidavit
  - Please correct the license type on both MJ-08 forms
- MJ-00 Application Certifications
  - Please correct page 3 of both MJ-00 forms, only one box should be initialed

Please return the incomplete items within two weeks of the date of this letter. Receipt of the items within two weeks will keep your application at the top of our worklist. If we do not receive all of the completed items within two weeks, your application will be moved to the back of the "Under Review" worklist. If we do not receive your completions within 90 days, per 3 AAC 306.025(f), you must file a new application and pay a new fee.

Sincerely,

Cynthia Franklin, Director  
[marijuana.licensing@alaska.gov](mailto:marijuana.licensing@alaska.gov)



THE STATE  
*of* **ALASKA**  
GOVERNOR BILL WALKER

**Department of Commerce, Community,  
and Economic Development**

ALCOHOL & MARIJUANA CONTROL OFFICE  
550 West 7<sup>th</sup> Avenue, Suite 1600  
Anchorage, AK 99501  
Main: 907.269.0350

May 9, 2016

The Frost Frontier, LLC  
DBA: The Frost Frontier  
Via email: thefrostfrontier@gmail.com  
Re: Standard Marijuana Cultivation Facility License Application #10161

Dear Applicant,

AMCO staff has reviewed the online application and supplemental documents submitted for the proposed marijuana establishment license referenced above. The following items need to be corrected and/or resubmitted.

- All Forms
  - The license type in Section 1 of each of the forms needs to be corrected to Standard Marijuana Cultivation Facility
- MJ-00 Application Certifications
  - Each affiliate must complete a separate form
- MJ-02 Premises Diagram
  - Please clearly label the Restricted Access Areas on your diagram
- Proof of Possession of Proposed Premises
  - The tenant should be The Frost Frontier, LLC, not the individuals
  - Section 2.04 – Surrender of Possession - needs to be amended to include an exception for marijuana and marijuana products and that the landlord will notify AMCO Enforcement if it needs to be removed from the premises
  - The tenant signatures should include the tenant name – The Frost Frontier, LLC
  - The lease is not signed by the landlord
- Entity Documents
  - Your Limited Liability Company Operating Agreement is not signed by its members
- Residency Verification
  - Because we were unable to determine residency from the PFD database for Evan Schlosberg, one of the items we are requesting you to complete is the attached Form MJ-18, providing information to determine proof of residency. When we receive this completed form, our enforcement team will contact you to complete the residency investigation. Return of the completed Form MJ-18 within two weeks, if accompanied by completion of all other required items, will keep your application at the top of our worklist.



Last Name

Date

Page 2

Please return the incomplete items within two weeks of the date of this letter. Receipt of the items within two weeks will keep your application at the top of our worklist. If we do not receive all of the completed items within two weeks, your application will be moved to the back of the “Under Review” worklist. If we do not receive your completions within 90 days, per 3 AAC 306.025(f), you must file a new application and pay a new fee.

Sincerely,

Cynthia Franklin, Director  
[marijuana.licensing@alaska.gov](mailto:marijuana.licensing@alaska.gov)

# Notifications





THE STATE  
of **ALASKA**  
GOVERNOR BILL WALKER

Department of Commerce, Community,  
and Economic Development

ALCOHOL & MARIJUANA CONTROL OFFICE  
550 West 7<sup>th</sup> Avenue, Suite 1600  
Anchorage, AK 99501  
Main: 907.269.0350

June 1, 2016

Municipality of Anchorage

Attn: Mandy Honest

VIA Email: [honestml@muni.org](mailto:honestml@muni.org)  
[moserak@muni.org](mailto:moserak@muni.org)  
[jonesbar@muni.org](mailto:jonesbar@muni.org)  
[mconnelleb@ci.anchorage.ak.us](mailto:mconnelleb@ci.anchorage.ak.us)  
[mclaughlinfd@muni.org](mailto:mclaughlinfd@muni.org)

<b>License Number:</b>	10161
<b>License Type:</b>	Standard Marijuana Cultivation Facility
<b>Licensee:</b>	The Frost Frontier LLC
<b>Doing Business As:</b>	THE FROST FRONTIER
<b>Physical Address:</b>	8535 Dimond D Circle Unit C Anchorage, AK 99515
<b>Designated Licensee:</b>	Evan Schlosberg
<b>Phone Number:</b>	971-237-9553
<b>Email Address:</b>	eschlos@gmail.com

☒ **New Application**      ☐ **Transfer of Ownership Application**      ☐ **Renewal Application**  
☐ **Onsite Consumption Endorsement**

We have received a completed application for the above listed license (see attached application documents) within your jurisdiction. This is the notice required under 3 AAC 306.025(d)(2).

A local government may protest the approval of an application(s) pursuant to 3 AAC 306.060 by furnishing the director **and** the applicant with a clear and concise written statement of reasons for the protest within 60 days of the date of this notice. If a protest is filed, the board will deny the application unless the board finds that the protest is arbitrary, capricious, and unreasonable. To protest the application referenced above, please submit your protest within 60 days and show proof of service upon the applicant.

3 AAC 306.010, 3 AAC 306.080, and 3 AAC 306.250 provide that the board will deny an application for a new license if the board finds that the license is prohibited under AS 17.38 as a result of an ordinance or election conducted under AS 17.38 and 3 AAC 306.200.

3 AAC 306.010(c) provides that the board will not issue a license when a local government protests an application on the grounds that the applicant's proposed licensed premises are located in a place within the local government where a local zoning ordinance prohibits the marijuana establishment, unless the local government has approved a variance from the local ordinance.

At this time, the fingerprints submitted by the applicant cannot be submitted for a criminal history report until a date to be determined by the Department of Public Safety and the Federal Bureau of Investigation based upon the effective date of the act containing enabling statutory language for such criminal history report. On April 27, 2016, the Marijuana Control Board directed me to determine applications complete based solely upon the representations made by the applicant in Form MJ-00.

Sincerely,

A handwritten signature in blue ink, appearing to read 'C. Franklin', is positioned above the typed name.

Cynthia Franklin, Director

[amco.localgovernmentonly@alaska.gov](mailto:amco.localgovernmentonly@alaska.gov)



**From:** Thibodeaux, Christina N (CED)  
**To:** ["honestml@muni.org"](mailto:honestml@muni.org); ["MoserAK@muni.org"](mailto:MoserAK@muni.org); ["jonesbar@muni.org"](mailto:jonesbar@muni.org); ["mcconnelleb@ci.anchorage.ak.us"](mailto:mcconnelleb@ci.anchorage.ak.us); ["McLaughlin, Francis D."](mailto:McLaughlin, Francis D.)  
**Subject:** LG Notification for new Standard Marijuana Cultivation Facility License Application #10161 The Frost Frontier  
**Date:** Wednesday, June 01, 2016 11:52:00 AM  
**Attachments:** [10161 Local Government Notice.docx](#)

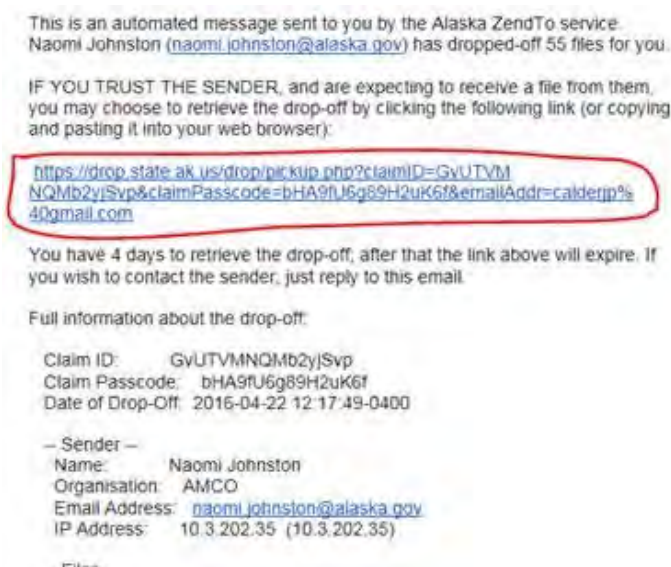
---

Dear local government officials,

Please find the attached correspondence for a new marijuana establishment license.  
Direct all correspondence to [amco.localgovernmentonly@alaska.gov](mailto:amco.localgovernmentonly@alaska.gov).

The application and all supporting documentation will be sent to each of you via the State of Alaska Drop Box called ZendTo.

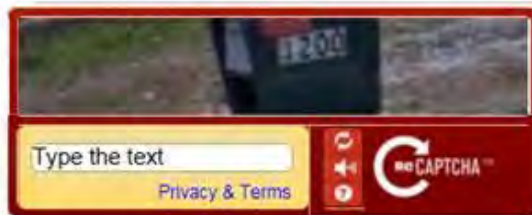
You will receive an email that looks like this:



Click the link that is circled in red in the image above. You should be redirected to a page similar to this:

### Please prove you are a person

To confirm that you are a *real* person (and not a computer), please play the quick game below then click "Pickup Files":













Pickup Files

Type the text that is displayed in the image and hit enter. In this example you would type "1200" into the field that says "type the text".

Your Files should appear:

### Drop-Off Summary

Click on a filename or icon to download that file.

Filename	Type	Size	Description
 ABCAgenda_.pdf	application/pdf	472.3 KB	
 Tab1_.pdf	application/pdf	416.6 KB	
 Tab10_.pdf	application/pdf	259.1 KB	
 Tab11_.pdf	application/pdf	1.9 MB	
 Tab12_.pdf	application/pdf	1.7 MB	
 Tab13_.pdf	application/pdf	10.0 MB	
 Tab14_.pdf	application/pdf	3.5 MB	
 Tab15_.pdf	application/pdf	1.4 MB	
 Tab16_.pdf	application/pdf	513.9 KB	
 Tab17_.pdf	application/pdf	812.2 KB	

Click the blue link for each tab. You can download and save them however you wish.

Thank you,

*Christina Thibodeaux*

Business Registration Examiner | Dept. of Commerce, Community and Economic Development | Alcohol and Marijuana Control Office

550 W. 7<sup>th</sup> Ave. Ste. 1600 Anchorage, AK 99501 | 907.754.3588 |



Please consider the environment before printing this e-mail.



# Municipality of Anchorage

P.O. Box 196650 • Anchorage, Alaska 99519-6650 • Telephone: (907) 343-4316 • Fax: (907) 249-7533 <http://www.muni.org/assembly/license>

## Office of the Municipal Clerk Licensing

June 3, 2016

Marijuana Control Board  
c/o Cynthia Franklin, Director  
Alcohol & Marijuana Control Office  
550 West 7<sup>th</sup> Avenue, Suite 1600  
Anchorage, AK 99501

RE: Local Governing Body Action on State Marijuana License  
The Frost Frontier, #10161

Dear Ms. Franklin:

In accordance with Anchorage Municipal Code 10.80.061A., the Municipal Clerk is protesting the state marijuana establishment license #10161 for a standard marijuana cultivation facility, doing business as The Frost Frontier.

This applicant proposes to operate a marijuana establishment within the Municipality of Anchorage but does not possess all approvals needed to operate within the municipality. At this time, the applicant does not have an approved municipal marijuana license or an approved municipal special land use permit for marijuana.

The Municipal Clerk will provide written notification to you when all required approvals, including final Assembly approval, have been obtained and this protest is lifted.

Cordially,

Mandy Honest  
Business License Official

Concur,

Amanda K. Moser  
Deputy Municipal Clerk

C: Erika McConnell, Special Assistant to the OECD Director  
The Frost Frontier – via email





THE STATE  
of **ALASKA**  
GOVERNOR BILL WALKER

Department of Commerce, Community,  
and Economic Development

ALCOHOL & MARIJUANA CONTROL OFFICE  
550 West 7<sup>th</sup> Avenue, Suite 1600  
Anchorage, AK 99501  
Main: 907.269.0350

June 1, 2016

Government Hill Community Council  
Attn: President or Chair  
VIA email: [ghccpres@gmail.com](mailto:ghccpres@gmail.com)  
Cc: [info@communitycouncils.org](mailto:info@communitycouncils.org)

License Number:	10161
License Type:	Standard Marijuana Cultivation Facility
Licensee:	The Frost Frontier LLC
Doing Business As:	THE FROST FRONTIER
Physical Address:	8535 Dimond D Circle Unit C Anchorage, AK 99515
Designated Licensee:	Evan Schlosberg
Phone Number:	971-237-9553
Email Address:	eschlos@gmail.com

☒ New Application      ☐ Transfer of Ownership Application      ☐ Renewal Application  
☐ Onsite Consumption Endorsement

3 AAC 306.025(d)(3) and (4) requires that the Director shall provide written notice to a community council or any nonprofit organization that has requested notification about pending applications for marijuana licenses.

This letter serves to provide written notice to the above referenced entities regarding the above application. **Please contact the local government with jurisdiction over the proposed premises for information regarding review of this application. Comments you may have about the application should first be presented to the local government.** Instructions for objections to marijuana establishment applications are located on our website at <http://www.commerce.alaska.gov/web/amco>.

If you have any questions, please send them to the email address below.

Sincerely,

Cynthia Franklin, Director  
[marijuana.licensing@alaska.gov](mailto:marijuana.licensing@alaska.gov)

**From:** [Marijuana Licensing \(CED sponsored\)](#)  
**To:** ["ghccpres@gmail.com"](mailto:ghccpres@gmail.com)  
**Cc:** ["info@communitycouncils.org"](mailto:info@communitycouncils.org)  
**Subject:** Community Council Notice for New Standard Marijuana Cultivation Facility License Application #10161 The Frost Frontier  
**Date:** Wednesday, June 01, 2016 12:42:00 PM  
**Attachments:** [10161 Community Council Notice.docx](#)

---

Hello Community Council Members,

Please find the attached notification for a new marijuana license application in your area.

*Thank you,  
AMCO Staff*



THE STATE  
of **ALASKA**  
GOVERNOR BILL WALKER

**Department of Commerce, Community,  
and Economic Development**

ALCOHOL & MARIJUANA CONTROL OFFICE  
550 West 7<sup>th</sup> Avenue, Suite 1600  
Anchorage, AK 99501  
Main: 907.269.0350

June 1, 2016

The Frost Frontier, LLC  
DBA The Frost Frontier  
VIA email: [thefrostfrontier@gmail.com](mailto:thefrostfrontier@gmail.com)

Re: Application Status for License # 10161

Dear Applicant:

I have received your application for a Standard Marijuana Cultivation Facility license. Our staff has reviewed your application after receiving your application and required fees. Your application documents appear to be in order, and I have determined that your application is complete for purposes of 3 AAC 306.025(d).

Your application is now considered complete and will be sent electronically, in its entirety, to your local government, your community council if your proposed premises is in Anchorage or certain locations in the Mat-Su Borough, and to any non-profit agencies who have requested notification of applications. The local government will have 60 days to protest the issuance of your license or waive protest.

If you have not yet received all necessary approvals, such as a local license, conditional use permit, site plan review, Fire Marshal approval, or Department of Environmental Conservation approval, you should continue to work with those local or state agencies to get the requirements completed. At this time, at the direction of the Marijuana Control Board, I am determining your application to be complete without sending your fingerprint card(s) to the Department of Public Safety (DPS) for independent verification of your lack of a disqualifying criminal history. The fingerprint card(s) will be forwarded on an as yet undetermined date when DPS and the FBI are ready to receive and process it. Your application status in the application database will be changed to "Complete" today.

Your application may be considered by the board while some approvals are still pending. However, your license will not be finally issued and ready to operate until all necessary approvals are received and a preliminary inspection of your premises by AMCO enforcement staff is completed.

Your application will be scheduled for the July 7th board meeting for Marijuana Control Board consideration. Because July 7th, 2016 is less than 60 days from today, the board will not grant or deny your application before July 30th, 2016 unless your local government waives its right to protest per 3 AAC 306.075(a)(1). Please feel free to contact us through the [marijuana.licensing@alaska.gov](mailto:marijuana.licensing@alaska.gov) email address if you have any questions.

Sincerely,

A handwritten signature in blue ink, appearing to read "C. Franklin".

Cynthia Franklin  
Director, Marijuana Control Board



**From:** [Marijuana Licensing \(CED sponsored\)](#)  
**To:** ["thefrostfrontier@gmail.com"](mailto:thefrostfrontier@gmail.com)  
**Cc:** [Marijuana Licensing \(CED sponsored\)](#)  
**Subject:** Marijuana License Application #10161 The Frost Frontier, LLC \*Complete Letter\*  
**Date:** Wednesday, June 01, 2016 12:51:00 PM  
**Attachments:** [10161 Applicant Notice.docx](#)

---

Good Afternoon,

Please see the attached letter regarding your complete marijuana license application.

*Thank you,  
AMCO Staff*