



THE STATE
of **ALASKA**
GOVERNOR BILL WALKER

Department of Commerce, Community,
and Economic Development

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

July 13, 2016

Top Hat, LLC
DBA Top Hat, LLC
VIA email: john@thcalaska.com
Re: Application Status for License # 10270

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 September 7th board meeting for Marijuana Control Board consideration. **Your appearance at the meeting, either in-person or telephonic, is mandatory.** The address and call-in number for the meeting will be posted on our home page. Because September 7, 2016 is less than 60 days from today, the board will not grant or deny your application before September 11, 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 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



MEMORANDUM

TO: Chair and Members of the Board DATE: August 25, 2016
FROM: Cynthia Franklin RE: Top Hat, LLC #10270
Director, Marijuana Control Board

This is an application for a new standard cultivation facility in the City and Borough of Juneau by Top Hat, LLC DBA Top Hat, LLC.

Date Application Initiated: 04/20/2016
Date Under Review: 06/16/2016
Incomplete Letter(s) Date: 06/22/2016
Date Final Corrections Submitted: 07/07/2016
Determined Complete/Notices Sent: 07/13/2016
Local Government Response/Date: 08/25/2016 – City and Borough of Juneau waives its right to protest
DEC Response/Date: 07/13/2016 - Compliant
Fire Marshal Response/Date: N/A - deferred
Objection(s) Received/Date: No
Staff questions for Board: No



OFFICE OF THE MUNICIPAL CLERK

Ph: (907)586-5278 Fax: (907)586-4552

e-mail: City.Clerk@juneau.org

August 25, 2016

Sent via e-mail & USPS

Sarah Daulton Oates, Records & Licensing Supervisor
State of AK Alcohol & Marijuana Control Office
The Atwood Building
550 West 7th Ave., Suite 1600
Anchorage, AK 99501

Re: CBJ Assembly Action on Marijuana License Application

Dear Sarah:

At its meeting on Monday, August 22, 2016 the City and Borough of Juneau Assembly waived its right to protest the issuance of the **NEW Standard Marijuana Cultivation Facility License #10270 – TOP HAT, LLC, Location: 2315 Industrial Blvd., Juneau, AK 99801.**

The following is an excerpt from the City Manager's Report with respect to the status of this license within our own CBJ permit and licensing processes.

CBJ staff from the Police, Fire, Finance, and Community Development departments reviewed this application for compliance with CBJ laws and regulations and recommend the Assembly waive its right to protest the issuance of this license. As to CDD's recommendation: although the Assembly may protest a license for an applicant's failure to obtain a local license, in this case, even though the applicant does not yet have a local license, CDD recommends allowing the applicant to move forward. The applicant has secured a conditional use permit. Once the CUP is approved and the state license is received, CDD will issue the local license after an inspection. Should the applicant fail the inspection, the local license will not be issued and the applicant will be prohibited from operating in the CBJ despite having obtained a state license.

A copy of the Planning Commission's Notice of Decision on the Conditional Use Permit USE2016-0013 is attached for your records.

Thank you for the opportunity to comment. If you have any questions, please send an e-mail or call the Municipal Clerk's Office at 907-586-5278.

Sincerely,

Beth McEwen, MMC
Deputy Clerk

Attachments
cc: Licensee



Community Development

City & Borough of Juneau • Community Development
155 S. Seward Street • Juneau, AK 99801
(907) 586-0715 Phone • (907) 586-4529 Fax

PLANNING COMMISSION NOTICE OF DECISION

Date: May 27, 2016

File No.: USE2016 0013

Seaweed Ventures
2315 Industrial Boulevard
Juneau, AK 99801

Application For: Marijuana Cultivation Facility
Legal Description: Mason Industrial Park 2 LT 7A1
Property Address: 2315 Industrial Boulevard
Parcel Code No.: 4-B17-0-108-007-1
Hearing Date: May 24, 2016

The Planning Commission, at its regular public meeting, adopted the analysis and findings listed in the attached memorandum dated May 11, 2016 and approved the development of a marijuana cultivation facility at 2315 Industrial Boulevard to be conducted as described in the project description and project drawings submitted with the application and with the following conditions:

1. Parking spaces shall meet CBJ 49.40.210(b)(1); 8 spaces including 1 ADA signed space shall be marked and maintained. A parking and circulation plan shall be submitted with the building permit application.
2. The applicant shall pass all CBJ Fire Marshall inspections.
3. No offsite glare shall be produced by exterior doorway lights.
4. Security cameras shall have an unobstructed view of each doorway to the processing building and cultivation building.
5. Security cameras shall have an unobstructed view of the regular activity without sight blockage from lighting hoods, fixtures, or other equipment in the processing building and cultivation building.
6. Security cameras shall have a battery back-up system installed that operates for a minimum of 24 hours; all batteries must be replaced annually.
7. Prior to the issuance of a Certificate of Occupancy, all security devices shall be inspected to ensure they are fully operational and required signage displayed.

Attachments: May 11, 2016 memorandum from Chrissy Steadman, Community Development, to the CBJ Planning Commission regarding USE2016 0013.

This Notice of Decision does not authorize construction activity. Prior to starting any project, it is the applicant's responsibility to obtain the required building permits.

This Notice of Decision constitutes a final decision of the CBJ Planning Commission. Appeals must be brought to the CBJ Assembly in accordance with CBJ §01.50.030. Appeals must be filed by 4:30 P.M. on the day twenty days from the date the decision is filed with the City Clerk, pursuant to CBJ §01.50.030 (c). Any action by the applicant in reliance on the decision of the Planning Commission shall be at the risk that the decision may be reversed on appeal (CBJ §49.20.120).

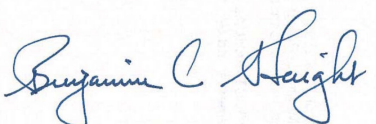
Effective Date: The permit is effective upon approval by the Commission, May 24, 2016.

Expiration Date: The permit will expire 18 months after the effective date, or November 24, 2017 if no Building Permit has been issued and substantial construction progress has not been made in accordance with the plans for which the development permit was authorized. Application for permit extension must be submitted thirty days prior to the expiration date.

Project Planner:



Chrissy Steadman, Planner II
Community Development Department



Ben Haight, Chair
Planning Commission



Filed With City Clerk

June 3, 2016

Date

cc: Plan Review

NOTE: The Americans with Disabilities Act (ADA) is a federal civil rights law that may affect this development project. ADA regulations have access requirements above and beyond CBJ-adopted regulations. Owners and designers are responsible for compliance with ADA. Contact an ADA - trained architect or other ADA trained personnel with questions about the ADA: Department of Justice (202) 272-5434, or fax (202) 272-5447, NW Disability Business Technical Center (800) 949-4232, or fax (360) 438-3208.



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

Alaska Marijuana Control Board

Cover Sheet for Marijuana Establishment Applications

What is this form?

This cover sheet **must** be completed and submitted any time a document, payment, or other marijuana establishment application item is emailed, mailed, or hand-delivered to AMCO's main office.

Items that are submitted without this page will be returned in the manner in which they were received.

Section 1 – Establishment Information

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

Licensee:	Top Hat, LLC	License Number:	10270		
License Type:	Standard Marijuana Cultivation Facility				
Doing Business As:	TOP HAT, LLC				
Physical Address:	2315 Industrial BLVD, Suite A				
City:	Juneau	State:	AK	Zip Code:	99801
Designated Licensee:	John Nemeth				
Email Address:	john@thcalaska.com				

Section 2 – Attached Items

List all documents, payments, and other items that are being submitted along with this page.

Attached Items:	<p>3, MJ-00 1st page updated reflecting “suite A” MJ-01 1st page updated reflecting “suite A” MJ-02 updated, better defining over all facility and cultivation areas MJ-04 1st page updated reflecting “suite A” MJ-07 New, posted as requested for 5 days at facility and CBJ City Hall with address update “suite A” MJ-08 New, submitted to CBJ with updated “suite A” in address line 3, MJ-09 1st page updated reflecting “suite A” New Publisher’s Affidavit showing new local publication posting one time w/ address update “suite A”</p> <p>PFD status change for John Nemeth to “eligible” (reference PFD data) PFD status change for Tracy LaBarge to “eligible” (reference PFD data) Biennial report submitted and updated to Division of Corporations w/ “suite A” updated</p>
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OFFICE USE ONLY

Received Date:		Payment Submitted Y/N:		Transaction #:	
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THE STATE
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GOVERNOR BILL WALKER

Department of Commerce, Community,
and Economic Development

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

July 13, 2016

Department of Environmental Conservation

Attn: Permitting Division

Via email: DEC.FSSPermit@alaska.gov

License Number:	10270
License Type:	Standard Marijuana Cultivation Facility
Licensee:	Top Hat, LLC
Doing Business As:	TOP HAT, LLC
Physical Address:	2315 Industrial BLVD Suite A Juneau, AK 99801
Designated Licensee:	John Nemeth
Phone Number:	313-318-5322
Email Address:	john@thcalaska.com

3 AAC 306.300(a)(2)(B), 3 AAC 306.400(b)(2)(B), 3 AAC 306.500(b)(2)(B), and 3 AAC 306.605(b)(2)(B) require that an applicant for a marijuana establishment license operate in compliance with each applicable public health, fire, safety, and tax code and ordinance of the state and the local government in which the applicant's proposed licensed premises are located.

This letter serves to provide written notice and request for compliance status from the above referenced entities regarding the above application (see attached application documents for more information). **Please complete and return this form to the AMCO office at the email below.**

REVIEWER: _____ ☐ DEC ☐ Fire Marshal

DATE: _____ PHONE: _____

☐ Compliant ☐ Non-compliant

COMMENTS: _____

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

Sincerely,

Cynthia Franklin, Director marijuana.licensing@alaska.gov



myAlaska My Government Resident Business in Alaska Visiting Alaska State Employees



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

search

CBPL State of Alaska

HOME CORPORATIONS BUSINESS LICENSING PROFESSIONAL LICENSING INVESTIGATIONS

State of Alaska > Commerce > CBPL > Corporations Search

Information

- Search and Database Download Information
- Privacy Policy
- Refund Policy

Search License Data

- Corporations
 - Entities
 - Officials
 - Agents
- Business Licenses
- Tobacco Endorsements
- Professional Licenses
- Search All Sections (Name Only)

Data Downloads

- Corporations Download
 - Officials Download
 - Agents Download
- Business License Download
 - Tobacco Endorsement Download
- Professional License Download
 - Guide Use Area Download

NAME(S)

Type	Name
Legal Name	Top Hat, LLC

ENTITY DETAILS

Entity Type:

Limited Liability Company

Entity #:

10036509

Status:

Good Standing

AK Formed Date:

3/7/2016

Duration/Expiration:

Perpetual

Home State:

ALASKA

Next Biennial Report Due:

1/2/2018

Entity Mailing Address:

PO BOX 20842, JUNEAU, AK 99802

Entity Physical Address:

2315 INDUSTRIAL BLVD STE A, JUNEAU, AK 99801

REGISTERED AGENT

Agent Name:

BS&G, Inc.

Registered Mailing Address:

2550 DENALI STREET, SUITE 1502, ANCHORAGE, AK 99503

Registered Physical Address:

2550 DENALI STREET, SUITE 1502, ANCHORAGE, AK 99503

OFFICIALS

Show Former

AK Entity#	Name	Titles	Percent Owned
	Benjamin Wilcox	Member	33
	John Nemeth	Member, Manager	33
	Tracy LaBarge	Member	34

FILED DOCUMENTS

Date Filed	Type	Filing	Certificate
3/7/2016	Creation Filing	Click to View	Click to View
6/22/2016	Initial Report	Click to View	

TOP OF PAGE

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OPERATING AGREEMENT
OF
TOP HAT, LLC
(an Alaska Limited Liability Company)

Dated and Effective

as of

MAY 15th, 2016

THE INTERESTS REPRESENTED BY THIS OPERATING AGREEMENT HAVE NOT BEEN REGISTERED WITH THE SECURITIES AND EXCHANGE COMMISSION UNDER THE SECURITIES ACT OF 1933, AS AMENDED, OR UNDER THE SECURITIES ACTS OR LAWS OF ANY STATE IN RELIANCE UPON EXEMPTIONS UNDER THOSE ACTS OR LAWS. THE SALE OR OTHER DISPOSITION OF THE INTERESTS IS RESTRICTED AS STATED IN THIS OPERATING AGREEMENT, AND IN ANY EVENT IS PROHIBITED UNLESS THE COMPANY RECEIVES AN OPINION OF COUNSEL SATISFACTORY TO IT AND ITS COUNSEL THAT SUCH SALE OR OTHER DISPOSITION CAN BE MADE WITHOUT REGISTRATION UNDER THE SECURITIES ACT OF 1933, AS AMENDED, AND ANY APPLICABLE STATE SECURITIES ACTS AND LAWS. BY ACQUIRING THE INTERESTS REPRESENTED BY THIS OPERATING AGREEMENT, EACH MEMBER REPRESENTS THAT HE OR SHE WILL NOT SELL OR OTHERWISE DISPOSE OF HIS OR HER INTERESTS WITHOUT REGISTRATION OR OTHER COMPLIANCE WITH THE AFORESAID ACTS AND LAWS AND THE RULES AND REGULATIONS ISSUED THEREUNDER.

**OPERATING AGREEMENT
OF
TOP HAT, LLC
an Alaska Limited Liability Company**

THIS OPERATING AGREEMENT (this “**Agreement**”) is entered into and shall be effective as of the 15th day of MAY, 2016 (the “**Effective Date**”), by and among Top Hat, LLC, an Alaska limited liability company (the “**Company**”), and the persons or entities named in Schedule B hereto (each a “**Member**” and collectively the “**Members**”).

RECITALS

WHEREAS, the Company was formed on March 7, 2016 by the filing of Articles of Organization (the “**Articles**”) with the Alaska Department of Commerce in accordance with the Alaska Limited Liability Company Act (the “**Act**”); and

WHEREAS, the Members desire to set forth herein their respective rights and obligations as Members of the Company, and to provide rules and procedures for the governance of the Company.

NOW, THEREFORE, in consideration of the mutual covenants and agreements contained herein, the parties, intending to be legally bound, agree as follows:

**ARTICLE I
GENERAL DEFINITIONS**

The capitalized terms used in this Agreement shall have the meanings ascribed thereto in the attached Schedule A, unless expressly provided otherwise in this Agreement.

**ARTICLE II
ORGANIZATION OF COMPANY**

2.1 Effective Date. This Agreement is effective as of **MAY 15th, 2016**.

2.2 Name. The name of the Company shall be Top Hat, LLC, and all business of the Company shall be conducted under such name or, upon compliance with applicable law, under any other name that the Board of Directors deems appropriate or advisable. The Members have filed the Articles with the office of the Alaska Department of Commerce. The rights and liabilities of the Members shall be as provided under the Act, the Articles and this Agreement.

2.3 Purpose. The principal purpose of the Company is to grow and cultivate cannabis, and to engage in any other lawful business or activity in connection with the foregoing and exercise any and all powers that may be lawfully exercised by the Company and that the Board of Directors determines to be advantageous to the Company. The Company shall have the power and authority to do any and all acts necessary or convenient to accomplish its purpose and operate its business.

2.4 Management. The Company is a manager-managed limited liability company and the Board of Directors, acting collectively in accordance with this Agreement, shall be the manager of the Company.

2.5 Principal Place of Business; Registered Agent. The Company shall maintain its principal place of business at 2315 Industrial BLVD, Juneau, Alaska 99801. The Board of Directors may, from time to time, change the principal business office of the Company, or establish additional offices or places of business of the Company, as it may deem advisable. The Company's registered office and registered agent in Alaska shall be BS&G, Inc., 2550 Denali, Suite 1502, Anchorage, Alaska 99503.

2.6 Term. The term of the Company's existence commenced on the date the Articles were filed in the office of the Commission for the Alaska Department of Commerce in accordance with the Act and shall continue perpetually, unless dissolved in accordance with the Act or pursuant to the provisions of this Agreement.

2.7 Defects as to Formalities. No failure to observe formalities or requirements set forth herein but that are not required under the Act shall be grounds for third parties to impose personal liability on the Members for the liabilities or obligations of the Company.

2.8 No Partnership Intended for Nontax Purposes. The Members have formed the Company under the Act, and expressly do not intend hereby to form a partnership or corporation. The Members do not intend to be partners one to another, or partners as to any third party. To the extent any Member or Transferee, by word or action, intentionally or recklessly represents to another that the Member or Transferee or any other Member or Transferee is a partner or that the Company is a partnership, the Person making such wrongful representation shall be liable to any Person who incurs personal liability by reason of such wrongful representation. The amount of the damages or liabilities incurred as a result of the wrongful representation shall be an offset against any amounts otherwise owing to such Person.

2.9 Rights of Creditors and Third Parties. This Agreement is entered into among the Company and the Members for the exclusive benefit of the Company, its Members, and their successors and permitted assigns. This Agreement is expressly not intended for the benefit of any creditor of the Company or any other Person. Except and only to the extent provided by applicable statute, no such creditor or third party shall have any rights under this Agreement or any agreement between the Company and any Member with respect to any Capital Contribution or otherwise.

2.10 Title to Property. All Company property shall be owned by the Company as an entity and no Member shall have any ownership interest in such property in the Member's individual name or right. Each Member's interest in the Company shall be personal property for all purposes. The Company shall hold all Company property in the name of the Company and not in the name or names of any Member or Members.

2.11 Payments of Individual Obligations. The Company's credit and assets shall be used solely for the benefit of the Company, and no asset of the Company shall be transferred or encumbered for or in payment of any individual obligation of any Member unless otherwise provided for herein.

ARTICLE III MEMBERS

3.1 Names and Addresses of Members. The name, address, Interests, Percentage Interest, Capital Contributions and Initial Capital Account of each of the Members are set forth in the attached Schedule B, which schedule shall be updated from time to time by the Board of Directors to reflect any changes.

3.2 Admission of Additional Members.

3.2.1 Admission. Additional Members may be added upon terms and conditions (including, without limitation, the purchase price for the Interests purchased by such Additional Member) approved by the affirmative vote or written consent of all of the Members. Notwithstanding the foregoing, a Person shall not become an Additional Member unless and until such Person:

(a) Becomes a party to this Agreement as a Member by executing an Admission Agreement and such other documents and instruments as the Company may reasonably request as may be necessary or appropriate to confirm such Person as a Member in the Company and such Person's agreement to be bound by the terms and conditions hereof; and

(b) Provides the Company with evidence reasonably satisfactory to counsel for the Company that such Person has made each of the representations and undertaken each of the warranties contained in the additional Member's Admission Agreement.

3.2.2 Accounting. No Additional Member shall be entitled to any retroactive allocation of losses, income, or expense deductions incurred by the Company. The Company may, at the time an Additional Member is admitted, close the Company books (as though the Company's Fiscal Year had ended) or make pro rata allocations of loss, income, expense, and deductions to the Additional Member for that portion of the Company's Fiscal Year in which such Additional Member was admitted, in accordance with the provisions of Code Section 706(d) and the Regulations promulgated thereunder.

3.3 Authority to Act. The Members, in their capacities as Members, shall not have any right or power to take part in the management or control of the Company or its business and affairs or to act for or bind the Company in any way, unless the Member has been authorized by the Board of Directors to act as an agent of the Company in accordance with this Agreement. Notwithstanding the foregoing, the Members have all the rights and powers specifically set forth in this Agreement and, to the extent not inconsistent with this Agreement, in the Act.

3.4 Voting Rights. All Members holding Class A Interests shall be entitled to vote on or consent to any matter submitted by the Board of Directors to a vote or for the consent of the Members, including those matters specifically reserved for a Member vote by the Act or this Agreement. With respect to any vote of Members, any Member that is an Entity shall appoint an individual to represent the Entity with respect to the business of the Company, including

consenting or voting on matters presented to the Members. Any Entity Member may change its representative upon advance written notice to the Company. The Class B Interests shall be non-voting, and no Member holding Class B Interests shall be entitled to vote such Interests in any matter submitted to a vote of the Members.

3.5 Limitation of Liability. Except as provided in Section 3.6, each Member's liability shall be limited as set forth in this Agreement, the Act and other applicable law. Except as otherwise provided by law or as expressly set forth in this Agreement, no Member shall be personally liable, merely as a Member, for the debts, or any other obligations or liabilities, of the Company, whether such liability or obligation arises in contract, tort or otherwise. A Member shall be liable only to make his, her or its Capital Contributions and shall not be required to restore a deficit balance in his, her or its Capital Account or to lend any funds to the Company or, after his, her or its Capital Contributions have been made, to make any additional contributions, assessments or payments to the Company, provided that a Member may be required to repay distributions made to it as provided in the Act.

3.6 Meetings of Members.

3.6.1 Annual Meeting; Calling of Meetings. An annual meeting of the Members holding Interests having Management Rights for the election of Directors and the transaction of such other business as may properly come before the meeting shall be held each year on the 8th day of March at 10:00 a.m. if the Members cannot otherwise agree upon an alternative date and time. Meetings of the Members may be scheduled and held as deemed appropriate by the Board of Directors, provided that a written notice that includes the place, day, hour and purpose of such meeting is provided to all Members holding Interests having Management Rights at least five (5) business days in advance of such meeting. Such meetings may address any matter that may come before the Members.

3.6.2 Place of Meetings. The Company may designate any place within or without the State of Alaska as the location for any meeting of the Members. If no designation is made, or if a special meeting be otherwise called, the place of meeting shall be the principal office of the Company in the State of Alaska.

3.6.3 Meetings of All Members. If all of the Members holding Interests having Management Rights shall meet at any time and place, either within or outside of Alaska, and consent to the holding of a meeting at such time and place, such meeting shall be valid without call or notice, and at such meeting lawful action may be taken.

3.6.4 Record Date. For the purpose of determining the Members for any purpose, the date on which any required notice is first transmitted to a Member shall be the record date for such determination of the Members.

3.6.5 Quorum. The presence, in person or by proxy, of Members holding, in the aggregate, a more than sixty percent (60%) of the Interests having Management Rights shall constitute a quorum for purposes of such meeting.

3.6.6 Manner of Acting. In each matter requiring action or approval by the Members, each Member holding Interests having Management Rights shall be entitled to vote such Interests. Except as otherwise required by the Articles, this Agreement or applicable law, a matter submitted to a vote of the Members shall be deemed approved if it receives the affirmative vote of the Members holding, in the aggregate, more than fifty percent (50%) of the total Interests having Management Rights represented at a meeting at which there is a quorum.

3.6.7 Proxies. At all meetings of the Members, a Member may vote in person or by a proxy executed in writing by the Member or by a duly authorized attorney-in-fact. Such proxy shall be filed with the Company before or at the time of the meeting and may be of any duration and scope except that a Member who shall appear in person at a meeting shall void any outstanding proxy for so long as such Member is in attendance. A proxy without limits contained therein shall be deemed to be an unlimited proxy.

3.6.8 Action Without a Meeting. Any action required or permitted to be taken at a meeting of the Members may be taken without a meeting if the action is evidenced by one or more written consents describing the action taken and signed by Members holding in the aggregate not less than the Interests having Management Rights that would be necessary to authorize or take such action at a meeting at which there was a quorum.

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

3.6.10 Telephonic Meetings. Meetings of the Members may be held by conference telephone or by any other means of communication by which all participants can hear each other simultaneously during the meeting, and such participation shall constitute presence in person at the meeting. Any member requesting to do so shall be allowed to participate by such communication means.

3.7 Reimbursement and Compensation. The Members shall be reimbursed by the Company for reasonable, substantiated, out-of-pocket expenses incurred by the Members in connection with the Company's business, including expenses incurred in the Company's organization. In addition, the Members who perform services to the Company shall be entitled to such compensation and benefits, if any, as determined from time to time by the Board of Directors, and any such compensation shall be treated as guaranteed payments under Code Section 707(c) or payments made to a nonpartner under Code Section 707(a), whichever is appropriate. However, nothing contained herein shall entitle a Member to continued employment or compensation for any period of time and the Board of Directors may request that a Member cease performing services and discontinue the payment of any compensation to such Member.

3.8 Books, Records, Reports and Information. Each Member shall have the right to receive the reports and information required to be provided by this Agreement or the Act. Upon reasonable request, each Member, and the Member's agent and attorney, shall have the right, during ordinary business hours, to inspect and copy, at the requesting Member's expense, the books and records which the Company is required, by the Act or this Agreement, to keep.

3.9 Transactions Between a Member and the Company. A Member does not violate a duty or obligation to the Company merely because such Member's conduct furthers the interest of the Member. Subject to approval as required by Section 7.8, a Member may engage in transactions with the Company pursuant to which the Member will lend money to and transact other business with the Company (such transactions, "**Interested Party Transactions**"); *provided*, that if any Interest Party Transaction involves a Director, such Director shall disclose his or her interest in the Interested Party Transaction to the Board of Directors. The rights and obligations of a Member who lends money to or transacts business with the Company are the same as those of a Person who is not a Member, subject to the Act and other applicable law. No transaction with the Company shall be voidable solely because a Member has a direct or indirect interest in the transaction if the transaction is approved or ratified as provided for herein. Subject to Section 4.2, no Interested Party Transaction will result in an increase in the Interest of the interested Member, and the value received by the Company in connection with such Interested Party Transaction shall not be credited to the interested Member's Capital Account.

3.10 Confidential Information. The Members recognize and acknowledge that as Members they will have access to, be provided with and, in some cases, prepare and create Confidential Information. A Member shall not, either while a Member or subsequent to Cessation as a Member, use or disclose any Confidential Information, either personally or for the use of others, other than in furtherance of the Member's activities on behalf of the Company. A Member shall not disclose any Confidential Information to any Person not authorized by the Company to receive such Confidential Information without the prior written consent of the Company. Each Member shall use reasonable and prudent care to safeguard and protect and prevent the unauthorized use and disclosure of Confidential Information. The obligations contained in this Section 3.10 shall survive for as long as the Company in its sole judgment considers such information to be Confidential Information. Notwithstanding anything to the contrary herein, each Member (and each employee, representative or other agent of a Member) may disclose to the Internal Revenue Service, and its agents and employees, without limitation of any kind, the tax treatment and tax structure of the Company and all materials of any kind (including opinions or other tax analyses) that are provided to the Member relating to such tax treatment and tax structure.

ARTICLE IV CAPITAL CONTRIBUTIONS

4.1 Capital Contributions. The Members' Capital Accounts shall reflect their respective Capital Contributions, which amounts are shown on the attached Schedule B. The Board of Directors may require any Additional Member to enter into a separate subscription or services agreement in connection with the issuance of any Interest in the Company. Any such Interest may be subject to vesting requirements, ongoing service obligations or buy-back rights, as determined by the Board of Directors. Each Additional Member shall contribute the consideration described for such Member on the attached Schedule B, or in such Member's Admission Agreement, as such Member's Capital Contribution to the Company. The value of the Capital Contributions (other than cash), Capital Account and the Percentage Interest of each Member are as set forth on the attached Schedule B, which shall be updated from time to time by the Board of Directors to reflect any new Members or other changes.

4.2 Additional Capital Contributions. In the event that the Board of Directors unanimously determines that additional Capital Contributions are reasonably necessary to meet the expenses of the Company, the Board shall notify all Members in writing of the amount of additional Capital Contribution required. Each Member may, but shall not be required to contribute such Member's *pro rata* share of the additional Capital Contribution computed by multiplying such Member's Percentage Interest by the amount of the additional Capital Contribution required. Each Member shall have thirty (30) days to deposit the full amount of such additional Capital Contribution with the Company. In the event any Member fails or declines to contribute some or all of such Member's share of the required additional Capital Contribution within such thirty (30) day period, each other Member may elect to make additional contributions up to the amounts any Member(s) decline or fail to make (the "**Shortfall Amount**"). If such other Members offer to contribute collectively more than the Shortfall Amount, such Members shall be allowed to contribute up to the Shortfall Amount pro rata based on their collective Percentage Interests. Unless all Members contribute their pro rata share of the additional capital call, then each contributing Member shall receive additional Interests (of the same class held by such contributing Member) proportionate to the amount of additional Capital Contributions made by such contributing Members. Any Member contributing less than such Member's pro rata share of any required additional Capital Contribution shall realize a pro rata dilution of such Member's Percentage Interests.

4.3 Service Members; Profits Interests

4.3.1 Service Member Interests Pool. Upon approval of the Board of Directors, the Company may issue Interests to Service Members, *provided*, that the aggregate Percentage Interests held by Service Members at any given time shall not exceed ten percent (10%).

4.3.2 Issuance of Interests to Service Members. When a Service Member receives an Interest in exchange for services, the Board of Directors shall designate on Schedule B whether such Interest is intended to be a Class A Interest, Class B Interest or a Profits Interest. If such Interest is designated as a Profits Interest, then: (a) the Service Member's initial capital account with respect to such Interest shall be zero dollars (\$0.00); and (b) the Board of Directors may from time to time make or cause to be made appropriate adjustments to the Capital Accounts and Percentage Interests of all other Members and Transferees, in accordance with Section 4.5. To the extent the Code or the Regulations require the Company or the Service Member to determine the value of a Profits Interest, the Board of Directors shall use best efforts to make such determination but shall have no obligation to obtain an independent appraisal of such value, nor will the Board of Directors or the Company be liable or responsible for preparing or filing any tax election (including a Code Section 83(b) election) with respect to such Profits Interest on behalf of any Service Member.

4.4 Capital Accounts. The Company shall establish and maintain an individual Capital Account for each Member. If any Member's Interest is transferred to another Person, the Transferee shall succeed to the Capital Account of the transferor to the extent the Capital Account is attributable to the Transferred Interest.

4.5 Book-Ups and Book-Downs of Property Value; Adjustment of Capital Accounts. Upon the approval of the Board of Directors, the book value of all Company properties shall be adjusted to equal their respective gross fair market values (as determined by the Board of directors) as follows:

(a) in connection with the acquisition of an Interest in the Company by an Additional Member or existing Member for more than a *de minimis* Capital Contribution;

(b) in connection with the liquidation of the Company as defined in Regulation 1.704-1(b)(2)(ii)(g);

(c) in connection with the grant of an Interest in the Company (other than a *de minimis* Interest) as consideration for the provision of services to or for the benefit of the Company by an existing Member acting in a member capacity, or by an Additional Member acting in a member capacity or in anticipation of becoming a Member; or

(d) in connection with a more than *de minimis* distribution of money or property to a retiring or a continuing Member as consideration for all or a portion of the Member's Interest.

If the Company's assets are revalued hereunder, the Capital Accounts of the Members shall be adjusted, including continuing adjustments for depreciation, to the extent provided in Regulation 1.704-1(b)(2)(iv)(f) and (g).

ARTICLE V ALLOCATIONS

5.1 Profits and Losses. After giving effect to the special allocations set forth in Sections 5.2 and 5.3, and subject to Section 5.4, Profits and Losses for any Allocation Year shall be allocated to the Members in proportion to their Percentage Interests.

5.2 Special Allocations. The following special allocations shall be made in the following order:

5.2.1 Minimum Gain Chargeback. Except as otherwise provided in Section 1.704-2(f) of the Regulations, notwithstanding any other provision of this Article V, if there is a net decrease in Company Minimum Gain during any Allocation Year, each Member shall be specially allocated items of Company income and gain for such Allocation Year (and, if necessary, subsequent Allocation Years) in an amount equal to such Member's share of the net decrease in Company Minimum Gain, determined in accordance with Regulations Section 1.704-2(g). Allocations pursuant to the previous sentence shall be made in proportion to the respective amounts required to be allocated to each Member pursuant thereto. The items to be so allocated shall be determined in accordance with Sections 1.704-2(f)(6) and 1.704-2(j)(2) of the Regulations. This Section 5.2.1 is intended to comply with the minimum gain chargeback requirement in Section 1.704-2(f) of the Regulations and shall be interpreted consistently therewith.

5.2.2 Member Minimum Gain Chargeback. Except as otherwise provided in Section 1.704-2(i)(4) of the Regulations, notwithstanding any other provision of this Article V if there is a net decrease in Member Nonrecourse Debt Minimum Gain attributable to a Member Nonrecourse Debt during any Allocation Year, each Member who has a share of the Member Nonrecourse Debt Minimum Gain attributable to such Member Nonrecourse Debt, determined in accordance with Section 1.704-2(i)(5) of the Regulations, shall be specially allocated items of Company income and gain for such Allocation Year (and, if necessary, subsequent Allocation Years) in an amount equal to such Member's share of the net decrease in Member Nonrecourse Debt, determined in accordance with Regulations Section 1.704-2(i)(4). Allocations pursuant to the previous sentence shall be made in proportion to the respective amounts required to be allocated to each Member pursuant thereto. The items to be so allocated shall be determined in accordance with Sections 1.704-2(i)(4) and 1.704-2(j)(2) of the Regulations. This Section 5.2.2 is intended to comply with the minimum gain chargeback requirement in Section 1.704-2(i)(4) of the Regulations and shall be interpreted consistently therewith.

5.2.3 Qualified Income Offset. In the event any Member unexpectedly receives any adjustments, allocations, or distributions described in Sections 1.704-1(b)(2)(ii)(d)(4), 1.704-1(b)(2)(ii)(d)(5), or 1.704-1(b)(2)(ii)(d)(6) of the Regulations, items of Company income and gain shall be specially allocated to such Member in an amount and manner sufficient to eliminate, to the extent required by the Regulations, the Adjusted Capital Account Deficit of the Member as quickly as possible, provided that an allocation pursuant to this Section 5.2.3 shall be made only if and to the extent that the Member would have an Adjusted Capital Account Deficit after all other allocations provided for in this Article V have been tentatively made as if this Section 5.2.3 were not in the Agreement.

5.2.4 Gross Income Allocation. In the event any Member has a deficit Capital Account at the end of any Allocation Year which is in excess of the sum of (i) the amount such Member is obligated to restore pursuant to the penultimate sentences of Regulations Sections 1.704-2(g)(1) and 1.704-2(i)(5), each such Member shall be specially allocated items of Company income and gain in the amount of such excess as quickly as possible, provided that an allocation pursuant to this Section 5.2.4 shall be made only if and to the extent that such Member would have a deficit Capital Account in excess of such sum after all other allocations provided for in this Article V have been made as if Section 5.2.3 and this Section 5.2.4 were not in this Agreement.

5.2.5 Nonrecourse Deductions. Nonrecourse Deductions for any Allocation Year shall be specially allocated to the Members in proportion to their respective Percentage Interests.

5.2.6 Member Nonrecourse Deductions. Any Member Nonrecourse Deductions for any Allocation Year shall be specially allocated to the Member who bears the economic risk of loss with respect to the Member Nonrecourse Debt to which such Member Nonrecourse Deductions are attributable in accordance with Regulations Section 1.704-2(i)(1).

5.2.7 Section 754 Adjustments. To the extent an adjustment to the adjusted tax basis of any Company asset, pursuant to Code Section 734(b) or Code Section 743(b) is required, pursuant to Regulations Section 1.704-1(b)(2)(iv)(m)(2) or 1.704-1(b)(2)(iv)(m)(4), to be taken

into account in determining Capital Accounts as the result of a distribution to a Member in complete liquidation of such Member's Interests in the Company, the amount of such adjustment to Capital Accounts shall be treated as an item of gain (if the adjustment increases the basis of the asset) or loss (if the adjustment decreases such basis) and such gain or loss shall be specially allocated to the Members in accordance with their interests in the Company in the event Regulations Section 1.704-1(b)(2)(iv)(m)(2) applies, or to the Member to whom such distribution was made in the event Regulations Section 1.704-1(b)(2)(iv)(m)(4) applies.

5.2.8 Allocations Relating to Taxable Issuance of Company Interests. Any income, gain, loss or deduction realized as a direct or indirect result of the issuance of Interests by the Company to a Member (the "**Issuance Items**") shall be allocated among the Members so that, to the extent possible, the net amount of such Issuance Items, together with all other allocations under this Agreement to each Member shall be equal to the net amount that would have been allocated to each such Member if the Issuance Items had not been realized.

5.3 Curative Allocations. The allocations set forth in Sections 5.2.1 through 5.2.7 and 5.4 (the "**Regulatory Allocations**") are intended to comply with certain requirements of the Regulations. It is the intent of the Members that, to the extent possible, all Regulatory Allocations shall be offset either with other Regulatory Allocations or with special allocations of other items of Company income, gain, loss or deduction pursuant to this Section 5.3. Therefore, notwithstanding any other provision of this Article V (other than the Regulatory Allocations), the Members shall make such offsetting special allocations of Company income, gain, loss or deduction in whatever manner it determines appropriate so that, after such offsetting allocations are made, each Member's Capital Account balance is, to the extent possible, equal to the Capital Account balance such Member would have had if the Regulatory Allocations were not part of the Agreement and all Company items were allocated pursuant to Sections 5.1 and 5.2.8.

5.4 Loss Limitation. Losses allocated pursuant to Section 5.1 hereof shall not exceed the maximum amount of Losses that can be allocated without causing any Member to have an Adjusted Capital Account Deficit at the end of any Allocation Year. In the event some but not all of the Members would have Adjusted Capital Account Deficits as a consequence of an allocation of Losses pursuant to Section 5.1 hereof, the limitation set forth in this Section 5.4 shall be applied on a Member by Member basis and Losses not allocable to any Member as a result of such limitation shall be allocated to the other Members in accordance with the positive balances in such Member's Capital Accounts so as to allocate the maximum permissible Losses to each Member under Section 1.704-1(b)(2)(ii)(d) of the Regulations.

5.5 Other Allocation Rules. For purposes of determining the Profits, Losses, or any other items allocable to any period, Profits, Losses, and any such other items shall be determined on a daily, monthly, or other basis, as determined by the Board of Directors using any permissible method under Code Section 706 and the Regulations thereunder. The Members are aware of the income tax consequences of the allocations made by this Article V and hereby agree to be bound by the provisions of this Article V in reporting their shares of Company income and loss for income tax purposes. Solely for purposes of determining a Member's proportionate share of the "excess nonrecourse liabilities" of the Company within the meaning of Regulations Section 1.752-3 (a)(3), the Members' Interests in Company profits are in proportion to their Percentage Interests. To the

extent permitted by Section 1.704-2(h)(3) of the Regulations, the Members shall endeavor to treat distributions as having been made from the proceeds of a Nonrecourse Liability or a Member Nonrecourse Debt only to the extent that such distributions would cause or increase an Adjusted Capital Account Deficit for any Member.

5.6 Tax Allocations: Code Section 704(c). In accordance with Code Section 704(c) and the Regulations thereunder, income, gain, loss, and deduction with respect to any Property contributed to the capital of the Company shall, solely for tax purposes, be allocated among the Members so as to take account of any variation between the adjusted basis of such Property to the Company for federal income tax purposes and its initial Gross Asset Value (computed in accordance with the definition of Gross Asset Value). In the event the Gross Asset Value of any Company asset is adjusted pursuant to subparagraph (b) of the definition of Gross Asset Value, subsequent allocations of income, gain, loss, and deduction with respect to such asset shall take account of any variation between the adjusted basis of such asset for federal income tax purposes and its Gross Asset Value in the same manner as under Code Section 704(c) and the Regulations thereunder. Any elections or other decisions relating to such allocations shall be made by the Company in any manner that reasonably reflects the purpose and intention of this Agreement. Allocations pursuant to this Section 5.6 are solely for purposes of 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 Profits, Losses, other items, or distributions pursuant to any provision of this Agreement.

ARTICLE VI DISTRIBUTIONS

6.1 Nonliquidating Distributions. Except as provided in Article X hereof with respect to distributions in liquidation, distributions of Net Cash Flow, if any, shall be distributed to the Members in proportion to their respective Percentage Interest not more than thirty (30) days following the end of each calendar quarter.

6.2 Net Cash from Sales or Refinancings. Except as otherwise provided in Article X hereof with respect to liquidating distributions, Net Cash from Sales or Refinancings, if any, shall be distributed to the Members in proportion to their Percentage Interests following the establishment of any reserves that the Board of Directors determines to be reasonably necessary for contingent, unmatured and/or unforeseen liabilities or obligations of the Company.

6.3 Amounts Withheld. All amounts withheld pursuant to the Code or any provision of any state, local or foreign tax law with respect to any payment, distribution or allocation to the Company or the Members shall be treated as amounts paid or distributed, as the case may be, to the Members with respect to which such amount was withheld pursuant to this Section 6.3 for all purposes under this Agreement. The Company is authorized to withhold from payments and distributions, or with respect to allocations to the Members, and to pay over to any federal, state and local government or any foreign government, any amounts required to be so withheld pursuant to the Code or any provisions of any other federal, state or local law or any foreign law, and shall allocate any such amounts to the Members with respect to which such amount was withheld.

6.4 Limitations on Distributions. The Company shall make no distributions to the Members other than pursuant to this Article VI and Article X hereof. Notwithstanding anything to the contrary herein, a Member may not receive a distribution from the Company to the extent that, after giving effect to the distribution, all liabilities of the Company, other than liability to Members on account of their Capital Contributions, would exceed the fair value of the Company's assets.

ARTICLE VII MANAGEMENT OF THE COMPANY

7.1 Management by the Board of Directors. Except for situations in which the approval of the Members is expressly required by this Agreement or by the Act, (i) the powers of the Company shall be exercised by or under the authority of, and the business and affairs of the Company shall be managed by or under the direction of, a Board of Directors (the "**Board of Directors**" or the "**Board**"); and (ii) the Board of Directors shall make all decisions and take all actions for the Company unless otherwise provided in this Agreement. No member of the Board of Directors (a "**Director**"), acting individually in his or her capacity as Director, shall have any power or authority to bind the Company or act on behalf of the Company on any matter unless specifically authorized to do so by action of the Board. Except as otherwise provided in this Agreement or required by the Act (i) no Person or Persons other than the Board acting under the authority of this Agreement, and Persons authorized by the Board in accordance with Section 7.9 acting under the authority of the Board, shall have the power to act for or on behalf of, or to bind, the Company, and (ii) no Member shall have the right to vote upon or consent to any matter. Except as otherwise expressly provided herein, the vote or consent of a majority of the Directors shall be necessary and sufficient for the Board to take or consent to any action or matter. Except as otherwise expressly provided by this Agreement, the Members intend that the Board shall have and exercise all power and authority on behalf of the Company as applicable law permits to be delegated by the Members to the manager of a manager-managed limited liability company.

7.2 Designation of Board of Directors.

7.2.1 Number and Qualification. The Board shall be comprised of not less than two (2) or more than five (5) members (each, a "**Director**"), and the initial Directors shall be Tracy LaBarge, Ben Wilcox and John Nemeth. Any increase or decrease in the size of the Board shall require Member Approval.

7.2.2 Election and Term of Office. Each Director shall be elected annually by the Members to hold office until the next annual meeting of the Members or such Director's earlier death, resignation or removal.

7.2.3 Vacancies. Vacancies on the Board of Directors by reason of death, resignation, removal or decrease in the number of Directors shall be filled by Member Approval. Each Director, including a Director elected to fill a vacancy, shall hold office until the expiration of the term for which such Director was elected and until a successor has been elected and qualified or such Director's earlier death, resignation or removal.

7.2.4 Resignation. Any Director may resign upon at least thirty (30) days' notice to the Members and the other Directors (unless, in either case, notice is waived by them).

7.2.5 Removal. A Director may be removed at any time for any reason, with or without cause, by Member Approval.

7.3 Director Expenses. The Company shall reimburse the Directors for reasonable travel and other incidental expenses incurred by them in connection with the performance of their duties under this Agreement. Directors shall be entitled to receive salary or other compensation for their services as Directors, in an amount to be determined by the Directors and approved by Members holding not less than a majority of the Interests having Management Rights.

7.4 Meetings of the Board of Directors; Notice of Meeting. Meetings of the Board shall be held not less than one (1) time per year and may be held at any time and place, within or outside the State of Alaska. Unless such notice is waived, at least five (5) Business Days prior written notice of the time and place of each Board meeting (which may be given by facsimile or email) shall be provided to each Director by the Company; or, if such meeting is to be conducted by conference telephone or similar communication equipment, the notice shall specify the means by which a Director may join and participate in such meeting; *provided, however*, that participation at any such meeting by a Director will be deemed to waive such notice requirement unless the Director objects to the notice provided at the outset of the meeting and attends only so long as necessary to state the objection. The notice of the meeting shall describe with reasonable particularity the place, day, and time of the meeting, the purpose or purposes for which the meeting is called, and the general nature of the business proposed to be transacted. Meetings of the Board may be called by any Director by notice to the other Directors as provided above.

7.5 Telephonic Meetings. Directors may participate in a meeting of the Board by means of conference telephone or similar communications equipment by means of which all persons participating in the meeting can hear each other simultaneously, and participation by such means shall constitute presence in person at such meeting.

7.6 Quorum. The presence at a meeting of at least a majority of the Directors shall be necessary to constitute a quorum. A majority of the Directors present, whether or not a quorum is present, may adjourn any meeting from time to time. If, at any meeting, a quorum is not present for any reason, then another Board meeting may be convened within not less than five (5) and not more than ten (10) Business Days after such meeting, upon at least twenty four (24) hours prior written notice to each Director of the time and place of such meeting or the manner of participation if the meeting is to be held by conference telephone or similar communications equipment.

7.7 Action by Written Consent. Any action required or permitted to be taken at any meeting of the Board may be taken without a meeting if all of the Directors then in office consent to the action in writing. Any such written consent shall be filed with the minutes of the proceedings of the Board.

7.8 Actions Requiring Specific Approval.

7.8.1 The Company shall not, directly or indirectly, take any of the following actions without first obtaining the approval of all of the Directors:

(a) Make any distribution to a Member or Members other than a pro rata distribution to all Members in accordance with their respective Percentage Interests, except as otherwise required by this Agreement;

(b) Approve annual capital and operating budgets;

(c) Incur Debt other than in the ordinary course of business, except to the extent reasonably contemplated by the annual operating or capital budget approved by the Board;

(d) Incur any Debt in a single transaction or series of related transactions in excess of \$10,000 but less than \$100,000, except to the extent reasonably contemplated by the annual operating or capital budget approved by the Board;

(e) Cause the Company to engage in any transaction or series of related transactions involving the expenditure of funds in excess of \$10,000 but less than \$100,000, except to the extent reasonably contemplated by the annual operating or capital budget approved by the Board; or

(f) Call for an additional Capital Contribution from the Members.

7.8.2 The Company shall not, directly or indirectly, take any of the following actions without first obtaining the approval of all Directors and Member Approval:

(a) Admit or agree to admit an Additional Member of the Company (excluding Service Members) or cause the Company to create or issue any equity security (excluding Profits Interests issuable to Service Members) of the Company, including any option or warrant with respect thereto;

(b) Amend, restate, waive, alter or repeal any provision of this Agreement or the Certificate, except as expressly permitted by this Agreement;

(c) Subject to Section 8.9, approve any merger, consolidation, business combination or similar transaction involving the equity interests of the Company; *provided, however*, that the consent of the Members shall not be necessary or required for any such transaction effective primarily for the purpose of changing the domicile of the Company or where the Members immediately prior to such transaction hold, immediately after such transaction, at least fifty-one percent (51%) of the voting power of the surviving or acquiring entity;

(d) Authorize the filing by the Company of any type of petition in bankruptcy, or the assignment by the Company of any of its assets for the benefit of creditors, or dissolution of the Company;

- (e) Set or adjust the compensation or benefits of any Director;
- (f) Authorize or approve any transaction involving an actual or potential conflict of interest between a Member or a Director, on the one hand, and the Company, on the other hand; or
- (g) Authorize, approve or enter into any lease, service contract or any other agreement with a term in excess of six (6) months.
- (h) Borrow or incur any Debt in a single transaction or series of related transactions in excess of \$100,000.
- (i) Sell, transfer, exchange or otherwise dispose of any asset of the Company with a value in excess of \$100,000 (Including “Blue Sky” or “Goodwill”).
- (j) Change the nature of the Company’s business.

7.9 Officers. The Board may, from time to time, delegate to one or more individuals such authority and duties as the Board deems advisable, and, subject to Section 7.12 below, such individuals shall owe the same fiduciary duty to the Company as officers of a corporation owe to such corporation under Alaska law. In addition, the Board shall assign titles to officers of the Company and, unless the Board determines otherwise, the assignment of such title shall constitute the delegation to such officer of the authority and duties that are normally associated with that office if held by the officer of a corporation. Without limiting the foregoing, the Board shall appoint a President, a Secretary and a Treasurer. The Members may appoint one or more Vice Presidents, other officers and assistant officers as may be deemed necessary. Without limiting the foregoing, the Board may, in its discretion, appoint a Chairperson of the Board of Directors; and, if a Chairperson has been appointed, the Chairperson shall, when present, preside at all meetings of the Board of Directors and the Members and shall have such other powers as the Board may prescribe.

7.9.1 President. The President, subject to the direction and control of the Board, as set forth in Section 7.1, and shall be the chief executive officer of the Company, shall be in charge of the day-to-day operations of the Company and shall supervise and control all of the assets, business and affairs of the Company. The President shall have the authority to vote the shares, partnership interests or other interests owned by the Company in other entities, and shall have such other powers and duties incident to the office of President and as may be assigned to the President from time to time by the Board. In general, the President shall perform all duties incident to the office of President and such other duties as may be prescribed by the Board from time to time. The President shall, unless a Chairperson of the Board of Directors has been appointed and is present, preside at all meetings of the Board and the Members.

7.9.2 Vice Presidents. In the absence of the President or the President’s inability to act, the Vice Presidents, if any, in order of their rank as fixed by the Board or, if not ranked, a Vice President designated by the Board, shall perform all the duties of the President and when so acting

shall have all the powers of, and be subject to all the restrictions upon, the President. The Vice Presidents shall have such other powers and perform such other duties as from time to time may be respectively prescribed for them by the Board, the President or this Agreement.

7.9.3 Secretary. The Secretary shall, subject to the direction and control of the Board, keep the minutes of the meetings of the Board, see that all notices are duly given in accordance with the provisions of this Agreement or as required by law, be the custodian of the Company records, keep a register of the post office address of each Member and otherwise perform the duties incident to the office of Secretary and such other duties as may be prescribed by the Board, the President or this Agreement from time to time.

7.9.4 Treasurer. The Treasurer shall, subject to the direction and control of the Board, have charge and custody of and be responsible for all funds and securities of the Company.

7.9.5 Initial Officers. As of the date hereof, the officers of the Company are as follows:

Name	Title(s)
Ben Wilcox	Vice President
Tracy LaBarge	Secretary and Treasurer
John Nemeth	President

7.9.6 Compensation. The salaries, bonuses or other compensation, if any, of the officers shall be fixed from time to time by the Board in accordance with the terms of any applicable employment or management agreements. Subject to the requirements of any applicable employment or management agreement, any delegation pursuant to this Section 7.9 may be revoked at any time by the Board of Directors, in its sole and absolute discretion.

7.10 Limitation on Liability. No Director or officer of the Company shall be personally liable to the Company or its Members for monetary damages for his or her conduct as a Director or an officer provided that such act or omission did not involve (i) fraud, willful misconduct, gross negligence or bad faith, (ii) a knowing violation of law, (iii) a violation of AS 10.50.305, (iv) a violation of this Agreement or (v) a transaction from which such Director or officer (as the case may be) personally received a benefit in money, property, or services to which he or she is not legally entitled. Any amendment to or repeal of this Section 7.10 shall not adversely affect any right or protection of a Director or officer of the Company for or with respect to any conduct, acts or omissions of such Director or officer occurring prior to such amendment or repeal.

7.11 Indemnification. The Company shall indemnify and hold harmless any Person acting as a Director, officer, or agent of the Company, and each Member of the Company (all of the foregoing being the “**Indemnified Persons**”), from and against any judgments, settlements, penalties, fines or expenses incurred in a proceeding to which an individual is a party because he or she is or was a Director, officer, or agent of the Company, a Member, or such other person acting on behalf of the Company, to the fullest extent allowed by the Act, including, without limitation, all expenses (including attorneys’ fees), costs, judgments, penalties, fines and amounts paid in settlement actually and reasonably incurred by such Indemnified Persons; *provided*, that

the Company shall not indemnify any Person in connection with a proceeding (or part thereof) initiated by such Person, except where such proceeding (or part thereof) was authorized by the Board of Directors. All expenses (including attorneys' fees), costs, judgments, penalties, fines and amounts paid in settlement of any such proceeding shall be paid by the Company as they are incurred by any Indemnified Person in advance of the final disposition of such proceeding, upon receipt of an undertaking by or on behalf of the Indemnified Person to repay the amount if it is ultimately determined that such Person is not entitled to be indemnified by the Company. The provisions of this Section 7.11 do not affect any rights to indemnity or to advancement of expenses to which any Person may be entitled under any contract or otherwise. Notwithstanding anything to the contrary herein, this provision shall not eliminate or limit an Indemnified Person's liability for (i) fraud, willful misconduct, gross negligence or bad faith; (ii) acts or omissions not in good faith which involve intentional misconduct or a knowing violation of law; (iii) a violation of AS 10.50.305; (iv) a violation of this Agreement; (v) a transaction from which an Indemnified Person personally received a benefit in money, property or services to which he or she is not legally entitled; or (vi) any action taken by a Member without authority as limited by Section 3.3.

7.12 Business Activities of Members and Directors.

7.12.1 The parties hereto expressly acknowledge and agree that: (i) the Members and their Affiliates are permitted to have, and may presently or in the future have, investments or other business relationships, ventures, agreements or arrangements with entities engaged in the business of the Company, other than through the Company (an "**Other Business**"); (ii) a Member and its Affiliates have or may develop a strategic relationship with businesses that are or may be competitive with the Company; (iii) none of the Members or their respective Affiliates will be prohibited by virtue of their investment in the Company from pursuing and engaging in any such activities; and (iv) none of the Members or their respective Affiliates will be obligated to inform the Company or other Member of any such opportunity, relationship or investment (a "**Company Opportunity**") or to present a Company Opportunity, and the Company hereby renounces any interest in a Company Opportunity and any expectancy that a Company Opportunity will be offered to it. The parties hereto expressly authorize and consent to the involvement of the Members and/or its Affiliates in any Other Business. The parties hereto expressly waive, to the fullest extent permitted by applicable law, any rights to assert any claim that such involvement breaches any fiduciary or other duty or obligation owed to the Company or any Member or to assert that such involvement constitutes a conflict of interest by such Persons with respect to the Company or any Member.

ARTICLE VIII TRANSFERS

8.1 Restrictions on Transfers.

8.1.1 Transfers Restricted. Except as otherwise permitted by this Agreement, no Member shall Transfer all or any portion of such Member's Interests in the Company. In the event that any Member pledges or otherwise encumbers all or any part of such Person's Interests as security for the payment of a Debt incurred by the Company for business purposes, any such pledge or hypothecation shall not constitute a Transfer, but shall only be made pursuant to a pledge or hypothecation agreement that requires the pledgee or secured party to be bound by all of the

terms and conditions of this Agreement. A Transfer of an ownership interest in a Member that is an Entity shall not constitute a Transfer of such Entity's Interests in the Company. Notwithstanding anything to the contrary in this Agreement, the Company may redeem a Member's Interests or a Member may transfer all or any portion of such Member's Interests (a) to an employee of the Company or any Affiliate of the Company with Board approval, (b) to a trust for the primary benefit of such Member, his or her spouse and his or her descendants for estate planning purposes or as inter vivos gifts ("**Estate Planning Transfers**"); *provided*, that with respect to any Estate Planning Transfers such transferring Member shall continue to remain subject to all of the terms and conditions of this Agreement as though still held by such transferring Member regardless of whether such transferring Member has transferred all of such Member's Interests and thereafter ceases to be a Member, or (c) to any corporation (or other Entity) that, at the time of such Transfer, is a member of an affiliated group of corporations (or other entities) (within the meaning of Section 1504 of the Code) to which the Member belongs. Any Estate Planning Transfers which provide for a transfer in trust which may have a power of appointment, as defined in IRC §2042, shall limit the exercise of the power of appointment to only a descendant of the Member. Notwithstanding anything to the contrary in this Agreement (x) the Company may redeem a Member's Interests and (y) no Transfer to any Person not qualified or otherwise allowed by applicable law be an investor in a Person that maintains a marijuana license (or not qualified to be an investor in a Person's subsidiary that maintains a marijuana license) in the State of Alaska shall be permitted, any such attempted Transfer shall be null and void and of no force or effect whatsoever, and no Transfer shall be recognized by the Company until such time as the Transferee has successfully completed all steps required by the Alcohol & Marijuana Control Office of the State of Alaska in connection with such Transfer and has been approved by the Alcohol & Marijuana Control Office of the State of Alaska with respect to any license necessary or beneficial for the Company or any of its subsidiaries.

8.2 Voluntary Third-Party Transfers.

8.2.1 Notice. A Member (a "**Selling Member**") desiring to Transfer all or any portion of the Selling Member's Interests to a third party (other than as expressly permitted by this Agreement) shall obtain from such third party purchaser (an "**Offeror**") a bona fide written offer (an "**Offer**") stating the number of Interests, the price, terms and conditions upon which the purchase is to be made. The price and terms will be stated in U.S. Dollars and will not include any other property or in-kind items. The Selling Member will give written notice of the Offer (a "**Sale Notice**") to the other Members (the "**Non-Selling Members**"). The Sale Notice will set forth the complete terms of the Offer and the name and address of the Offeror.

8.2.2 Right of First Refusal. Upon receipt of the Sale Notice, the Non-Selling Members, will have the right, but not the obligation, to purchase all (but not less than all) of the Interests covered by the Offer at either the price and in accordance with the payment terms set forth in the Offer or as provided in this Section 8.2.2. The Non-Selling Members may exercise this right to purchase by giving notice (an "**Exercise Notice**"), accompanied by a non-refundable earnest money payment delivered in cash or other immediately available funds and equal to five percent (5%) of the purchase price of the Interests covered by the Offer, to the Selling Member within thirty (30) days following receipt of the Sale Notice. If more than one Non-Selling Member elects to purchase the Interests offered, then such Non-Selling Members shall split the purchase on a pro rata basis based upon the number of Interests of each Non-Selling Member electing to

make a purchase, divided by the number of Interests of all Non-Selling Members electing to make such purchase or such other split as the Non-Selling Members electing to make such purchase may agree.

The Non-selling Members may elect to purchase the Interests either in accordance with the payment forms set forth in the Offer, or, at their option, by paying twenty percent (20%) of the purchase price as a downpayment with equal quarterly payments over seven (7) years, including interest at the Applicable Federal Rate (“AFR”) as of the date of the Exercise Notice. The deferred payments shall be evidenced by an unsecured promissory note executed by the payors. The note shall be pre-payable in whole or in part at any time without penalty.

8.2.3 Closing. The purchase of Interests pursuant to the exercise of the right of first refusal set forth in Section 8.2.2 will be closed within ninety (90) days after the expiration of the period for the giving of the Exercise Notice.

8.2.4 Sale Following Waiver of Right of Refusal. If the Non-Selling Members allow to expire, or waive in writing, the right to purchase as set forth in Section 8.2.2, the Selling Member may proceed with the proposed sale or disposition of all of the offered Interests, at the price and on the terms specified in the Offer; *provided, however*, it will be a condition precedent to the effectiveness of any Transfer that any such transferee will purchase all of the Interests to be purchased pursuant to the Offer, will become a party to this Agreement pursuant to Section 8.7, and will hold the Interests subject to all of the terms and conditions of this Agreement and will make no further disposition of any of such Interests except in accordance with the terms and conditions of this Agreement. If the proposed sale or other transaction described in the Offer has not been closed within sixty (60) days after the right to give the Exercise Notice has expired or been waived in writing, the proposed transaction may not be closed and the Offer, or any new offer to purchase the Interests, will again be subject to the Non-Selling Members’ right of refusal as provided in this Agreement.

8.3 Involuntary Transfers.

8.3.1 Purchase Option. The occurrence of any one of the following events (an “**Involuntary Transfer**”) will trigger an option (“**Call Option**”) entitling the Company and the remaining Members to purchase the Interests (the “**Call Interests**”) of the Member subject to such Involuntary Transfer (the “**Transferring Member**”):

- (a) the filing of any petition for voluntary or involuntary bankruptcy or insolvency of a Member (unless such petition is dismissed within thirty (30) days after such filing);
- (b) the attachment or garnishment of any Interests owned by a Member;
- (c) the judicial sale of any Member’s Interests under the laws of any local, state or federal government; or
- (d) any of the Interests of a Member are involuntarily transferred out of such Member’s name by any legal action brought by a person who is not a Member under this Agreement.

8.3.2 Notice. Upon the happening of an Involuntary Transfer, the Transferring Member will deliver to the Company and the other Members written notice of the event which triggers the Call Option. Such notice will be deemed delivered on the latest of (a) the thirtieth (30th) day following the Involuntary Transfer or (b) the date that the other Members receive actual notice, in the event that the Transferring Member fails to deliver prior written notice of the Involuntary Transfer.

8.3.3 Option Price. The purchase price for the Call Interests shall be as follows:

(a) If the Involuntary Transfer occurs during the twelve (12) month period following the Transferring Member's admission to the Company as a Member, the purchase price for the Call Interests shall be the lesser of (i) the amount of the Transferring Member's original Capital Contribution to the Company or (ii) the Net Value (as defined below) of the Call Interests.

(b) If the Involuntary Transfer occurs more than twelve (12) months following the Transferring Member's admission to the Company as a Member, the purchase price for the Call Interests shall be equal to (i) the difference between the aggregate value of the Company's assets and the aggregate value of the Company's liabilities, in each case as of the date of the Involuntary Transfer, multiplied by (ii) the Percentage Interest of the Transferring Member (the "Net Value"). Notwithstanding anything to the contrary herein, in calculating Net Value, no value shall be given to the goodwill of the Company until the Company has had three (3) consecutive years of profits or the Members, by Member Approval, have elected to include goodwill in the calculation of Net Value. The formula for determining the value of the goodwill of the Company shall be developed by the Board and approved by Member Approval.

8.3.4 Option Exercise. Upon receipt of written notice of an Involuntary Transfer, or upon the deemed delivery of such notice, the other Members will have the right for thirty (30) days to deliver notice to the Member subject to the Involuntary Transfer of the other Members' exercise of the Call Option. In no event will the other Members be required to exercise the Call Option.

8.3.5 Option Closing. The closing of the purchase and sale pursuant to the exercise of the Call Option will be on the ninetieth (90th) day following notice of the Involuntary Transfer or such other date as the other Members may determine.

8.4 Purchase on Death or Disability. In the event of the death or permanent disability of a Member, the Company shall purchase the Percentage Interest of such Member. The Purchase Price shall be paid from the proceeds of the life or disability insurance maintained by the Company, and shall be the fair market value for the Percentage Interest as determined by an independent third party appraiser, after consideration of discounts for minority ownership and lack of marketability of the Percentage Interest.

8.5 Payment Terms. The purchase price for the Interests (the "Purchase Price") purchased pursuant to Section 8.3 or Section 8.4 will be paid in United States dollars. The purchaser will have the option of either: (a) paying the total Purchase Price in cash at closing by delivery of a cashier's check; or (b) paying a cash down payment equal to 20% of the Purchase

Price by cashier's check and delivering an executed promissory note for the balance. A promissory note evidencing an obligation to pay the balance of the Purchase Price will provide that the balance will bear interest at the applied AFR for the month immediately preceding the month during which the promissory note is issued. The note will be unsecured and provide for payments of principal and interest in an amount that will fully amortize the principal balance over a seven (7) year term in equal quarterly installments, pre-payable in whole or in part at any time without penalty. The closing of such purchase shall take place within ninety (90) days following the establishment of the Purchase Price.

8.6 Rights and Obligations Arising Out of Transfers.

8.6.1 A Transfer (including an Involuntary Transfer) of a Member or Transferee's Interest to a Person who is not a Member does not itself dissolve the Company or entitle the Transferee to become a Member or exercise any Management Rights. In the event a Person who is not a Member acquires a Member or Transferee's Interest in the Company, but is not admitted as a substituted Member pursuant to Section 8.7 hereof, such Person shall be entitled only to the Economic Rights with respect to such Interest, shall have no right to any information or accounting of the affairs of the Company, shall not be entitled to vote, shall not be entitled to inspect the books or records of the Company, and shall not have any of the rights of a Member under the Act or this Agreement, other than Economic Rights.

8.6.2 A Transfer (including an Involuntary Transfer) of a Member's Interest to a Person who is not a Member shall cause the Member to cease to be a Member in connection with the assigned Interest and cease to have the power to exercise any Management Rights associated with the assigned Interest. A Transferring Member or Selling Member, as applicable, shall cease to be a Member of the Company as of the date of the Transfer Event or the closing of the sale of the Selling Member's Interest. A Person who assigns an Interest in the Company is not released from any liability to the Company solely as a result of the assignment of such Interest.

8.6.3 An assignment of an Interest by a Member (the "**Assigning Member**") to any other Member (the "**Acquiring Member**") shall cause the Acquiring Member's Percentage Interest to increase to the extent of such assigned Interest (including both Economic Rights and any Management Rights) and the Assigning Member's Percentage Interest to decrease to the extent of such assigned Interest. If a Member acquires an Interest from a Transferee, the Member shall acquire both the Economic Rights with respect to such Interest and the Management Rights associated with such Interest, and the Management Rights of the Member from whom the Transferee's Interest was obtained shall decrease accordingly. If all of an Assigning Member's Interest is assigned to one or more Acquiring Members, such assignment shall constitute a Cessation of the Assigning Member subject to Article IX hereof. The Assigning Member shall not be released from liabilities to the Company.

8.7 Acceptance of Transferee as Substitute Member.

8.7.1 Subject to the other provisions of this Article VIII, a Transferee of an Interest may be admitted to the Company as a substituted Member only upon approval of the Board of Directors and the satisfaction of the following conditions:

(a) The Transferee shall become a party to this Agreement as a Member by executing such documents and instruments as the Company may reasonably request as may be necessary or appropriate to confirm such Transferee as a Member of the Company and such Transferee's agreement to be bound by the terms and conditions hereof.

(b) The Transferee shall pay or reimburse the Company for all reasonable legal, filing, and publication costs that the Company incurs in connection with the admission of the Transferee as a Member with respect to the transferred Interest.

(c) The Transferee shall provide the Company with evidence satisfactory to counsel for the Company that such Transferee has made each of the representations and undertaken each of the warranties contained in the documents and instruments referred to in Section 8.7.1(a) above.

8.7.2 A Transferee who becomes a substituted Member has, to the extent of the interests assigned, the rights and powers and is subject to the restrictions and liabilities of a Member under the Act, the Certificate, and this Agreement, and, to the extent of the Interest assigned, is also liable for any obligations of the transferor to make Capital Contributions, but is not obligated for liabilities reasonably unknown to the Transferee at the time the Transferee becomes a Member.

8.7.3 Neither the Member making a Transfer nor any subsequent transferor is released from any liability to the Company by virtue of such Transfer or admission, even if the Transferee becomes a substituted Member and even if the Member whose Interest is being Transferred ceases to be a Member by virtue of such act. A Member ceases to be a Member when one or more Transferees become substituted Members with respect to all of the Member's Interest in the Company.

8.8 Distributions and Allocations in Respect of Transferred Interest. If any Person's Interest in the Company is Transferred during any Allocation Year in compliance with the provisions of this Article VIII, Profits, Losses, each item thereof, and all other items attributable to the Transferred Interest for such Allocation Year shall be divided and allocated between the transferor and the Transferee by taking into account their varying Percentage Interests during the Fiscal Year in accordance with Code Section 706(d), using any conventions permitted by law and selected by the Company. If the Company does not receive a notice stating the date such Interest was transferred and such other information as the Members may reasonably require within thirty (30) days after the end of the Allocation Year during which the Transfer occurs, then all such items shall be allocated, and all distributions shall be made, to the Person who, according to the books and records of the Company, was the owner of the Interest on the last day of such Allocation Year. Neither the Company nor any Member shall incur any liability for making allocations and distributions in accordance with the provisions of this Section 8.8, whether or not the Members or the Company has knowledge of any Transfer of ownership of any Interest.

8.9 Co-Sale Rights.

8.9.1 Drag Along. In the event that Members holding at least fifty-one percent (51%) of the Interests having Management Rights (the "**Majority Members**") desire to sell all or

substantially all of the assets of the Company or all of the Percentage Interests held by the Majority Members, or, with respect to a Majority Member that is an entity, in the event of a sale of all of the equity interests of such entity Member, to one or more third parties in an arm's length transaction or series of transactions (a "**Sale**"), the Majority Members may give notice of their intention to do so to all other Members (a "**Sale Notice**"), which shall include the principal terms of the Sale, including the purchase price proposed for the assets of the Company or the Percentage Interests, as applicable, and a demand (a "**Demand**") that the other Members participate in the Sale. Each of the other Members agrees that, in the event the Majority Members make such a Demand, such Member shall accept such Demand, which acceptance shall be irrevocable and shall bind such Member to participate in the Sale Transaction simultaneously with and on the same terms and conditions as the Majority Members. The Company and each Member shall take such actions and execute such documents and instruments as shall be necessary or desirable to expeditiously consummate the Sale.

8.9.2 Tag-Along. If one or more Members propose to sell more than fifty-one percent (51%) of the Interests having Management Rights to one or more third parties in a Sale, then all other Members shall have the right to sell a proportionate percentage of Percentage Interests to such third party as part of such third party's acquisition of the Percentage Interests (a "**Tag-Along Right**") on the following terms and conditions:

(a) Upon receipt of an offer that would trigger a Tag-Along Right under this Section 8.9.2, any Member who is not a Selling Member shall have until the end of the offer period set forth in Section 8.2.2 to (1) elect to exercise such Member's right of first refusal in accordance with Section 8.2.2, (2) elect in writing to exercise a Tag-Along Right (a Member so electing being designated in this Agreement as a "**Co-Selling Member**") or (3) do neither, in which case the Selling Member may proceed to sell the Offered Interests in accordance with Section 8.2.2.

(b) In the event a Co-Selling Member elects to exercise a Tag-Along Right, such Co-Selling Member shall give written notice of such election to the Selling Member(s) (the "**Co-Sale Notice**"). The Co-Sale Notice shall specify the amount of Percentage Interests the Co-Selling Member wishes to sell. A Co-Selling Member may sell all or any part of the Percentage Interests owned by such Co-Selling Member, equal to the product obtained by multiplying (1) the aggregate amount of Offered Interests by (2) a fraction, the numerator of which is the aggregate amount of Percentage Interests owned by the Co-Selling Member at the time of the proposed Sale, and the denominator of which is the aggregate amount of Percentage Interests owned by the Selling Member(s) and all Co-Selling Members at the time of the Sale (the "**Co-Sale Interests**").

(c) The amount of consideration for the Percentage Interests transferred in a transaction in which one or more transferor Members is exercising a Tag-Along Right shall be determined as follows: the total amount of consideration offered for the Offered Interests shall be divided by the sum of (i) the aggregate amount of Offered Interests owned by the Selling Member(s) as specified in the Offer Notice, and (ii) the total number of all Co-Sale Interests determined in accordance with this Section 8.9.2. The resulting quotient shall be the per-Percentage Interest Price for all Percentage Interests transferred by the Selling Member(s) and the Co-Selling Member(s). All Members signing this Agreement covenant that during the period that this Agreement remains in effect, if and when a Tag-Along Right is triggered and the one or more

other Members validly elect to exercise such right, then the Selling Member shall cooperate in negotiating among the proposed transferee of the Offered Interests and the Co-Selling Shareholder(s) to effect a transfer of the Co-Sale Interests. If a proposed transferee of the Offered Interests refuses to conclude a transfer of Co-Sale Interests validly attempted under this Agreement, the Selling Member(s) may nonetheless conclude the Sale of the Offered Interests to the transferee on the terms specified in the Offer Notice; and the Selling Member(s) shall, immediately upon receipt of the consideration due for such Offered Interests, transfer and assign to the Co-Selling Member(s) the respective amount of consideration that each would have received upon conclusion of the exercise of such Co-Selling Member's Tag-Along Right. In exchange therefor, each Co-Selling Member shall transfer and assign to the Selling Member(s) the Co-Sale Interests.

(d) The Selling Member may at any time elect to reject an offer, in which event neither the Company nor any other Member shall thereafter have any further right of first refusal or Tag-Along Right arising out of or in connection with such offer.

8.10 Adverse License Event. Notwithstanding anything to the contrary herein, in the event that the Alcohol & Marijuana Control Office of the State of Alaska refuses to issue a marijuana-related license to the Company or any of its subsidiaries, if any such license is necessary or beneficial to the Company or its subsidiaries, or suspends or revokes a marijuana-related license previously issued to the Company or its subsidiaries for a reason attributable to a Member (including, without limitation, such Member being ineligible to be an investor in an entity that maintains a marijuana license) (an "**Adverse License Event**"), then the Company shall purchase all, but not less than all, of the Interests then held by such Member and such Member (the "**Adverse Event Offered Interests**") shall be deemed to have offered the Adverse Event Offered Interests to the Company pursuant to this Section 8.10; *provided*, that in the event of a license suspension related to a curable event, the Company shall have the right, but not the obligation, to purchase the Adverse Event Offered Interests. The price for the Adverse Event Offered Interests shall be equal to the aggregate amount of such Member's Capital Contributions. The closing of the purchase of the Adverse Event Offered Interests shall take place as soon as practicable following the Adverse License Event, but in no event more than three (3) days thereafter, and the parties shall execute all documents reasonably necessary to consummate such purchase

8.11 Waiver. The provisions of this Article VIII may be waived upon the approval of the Board of Directors and the consent of Members holding in excess of 80 percent (80%) of the Interests having Management Rights and not subject to an Involuntary Transfer or otherwise proposed to be transferred to any third party.

ARTICLE IX CESSATION OF A MEMBER

9.1 Cessation. A Person shall cease to be a Member upon the happening of any of the following events with regard to such Member.

9.1.1 The withdrawal of the Member pursuant to Section 9.2;

9.1.2 The expulsion of the Member pursuant to Section 9.3;

9.1.3 In the case of a Member who is a natural person, the death of the Member or the entry of an order by a court of competent jurisdiction adjudicating the Member incompetent to manage the Member's person or estate;

9.1.4 The violation by the Member of any Code of Conduct with respect to the Company that may be approved by the Board; or

9.1.5 Transfer of all of a Member's Interest to one or more Members.

9.2 Withdrawal. A Member may not voluntarily withdraw from the Company. Any attempted withdrawal shall be a material breach of this Agreement, unless such withdrawal is approved by the Board of Directors, and shall result in the Member being deemed a Transferee.

9.3 Expulsion. A Member may be expelled from the Company upon (a) the good faith determination by the Board of Directors that the Member has willfully and persistently committed a material breach of the Articles or this Agreement, or otherwise materially breached a duty owed to the Company or the other Members or (b) the affirmative vote of Members holding more than eighty percent (80%) of the Interests having Management Rights (excluding those Interests held by the Member subject to expulsion). An expelled Member shall be treated as having withdrawn from the Company on the date of the expulsion determination.

9.4 Rights Upon Cessation. In the event that any Person ceases to be a Member for any reason other than the death or disability of the Person, the Person shall be treated as a Transferee from the date of Cessation until such time as the Person has received all distributions to which the Person is or may be due under this Agreement. The expelled Member or deceased or disabled Member, as applicable, shall cease to be a Member of the Company as of the date of his or her expulsion, death or disability and such Member, or his or her estate, as applicable, shall thereafter be treated as an unsecured creditor of the Company until such time as the Company has paid the purchase price for his or her Interest in accordance with Article VIII.

ARTICLE X DISSOLUTION AND WINDING UP

10.1 Covenant Not to Cause Dissolution. Except as otherwise permitted by this Agreement, each Member hereby covenants and agrees not to take any voluntary action that would cause the Company to dissolve and notwithstanding any provision of the Act, the Company shall not dissolve prior to the occurrence of a Dissolution Event.

10.2 Dissolution Events. The Company shall dissolve and commence winding up and liquidating upon the first to occur of any of the following (each a "**Dissolution Event**"):

- (a) The sale of all or substantially all of the Company Property;
- (b) The approval of the Board of Directors and the Members, acting by Member Approval; or

(c) The happening of any other event that makes it unlawful or impossible to carry on the business of the Company.

Except for events which may cause judicial and administrative dissolution under applicable law, the foregoing events are the exclusive events which may cause the Company to dissolve.

10.3 Winding Up. Upon the occurrence of a Dissolution Event, the Company shall continue solely for the purposes of winding up its affairs in an orderly manner, liquidating its assets, and satisfying the claims of its creditors and Members, and no Member shall take any action that is inconsistent with, or not necessary to or appropriate for, the winding up of the Company's business and affairs. To the extent not inconsistent with the foregoing, all obligations in this Agreement shall continue in full force and effect until such time as the Company Property has been distributed pursuant to this Section 10.3. The Liquidator shall be responsible for overseeing the winding up and dissolution of the Company, which winding up and dissolution shall be completed within ninety (90) days of the occurrence of the Dissolution Event. The Liquidator shall take full account of the Company's liabilities and Property, shall cause the Company Property to be liquidated as promptly as is consistent with obtaining the fair value thereof, and shall cause the proceeds therefrom, to the extent sufficient therefor, to be applied and distributed to the maximum extent permitted by law, in the following order:

(a) First, to the payment and discharge of all of the Company's debts and liabilities to creditors other than Members (either by payment or the making of reasonable provision for payment thereof);

(b) Second, to the payment and discharge of all of the Company's debts and liabilities to Members; and

(c) The balance, if any, to the Members in accordance with Section 6.1 hereof.

10.4 Compliance With Certain Requirements of Regulations. In the event the Company is "liquidated" within the meaning of Regulations Section 1.704-1(b)(2)(ii)(g), for the taxable year in which such liquidation occurs and the next preceding taxable year all items of Company income, gain, loss and deduction (including, if necessary, items of gross income and deduction) shall be allocated in such a manner that each Member shall have a positive Capital Account balance at the end of such taxable year as nearly equal as possible to the amount that such Member would receive if the Company sold all of its property for an amount equal to the book value of such property (as determined pursuant to Regulations Section 1.704-1(b)(2)(iv)) and all of the cash of the Company remaining after payment of all liabilities of the Company were distributed in liquidation immediately following the end of such taxable year in accordance with Section 10.3. Allocations made pursuant to the preceding sentence shall be adjusted as appropriate to reflect each Member's share, if any, of Company Minimum Gain or Member Nonrecourse Debt Minimum Gain. Without limiting the foregoing, in the discretion of the Liquidator, a pro rata portion of the distributions that would otherwise be made to the Members pursuant to this Article X may be:

(a) Distributed to a trust established for the benefit of the Members for the purposes of liquidating Company assets, collecting amounts owed to the Company, and paying any contingent or unforeseen liabilities or obligations of the Company. The assets of any such trust shall be distributed to the Members from time to time, in the reasonable discretion of the Liquidator, in the same proportions as the amount distributed to such trust by the Company would otherwise have been distributed to the Members pursuant to Section 10.3 hereof; or

(b) Withheld to provide a reasonable reserve for Company liabilities (contingent or otherwise) and to reflect the unrealized portion of any installment obligations owed to the Company, provided that such withheld amounts shall be distributed to the Members as soon as practicable.

10.5 Rights of Members. Except as otherwise provided in this Agreement, each Member shall look solely to the assets of the Company for the return of Capital Contributions and shall have no right or power to demand or receive property other than cash from the Company, and no Member shall have priority over any other Member as to the return of Capital Contributions, distributions or allocations. If the assets of the Company remaining after payment or discharge of the debts or liabilities of the Company are insufficient to return Capital Contributions, the Members shall have no recourse against the Company or any other Member.

10.6 Notice of Dissolution. In the event a Dissolution Event occurs or an event occurs that would result in a dissolution of the Company, the Company shall, within thirty (30) days thereafter, provide written notice thereof to each of the Members.

10.7 Termination. Upon completion of the distribution of the Company's Property as provided in this Article X, the Company shall be terminated, and the Liquidator shall cause the filing of Articles of Dissolution pursuant to the Act and shall take all such other actions as may be necessary to terminate the Company.

10.8 Allocations During Period of Liquidation. During the period commencing on the first day of the Fiscal Year during which a Dissolution Event occurs and ending on the date on which all of the assets of the Company have been distributed to the Members pursuant to Section 10.3 hereof (the "**Liquidation Period**"), the Members shall continue to share Profits, Losses, gain, loss and other items of Company income, gain, loss or deduction in the manner provided in Article VI hereof.

10.9 Character of Liquidating Distributions. All payments made in liquidation of the interest of a Member in the Company shall be made in exchange for the interest of such Member in Property pursuant to Section 736(b)(1) of the Code, including the interest of such Member in Company goodwill.

10.10 The Liquidator.

10.10.1 Definition. The "**Liquidator**" shall mean a person appointed by the Members to oversee the liquidation of the Company.

10.10.2 Fees. The Company is authorized to pay a reasonable fee to the Liquidator for its services performed pursuant to this Article X and to reimburse the Liquidator for its reasonable costs and expenses incurred in performing those services.

10.10.3 Indemnification. The Company shall indemnify, save harmless, and pay all judgments and claims against such Liquidator or any officers, directors, agents or employees of the Liquidator relating to any liability or damage incurred by reason of any act performed or omitted to be performed by the Liquidator, or any officers, directors, agents or employees of the Liquidator in connection with the liquidation of the Company, including reasonable attorneys' fees incurred by the Liquidator, officer, director, agent or employee in connection with the defense of any action based on any such act or omission, which attorneys' fees may be paid as incurred, except to the extent such liability or damage is caused by the fraud, intentional misconduct of, or a knowing violation of the laws by the Liquidator which was material to the cause of action.

10.10.4 Form of Liquidating Distributions. For purposes of making distributions required by Section 10.3 hereof, the Liquidator may determine whether to distribute all or any portion of the Property in kind or to sell all or any portion of the Property and distribute the proceeds therefrom.

ARTICLE XI TAXES

11.1 Taxes of Taxing Jurisdictions. To the extent that the laws of any taxing jurisdiction require, each Member requested to do so by the Company will submit an agreement indicating that the Member will make timely income tax payments to the taxing jurisdiction and that the Member accepts personal jurisdiction of the taxing jurisdiction with regard to the collection of income taxes attributable to the Member's income, and interest and penalties assessed on such income. If the Member fails to provide such agreement, the Company may withhold and pay over to such taxing jurisdiction the amount of tax, penalty and interest determined under the laws of the taxing jurisdiction with respect to such income. Any such payments with respect to the income of a Member shall be treated as a distribution for purposes of Article VI. The Company may, where permitted by the rules of any taxing jurisdiction, file a composite, combined or aggregate tax return reflecting the income of the Company and pay the tax, interest and penalties of some or all of the Members on such income to the taxing jurisdiction, in which case the Company shall inform the Members of the amount of such tax interest and penalties so paid.

11.2 Tax Matters Partner. The Members shall designate one of their members as the tax matters partner of the Company pursuant to Code Section 6231(a)(7). Any Member designated as tax matters partner shall take such action as may be necessary to cause each other Member to become a notice partner within the meaning of Section 6223 of the Code. Any Member who is designated tax matters partner may not take any action contemplated by Code Sections 6222 through 6232 without the consent of the Company. The initial tax matters partner shall be Joe Erickson.

ARTICLE XII BOOKS, RECORDS AND ACCOUNTING

12.1 Books and Records. At the expense of the Company, the Company shall maintain records and accounts of all operations and expenditures of the Company. At a minimum, the Company shall keep at its principal place of business the following records:

(a) A current list of the full name and last known business, residence or mailing address of each Member, both past and present;

(b) A copy of the Articles and all amendments thereto, together with executed copies of any powers of attorney pursuant to which any amendment has been executed;

(c) Copies of the Company's federal, state and local income tax returns and reports, if any, for the three (3) most recent years;

(d) Copies of the Company's currently effective written operating agreement and all amendments thereto, copies of any writings permitted or required under the Act and copies of any financial statements of the Company for the three (3) most recent years;

(e) Minutes of every meeting of the Members and any written consents obtained from the Members for actions taken without a meeting; and

(f) A statement prepared and certified as accurate by the Company which describes the amount of cash and a description and statement of the agreed value of other Property or consideration contributed by each Member and which each Member has agreed to contribute in the future, the times at which or events on the occurrence of which any additional Capital Contributions agreed to be made by each Member are to be made, and if agreed upon, the time at which or the events on the occurrence of which the Company is dissolved and its affairs wound up.

12.2 Reports. The Company shall provide reports at least annually to the Members at such time and in such manner as the Company may determine reasonable.

ARTICLE XIII AMENDMENT

This Agreement may not be amended, restated or modified, or any obligation herein waived, except pursuant to a written instrument approved by the Board of Directors and Members holding more than eighty percent (80%) of the Percentage Interests held by Members; *provided, however,* that any amendment, restatement, waiver, alteration or repeal of any provision of this Agreement or the Articles that would result in an adverse economic impact to any single Member or group of Members that is not shared proportionately by all Members shall require the approval of each such adversely impacted Member; and *provided further* that the Board of Directors may update Schedule B from time to time to reflect any changes to the information set forth therein.

ARTICLE XIV

DISPUTE RESOLUTION; MEDIATION AND ARBITRATION

14.1 Dispute Resolution. In the event of any dispute, disagreement, or question arising out of or relating to this Agreement, or the validity, interpretation, breach or termination thereof (collectively, a “**Dispute**”), among the Members, the Members shall use their reasonable best efforts to resolve such Dispute through discussion and good faith negotiation. If, after such discussion and negotiation the Members have not agreed on a resolution to such Dispute within thirty (30) days, then such Dispute shall be submitted to mediation.

14.2 Mediation. Any Dispute arising out of this Agreement not resolved pursuant to Section 14.1 shall be submitted to mediation, which shall focus on the needs of everyone concerned and seek to solve problems cooperatively, with an emphasis on dialogue and accommodation. The goal of the mediation shall be to preserve and enhance relationships by developing a mutually acceptable agreement which will fulfill the needs of everyone concerned. A Member desiring mediation may begin the process by giving the other Members a written notice and request to mediate, describing the issues involved and inviting the other Members to join with the calling Member to name a mutually agreeable mediator and a time frame for the mediation. The Members and the mediator may adopt any procedural format that seems appropriate for the particular Dispute. The contents of all discussions during the mediation shall be confidential and nondiscoverable in subsequent arbitration or litigation, if any. If the Members can agree upon a mutually acceptable agreement, it shall be reduced to writing, signed by all Members and the Dispute shall be at an end. If the result of the mediation is a recognition that the Dispute cannot be successfully mediated, or if any Member refuses to mediate or to name a mutually acceptable mediator and a time frame for mediation, within a period of time that is reasonable considering the urgency of the subject matter, then any Member may demand arbitration. Each party to the mediation shall be solely responsible for such party’s costs and expenses, and the costs and expenses of the mediator shall be shared equally by all parties to the mediation. Subject to Section 16.16 hereof, the costs of the mediation shall be borne proportionately by the Members in accordance with their Percentage Interests.

14.3 Arbitration. Subject to Sections 14.1 and 14.2, all Disputes shall be resolved by binding arbitration in accordance with the commercial arbitration rules of the American Arbitration Association that are in effect at the time the arbitration is initiated, and judgment upon the award rendered pursuant to such arbitration may be entered in any court having jurisdiction thereof. The arbitration shall be conducted by a single arbitrator in Juneau, Alaska. In the event of any such arbitration, the prevailing party shall be entitled to recover reasonable costs and attorney fees as fixed by the arbitrator. Nothing herein, however, shall prevent a Member or the Company from resorting to a court of competent jurisdiction in those instances where injunctive relief may be appropriate or for purposes of expelling a Member. Subject to Section 16.16 hereof, the costs of the arbitration, including the costs of the arbitrator, shall be borne proportionately by the Members in accordance with their Percentage Interests unless the Company is also a party to the arbitration at which time the Company shall be responsible for one-half (1/2) of the arbitration costs and the Members shall be responsible for the remaining costs in proportion to their Percentage Interests.

ARTICLE XV RIGHTS OF SPOUSES

15.1 Status of Interests. This Agreement does not in any way alter or affect the status of the Members' Interests as community property or separate property under the laws of any state or under any binding agreements as to such status. In the event any Interests constitute or are claimed to constitute community property, or are subject to or are claimed to be subject to an equitable lien or charge in favor of the marital community of any Member and his or her Spouse, then such Spouse agrees not to assert any claim or to take any other action based on such community interest or lien or charge which would frustrate the purposes sought to be achieved by this Agreement, and instead such Spouse shall cooperate with and be bound by this Agreement and the ends herein sought to be achieved in every respect.

15.2 Rights Upon Dissolution. In the event of a proceeding for marital dissolution, each Spouse agrees not to request or accept in the course of such proceeding an award of all or any portion of any Interests of the Company, whether as part of a division of property, as settlement of litigation or otherwise; *provided, however*, that this agreement by each Spouse is not intended to reduce the portion of the property awarded to such Spouse in the proceeding for marital dissolution. Accordingly, if such Spouse's agreement in the foregoing sentence would result in reducing the portion of the property awarded to such Spouse, then such Spouse agrees to accept only Interests ("**Spouse's Interests**") which are subject to a non-assignable, irrevocable agreement signed and delivered by the Member and the Spouse, and approved in the proceeding for marital dissolution by the court or other tribunal of competent jurisdiction, which names the Member as proxy for the purpose of voting such Spouse's Interests. Nothing provided herein shall be interpreted to limit such tribunal's consideration of the effect of these restrictions on the value of the Spouse's Interests in making an equitable disposition of the spouses' properties. Upon any sale thereafter of the Interests awarded to the Member, such sale shall include in equal number the Spouse's Interests (free of the proxy once the shares are conveyed in accordance with this Agreement), and the Member's Interests and Spouse's Interests shall be treated equally with respect to any terms or conditions of such sale. Upon dissolution of the marriage by the court or other tribunal, the former Spouse (then to be called a "**Former Spouse**") shall be bound by the terms of this Agreement but shall no longer have the capacity of a Spouse under this Agreement and his or her consent shall not be required to make any amendment to this Agreement, other than an amendment that is inconsistent with this Section 15.2 or its intent in good faith. The intent of the preceding sentence is to direct a fair value to the Former Spouse's successors when the Member's Interests are liquidated.

15.3 Testamentary Disposition by a Spouse. Subject to Section 15.2 above, each Spouse agrees that upon his or her death, any interest such Spouse may have in a Member's Interests shall be transferred either to the Member to whom such Spouse was married or to a trust for the descendants of the Member. Any other disposition by a Spouse shall be null and void.

15.4 Power of Attorney. Each Spouse hereby invests as a fiduciary the Member to whom he or she is married (and his or her Representative) with a durable power of attorney coupled with an interest to make changes, additions, or amendments to this Agreement (including, without limitation, changes in the valuation of Interests and the terms of purchase hereunder, and

termination of this Agreement altogether), without the necessity of notifying or obtaining such Spouse's consent or signature, with such durable power of attorney to survive his or her disability or incapacity; *provided, however*, that such durable power of attorney shall not cover any changes, additions or amendments to Article XIII, this Article XV or Section 16.5.

15.5 EXECUTION. BY HIS OR HER SIGNATURE APPEARING BELOW, EACH SPOUSE ACKNOWLEDGES THAT HE OR SHE HAD THE FULL OPPORTUNITY TO CONSULT INDEPENDENT COUNSEL AND OTHER ADVISORS RESPECTING HIS OR HER RIGHTS AND DUTIES UNDER THIS AGREEMENT AND HAS READ AND IS IN AGREEMENT WITH EACH AND EVERY PROVISION OF THIS AGREEMENT, INCLUDING SPECIFICALLY THE PROVISIONS OF SECTION 15.3 ABOVE, SECTION 16.3 BELOW AND THIS ARTICLE XV.

ARTICLE XVI MISCELLANEOUS

16.1 Insurance. The Company may purchase life insurance and disability insurance covering one or more Members on terms and in amounts to be determined by the Board of Directors (including, without limitation, "key man" insurance and/or insurance for the purpose of providing funds for the redemption of such Member's Interests upon such Member's death), or a Member may purchase additional life insurance covering one or more other Members. The Company and the Members shall have no duty either to obtain or to maintain in force any insurance policies. The Company shall be the owner and beneficiary of, and shall pay all premiums on, any insurance policies that it chooses to obtain or maintain in force to fund its obligations under this Agreement. Otherwise, if a Member chooses to own any insurance policies, then such Member shall pay all premiums, unless the Company elects to pay such premium as a benefit to the Member.

16.2 Construction. The parties have participated jointly in the negotiation and drafting of this Agreement. If an ambiguity or question of intent or interpretation arises, this Agreement shall be construed as if drafted jointly by the parties, and no presumption or burden of proof shall arise favoring or disfavoring any party by virtue of the authorship of any of the provisions of this Agreement. Any reference to any federal, state, local, or foreign statute or law shall be deemed also to refer to all rules and regulations promulgated thereunder, unless the context requires otherwise. The words "include" and "including" shall mean "include" or "including" "without limitation." Whenever the singular number is used in this Agreement and when required by the context, the same shall include the plural and vice versa, and the masculine gender shall include the feminine and neuter genders and vice versa.

16.3 Additional Assurances. Upon the request of the Company, each Member agrees to perform all further acts, and execute, acknowledge and deliver any and all documents, which the Company deems reasonably necessary to confirm, complete or effectuate the provisions of this Agreement.

16.4 Entire Agreement. The Articles, this Agreement and any other document to be furnished pursuant to the provisions hereof embody the entire agreement and understanding of the

parties as to the subject matter contained herein. There are no restrictions, promises, representations, warranties, covenants or undertakings other than those expressly set forth or referred to in such documents. This Agreement and such documents supersede all prior agreements and understandings among the parties and their representatives with respect to the subject matter hereof.

16.5 Binding Effect. This Agreement and all the terms and provisions hereof shall be binding upon and shall inure to the benefit of the Members and their respective successors and permitted assigns. Any Person acquiring or claiming an interest in the Company, in any manner whatsoever, shall be subject to and bound by all the terms, conditions and obligations of this Agreement, without regard to whether such Person has executed this Agreement or a counterpart hereof or any other document contemplated hereby.

16.6 Specific Performance; Equitable Relief. Each of the Members and the Company acknowledge that the breach of any provision of this Agreement may cause the non-breaching party or parties irreparable damage, for which the award of money damages would not be adequate compensation. Accordingly, the parties acknowledge and agree that the non-breaching party or parties may seek an injunction enjoining any breach or threatened breach of this Agreement, whether by specific performance or otherwise, in addition to any other relief to which such non-breaching party or parties may be entitled at law or in equity.

16.7 Notice. Any notice, demand or communication required or permitted to be given by any provision of this Agreement shall be in writing and shall be deemed to have been given for all purposes on the date of transmission when sent by e-mail or facsimile transmission, on the fifth day after the date of mailing when mailed by certified mail, postage prepaid, return receipt requested, from within the United States, or on the date of actual delivery, whichever is the earliest, and shall be sent to the parties at the addresses shown on the books of the Company.

16.8 Severability. If any provision of this Agreement contravenes any law and such contravention would thereby invalidate this Agreement, or if the operation of any provision hereof is determined by law, administrative regulation or otherwise to result in classification of the Company as an association taxable as a corporation for federal income tax purposes, or to make a Member generally liable for the obligations of the Company, then such provision is declared to be invalid and subject to severance from the remaining portion of this Agreement, and this Agreement shall be read and construed as though it did not contain such provision in a manner to give effect to the intention of the parties to the fullest extent possible.

16.9 Waiver. The failure of any part to seek redress for violation of or to insist upon the strict performance of any covenant or condition of this Agreement shall not constitute a waiver of such provision, and no waiver of any provision of this Agreement shall be deemed, or shall constitute, a waiver of any other provision, whether or not similar, nor shall any waiver constitute a continuing waiver. No waiver shall be binding unless executed in writing by the party making the waiver.

16.10 Waiver of Action for Partition. Each of the parties hereto irrevocably waives during the term of the Company any right that it may have to maintain any action for partition with respect to any property of the Company.

16.11 Offset Privilege. Any monetary obligation owing from the Company to any Member may be offset by the Company against any monetary obligation then owing from that Member to the Company.

16.12 Rights and Remedies Cumulative. The rights and remedies provided by this Agreement are cumulative and the use of any one right or remedy by any party shall not preclude or waive the right to use any or all other remedies. Such rights and remedies are given in addition to any other rights the parties may have by law, statute, ordinance or otherwise.

16.13 No Third-Party Rights. This Agreement and the covenants and agreements contained herein are solely for the benefit of the parties hereto. No other Person shall be entitled to enforce or make any claims, or have any right pursuant to the provisions of this Agreement.

16.14 Governing Law and Venue. This Agreement and its formation, operation and performance, shall be governed, construed and enforced in accordance with the laws of the State of Alaska, excluding its conflict of law principles. Any suit or action arising out of or in connection with this Agreement or any breach hereof which is not required to be resolved pursuant to Article XIV of this Agreement shall be brought and maintained exclusively in the federal or state courts in Juneau, Alaska. The parties hereby irrevocably submit to the exclusive jurisdiction of such courts for the purpose of such suit or action and hereby expressly and irrevocably waive, to the fullest extent permitted by law, any objection it may now or hereafter have to the venue of any such suit or action in any such court and any such claim that any suit or action has been brought in an inconvenient forum.

16.15 Attorneys' Fees. If a suit, action, arbitration or other proceeding of any nature whatsoever (including, without limitation, any proceeding under the U.S. Bankruptcy Code) is instituted in connection with any controversy arising out of this Agreement or to interpret or enforce any rights under this Agreement, the prevailing party shall be entitled to recover its reasonable attorneys' fees as determined by the arbitrator or by the court at trial or on any appeal or review, in addition to all other amounts provided by law.

16.16 Captions. The caption headings of the sections and subsections of this Agreement are for reference only and shall not be construed as a part of this Agreement.

16.17 Representation. This Agreement was prepared by the law firm of Garvey Schubert Barer, which represents Tracy LaBarge only in this matter and is not representing the Company or any other of the Members individually in the preparation of this Agreement. The Members each acknowledge that they have been advised of these facts and the significance of them and have been encouraged and given the opportunity to seek independent counsel of their own choice regarding their rights and obligations individually under this Agreement.

16.18 Counterparts. This Agreement may be executed in any number of identical counterparts, each of which, for all purposes, shall be deemed to be an original instrument, and all of which together shall constitute a single agreement.

[signature page follows]

IN WITNESS WHEREOF, the parties have executed and entered into this Operating Agreement as of this 15th day of May, 2016.

COMPANY:

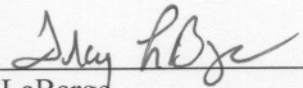
Top Hat, LLC

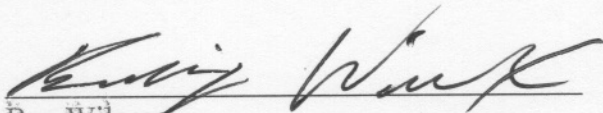
By: 


Name: John S Nemeth

Title: President

MEMBERS:


Tracy LaBarge


Ben Wilcox


John Nemeth

SCHEDULE A GENERAL DEFINITIONS

(1) **“Additional Member”** means any Person admitted as a Member pursuant to Section 3.2 of this Agreement.

(2) **“Adjusted Capital Account Deficit”** means, with respect to any Member, the deficit balance, if any, in such Member’s Capital Account as of the end of the relevant Allocation Year, after giving effect to the following adjustments:

(a) Credit to such Capital Account any amounts which such Member is deemed to be obligated to restore pursuant to the penultimate sentences in Sections 1.704-2(g)(1) and 1.704-2(i)(5) of the Regulations; and

(b) Debit to such Capital Account the items described in Sections 1.704-1(b)(2)(ii)(d)(4), 1.704-1(b)(2)(ii)(d)(5) and 1.704-1(b)(2)(ii)(d)(6) of the Regulations.

The foregoing definition of Adjusted Capital Account Deficit is intended to comply with the provisions of Section 1.704-1(b)(2)(ii)(d) of the Regulations and shall be interpreted consistently therewith.

(3) **“Admission Agreement”** means the agreement between a Member and the Company described in Section 3.2.1 of the Agreement.

(4) **“Affiliate”** means any Person that directly, or indirectly through one or more intermediaries, controls, or is controlled by, or is under common control with, the Person specified.

(5) **“Allocation Year”** means (i) the period commencing on the Effective Date and ending on December 31, 2015, (ii) any subsequent twelve (12) month period commencing on January 1 and ending on December 31, or (iii) any portion of the period described in clauses (i) or (ii) for which the Company is required to allocate Profits, Losses and other items of Company income, gain, loss or deduction pursuant to Article V hereof.

(6) **“Bankruptcy”** means, with respect to any Person, the filing of a voluntary or involuntary petition for bankruptcy or an assignment for the benefit of creditors.

(7) **“Business Day”** means any day other than Saturday, Sunday or any legal holiday observed in the State of Alaska.

(8) **“Capital Account”** means, with respect to any Member, the Capital Account maintained for such Member in accordance with the following provisions:

(a) To each Member’s Capital Account there shall be credited (A) such Member’s Capital Contributions, (B) such Member’s distributive share of Profits and any items in the nature of income or gain which are specially allocated pursuant to Section 5.2 or Section 5.3, and (C) the amount of any Company liabilities assumed by such Member or which are secured by

any Property distributed to such Member. The principal amount of a promissory note which is not readily traded on an established securities market and which is contributed to the Company by the maker of the note (or a Member related to the maker of the note within the meaning of Regulations Section 1.704-1(b)(2)(ii)(c)) shall not be included in the Capital Account of any Member until the Company makes a taxable disposition of the note or until (and to the extent) principal payments are made on the note, all in accordance with Regulations Section 1.704-1(b)(2)(iv)(d)(2);

(b) To each Member's Capital Account there shall be debited (A) the amount of money and the Gross Asset Value of any Property distributed to such Member pursuant to any provision of this Agreement, (B) such Member's distributive share of Losses and any items in the nature of expenses or losses which are specially allocated pursuant to Section 5.2 or Section 5.3, and (C) the amount of any liabilities of such Member assumed by the Company or which are secured by any Property contributed by such Member to the Company;

(c) In the event an Interest is Transferred in accordance with the terms of this Agreement, the Transferee shall succeed to the Capital Account of the transferor to the extent it relates to the Transferred Interest; and

(d) In determining the amount of any liability for purposes of subparagraphs (a) and (b) above there shall be taken into account Code Section 752(c) and any other applicable provisions of the Code and Regulations.

The foregoing provisions and the other provisions of this Agreement relating to the maintenance of Capital Accounts are intended to comply with Regulations Section 1.704-1(b), and shall be interpreted and applied in a manner consistent with such Regulations. In the event the Company shall determine that it is prudent to modify the manner in which the Capital Accounts, or any debits or credits thereto (including, without limitation, debits or credits relating to liabilities which are secured by contributed or distributed property or which are assumed by the Company or any Members), are computed in order to comply with such Regulations, the Company may make such modification, provided that it is not likely to have a material effect on the amounts distributed to any Person pursuant to Article IX upon the dissolution of the Company. The Company also shall (i) make any adjustments that are necessary or appropriate to maintain equality between the Capital Accounts of the Members and the amount of capital reflected on the Company's balance sheet, as computed for book purposes, in accordance with Regulations Section 1.704-1(b)(2)(iv)(q), and (ii) make any appropriate modifications in the event unanticipated events might otherwise cause this Agreement not to comply with Regulations Section 1.704-1(b).

(9) **"Capital Contributions"** means, the total amount of cash and the fair market value of any other assets actually contributed (or deemed contributed under Regulation 1.704-1(b)(2)(iv)(d)) to the Company by a Member, net of liabilities assumed by the Company or to which the assets are subject.

(10) **"Cessation"** means any action which causes a Person to cease to be Member as described in Article IX of the Agreement.

(11) **“Code”** means the United States Internal Revenue Code of 1986, as amended from time to time, or corresponding provisions of subsequent superseding federal revenue laws.

(12) **“Company Minimum Gain”** has the same meaning as “partnership minimum gain” set forth in Section 1.704-2(b)(2) and 1.704-2(d) of the Regulations.

(13) **“Company Property”** means any Property owned by the Company.

(14) **“Confidential Information”** means information or material proprietary to the Company or proprietary to others and entrusted to the Company, whether written or oral, tangible or intangible, which a Member obtains knowledge of through or as a result of the Member’s activities on behalf of or membership in the Company. Confidential Information may include data, know-how, trade secrets, designs, plans, drawings, specifications, reports, customer and supplier lists, pricing information, marketing techniques and materials, and manufacturing techniques and processes, whether related to the Company’s past, present, or future business activities, research or development, or products. Notwithstanding the foregoing, “Confidential Information” shall not include: (i) information that is generally known to the public; (ii) information which must be disclosed pursuant to applicable law; (iii) information, the disclosure of which by a Member is necessary for such Member to enforce his or her rights under this Agreement, or comply with his or her obligations hereunder; or (iv) information which is part of a Member’s general knowledge, experience, acumen and know-how in the food industry.

(15) **“Debt”** means (i) any indebtedness for borrowed money or the deferred purchase price of property as evidenced by a note, bonds, or other instruments, (ii) obligations as lessee under capital leases, (iii) obligations secured by any mortgage, pledge, security interest, encumbrance, lien or charge of any kind existing on any asset owned or held by the Company whether or not the Company has assumed or become liable for the obligations secured thereby, (iv) any obligation under any interest rate swap agreement, (v) accounts payable and (vi) obligations under direct or indirect guarantees of (including obligations (contingent or otherwise) to assure a creditor against loss in respect of) indebtedness or obligations of the kinds referred to in clauses (i), (ii), (iii), (iv) and (v), above provided that Debt shall not include obligations in respect of any accounts payable that are incurred in the ordinary course of the Company’s business and are not delinquent or are being contested in good faith by appropriate proceedings.

(16) **“Depreciation”** means, for each Allocation Year, an amount equal to the depreciation, amortization, or other cost recovery deduction allowable with respect to an asset for such Allocation Year, except that if the Gross Asset Value of an asset differs from its adjusted basis for federal income tax purposes at the beginning of such Allocation Year, Depreciation shall be an amount which bears the same ratio to such beginning Gross Asset Value as the federal income tax depreciation, amortization, or other cost recovery deduction for such Allocation Year bears to such beginning adjusted tax basis; *provided, however*, that if the adjusted basis for federal income tax purposes of an asset at the beginning of such Allocation Year is zero, Depreciation shall be determined with reference to such beginning Gross Asset Value using any reasonable method selected by the Company.

(17) **“Dissolution Event”** means the events identified in Section 10.2 of the Agreement.

(18) **“Economic Rights”** means, with respect to any Interest, a Person’s right to allocations and distributions with respect to such Interest in accordance with this Agreement, but shall not include any Management Rights.

(19) **“Entity”** means any general partnership, limited partnership, limited liability company, corporation, joint venture, trust, business trust, cooperative or association, or any foreign trust or foreign business organization.

(20) **“Fiscal Year”** means (i) the period commencing on the Effective Date and ending on December 31, 2015, (ii) any subsequent twelve-month period commencing on January 1 and ending on December 31, and (iii) the period commencing on the immediately preceding January 1 and ending on the date on which all Property is distributed to the Members pursuant to Article X hereof.

(21) **“Gross Asset Value”** means with respect to any asset, the asset’s adjusted basis for federal income tax purposes, except as follows:

(a) The initial Gross Asset Value of any asset contributed by a Member to the Company shall be the gross fair market value of such asset, as determined by the Company provided that the initial Gross Asset Values of the assets contributed to the Company pursuant to Section 4.1 hereof shall be as set forth in Schedule B;

(b) The Gross Asset Values of all Company assets shall be adjusted to equal their respective gross fair market values (taking Code Section 7701(g) into account, as determined by the Company) as of the following times: (A) the acquisition of an additional interest in the Company by any new or existing Member in exchange for more than a de minimis Capital Contribution; (B) the distribution by the Company to a Member of more than a de minimis amount of Company property as consideration for an interest in the Company; and (C) the liquidation of the Company within the meaning of Regulations Section 1.704-1(b)(2)(ii)(g), provided that an adjustment described in clauses (A) and (B) of this paragraph shall be made only if the Company reasonably determines that such adjustment is necessary to reflect the relative economic interests of the Members in the Company;

(c) The Gross Asset Value of any item of Company assets distributed to any Member shall be adjusted to equal the gross fair market value (taking Code Section 7701(g) into account) of such asset on the date of distribution as determined by the Company; and

(d) The Gross Asset Values of Company assets shall be increased (or decreased) to reflect any adjustments to the adjusted basis of such assets pursuant to Code Section 734(b) or Code Section 743(b), but only to the extent that such adjustments are taken into account in determining Capital Accounts pursuant to Regulations Section 1.704-1(b)(2)(iv)(m) and subparagraph (f) of the definition of “Profits” and “Losses” or Section 5.2.3 hereof; *provided, however*, that Gross Asset Values shall not be adjusted pursuant to this subparagraph (d) to the extent that an adjustment pursuant to subparagraph (b) is required in connection with a transaction that would otherwise result in an adjustment pursuant to this subparagraph (d).

If the Gross Asset Value of an asset has been determined or adjusted pursuant to subparagraph (b) or (d), such Gross Asset Value shall thereafter be adjusted by the Depreciation taken into account with respect to such asset, for purposes of computing Profits and Losses.

(22) **“Interests”** means an ownership interest in the Company entitling the Person holding the Interest to Economic Rights and Management Rights subject to the terms and conditions of this Agreement. There shall initially be three (3) classes of Interests, designated as **“Class A Interests”**, **“Class B Interests”** and **“Profits Interests”**, each having the rights and preferences set forth herein. Subject to the terms and conditions set forth in this Agreement, the Class A Interests shall be voting and shall have both Economic Rights and Management Rights. The Class B Interests shall be non-voting and shall not have any Management Rights. A **“Profits Interest”** is an interest in the Company’s future profits (including future capital appreciation), but no interest in the Company’s existing capital as measured immediately after the issuance of the Profits Interest. A Capital Account associated with a Profits Interest will have a zero balance upon its initial issuance. A Profits Interest, therefore, entitles the holder of the interest to receive no distribution from the Company’s capital if, immediately after the Profits Interest is issued, the Company liquidates its assets and distributes all of the proceeds. The characterization of an Interest as a Profits Interest shall be fixed at the time of issuance.

(23) **“Losses”** has the meaning set forth in the definition of **“Profits”** and **“Losses.”**

(24) **“Management Right”** means the right of a Member to participate in the management of the Company, including the right to information and the right to vote on, consent to or approve actions of the Members or the Company.

(25) **“Member”** means any Person (i) who is referred to as such on Schedule B to this Agreement and executes a counterpart of this Agreement, or who hereafter becomes an additional Member or a substituted Member pursuant to the terms of this Agreement, and (ii) who has not lost any Management Rights originally associated with the Member’s Interest or ceased to be a Member. **“Members”** means all such Persons.

(26) **“Member Approval”** means in the case of a meeting of the Members or a written consent by the Members to any action, the affirmative vote of Members (including any proxy holder acting on behalf of a Member) holding more than eighty percent (80%) of the Interests having Management Rights then held by all Members.

(27) **“Member Nonrecourse Debt”** has the same meaning as the term **“partner nonrecourse debt”** in Section 1.704-2(b)(4) of the Regulations.

(28) **“Member Nonrecourse Debt Minimum Gain”** means an amount, with respect to each Member Nonrecourse Debt, equal to the Company Minimum Gain that would result if such Member Nonrecourse Debt were treated as a Nonrecourse Liability, determined in accordance with Section 1.704-2(i)(3) of the Regulations.

(29) **“Member Nonrecourse Deductions”** has the same meaning as the term “partner nonrecourse deductions” in Sections 1.704-2(i)(1) and 1.704-2(i)(2) of the Regulations.

(30) **“Net Cash Flow”** means the gross cash proceeds of the Company from operations (including sales and dispositions of Company Property in the ordinary course of business) less the portion thereof used to pay or establish reserves for all Company expenses, debt payments, capital improvements, replacements, and contingencies, all as determined by the Company. “Net Cash Flow” shall not be reduced by depreciation, amortization, cost recovery deductions, or similar allowances, but shall be increased by any reductions of reserves previously established pursuant to the first sentence of this definition and the definition of “Net Cash from Sales or Refinancing.”

(31) **“Net Cash from Sales or Refinancings”** means the net cash proceeds from all sales and other dispositions (other than in the ordinary course of business) and all refinancings of Company Property, less any portion of proceeds used to establish reserves, all as determined by the Company. “Net Cash from Sales or Refinancings” shall include all principal and interest payments with respect to any note or other obligation received by the Company in connection with sales and other dispositions (other than in the ordinary course of business) of Company Property.

(32) **“Nonrecourse Deductions”** has the meaning set forth in Section 1.704-2(b)(1) of the Regulations.

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

(34) **“Percentage Interest”** means, with respect to any Member as of any date, the ratio (expressed as a percentage) of such Member’s Interests in the Company to all other Interests then outstanding. The Percentage Interest of each Member immediately after the Effective Date is set forth in Schedule B.

(35) **“Person”** means any individual or Entity, and the heirs, executors, administrators, legal representatives, successors, and assigns such “Person” where the context so permits.

(36) **“Profits” and “Losses”** mean, for each Allocation Year, an amount equal to the Company’s taxable income or loss for such Allocation Year, determined in accordance with Code Section 703(a) (for this purpose, all items of income, gain, loss, or deduction required to be stated separately pursuant to Code Section 703(a)(1) shall be included in taxable income or loss), with the following adjustments (without duplication):

(a) Any income of the Company that is exempt from federal income tax and not otherwise taken into account in computing Profits or Losses pursuant to this definition of “Profits” and “Losses” shall be added to such taxable income or loss;

(b) Any expenditures of the Company described in Code Section 705(a)(2)(B) or treated as Code Section 705(a)(2)(B) expenditures pursuant to Regulations Section 1.704-1(b)(2)(iv)(i), and not otherwise taken into account in computing Profits or Losses pursuant to this definition of “Profits” and “Losses” shall be subtracted from such taxable income or loss;

(c) In the event the Gross Asset Value of any Company asset is adjusted pursuant to subparagraphs (b) or (c) of the definition of Gross Asset Value, the amount of such adjustment shall be treated as an item of gain (if the adjustment increases the Gross Asset Value of the asset) or an item of loss (if the adjustment decreases the Gross Asset Value of the asset) from the disposition of such asset and shall be taken into account for purposes of computing Profits or Losses;

(d) Gain or loss resulting from any disposition of Property with respect to which gain or loss is recognized for federal income tax purposes shall be computed by reference to the Gross Asset Value of the Property disposed of, notwithstanding that the adjusted tax basis of such Property differs from its Gross Asset Value;

(e) In lieu of the depreciation, amortization, and other cost recovery deductions taken into account in computing such taxable income or loss, there shall be taken into account Depreciation for such Allocation Year, computed in accordance with the definition of Depreciation;

(f) To the extent an adjustment to the adjusted tax basis of any Company asset pursuant to Code Section 734(b) is required, pursuant to Regulations Section 1.704-(b)(2)(iv)(m)(4), to be taken into account in determining Capital Accounts as a result of a distribution other than in liquidation of a Member's interest in the Company, the amount of such adjustment shall be treated as an item of gain (if the adjustment increases the basis of the asset) or loss (if the adjustment decreases such basis) from the disposition of such asset and shall be taken into account for purposes of computing Profits or Losses; and

(g) Notwithstanding any other provision of this definition, any items which are specially allocated pursuant to Sections 5.3 or 5.4 hereof shall not be taken into account in computing Profits or Losses.

The amounts of the items of Company income, gain, loss or deduction available to be specially allocated pursuant to Sections 5.3 and 5.4 hereof shall be determined by applying rules analogous to those set forth in subparagraphs (a) through (f) above.

(37) **“Property”** means all real and personal property acquired by the Company, including cash, and any improvements thereto, and shall include both tangible and intangible property.

(38) **“Regulations”** mean proposed, temporary, and final regulations promulgated under the Code in effect as of the date of filing the Articles and the corresponding sections of any regulations subsequently issued that amend or supersede such regulations.

(39) **“Securities Act”** means the Securities Act of 1933, as amended.

(40) **“Service Member”** means a Member who, following the execution of this Agreement, receives an Interest in exchange for any past, current or future services to the Company.

(41) **“Spouse”** means each individual listed under the column “Spouses” on Schedule B hereto.

(42) **“Transferee”** means the owner of Economic Rights, who has not been admitted as a Member and as such has no Management Rights.

(43) **“Transfer”** means, as a noun, any voluntary or involuntary transfer, sale, pledge or hypothecation or other disposition and, as a verb, voluntarily or involuntarily to sell, assign, transfer, exchange, gift, bequeath, encumber or otherwise dispose of.



THE STATE
of **ALASKA**
GOVERNOR BILL WALKER

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

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

June 22, 2016

Top Hat, LLC
DBA: Top Hat, LLC
Via email: john@thcalaska.com

Re: Standard Marijuana Cultivation Facility License Application #10270

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.

- Corrections related to Suites
 - According to your lease, Top Hat, LLC only has possession of Suite A of 2315 Industrial Blvd, but you did not include the suite when you initiated your application or on your supplemental documents
 - AMCO has edited your physical address to include Suite A which has generated new advertisement and public notices
 - You will need to use the new advertisement notice to run a one-time correction ad and submit a new publisher's affidavit
 - You will need to use the new public notice and post for an additional 5 days at the premises address and re-submit to the City and Borough of Juneau. Then submit new forms MJ-07 and MJ-08
 - All Forms
 - Section 1 – Establishment Information
 - The Premises Address field needs to be corrected for all forms to include Suite A
- MJ-02 Premises Diagram
 - Please clearly outline the proposed licensed premises for this facility in another color – when looking at your diagram, it should be clear which area is part of the cultivation facility and which areas are not
- Entity Documents
 - You need to file your Initial Report with the Division of Corporations:
<https://www.commerce.alaska.gov/cbp/Main/CorporationDetail.aspx?id=1003650>
2 phone #: 269-8160
 - Please submit a copy of the paperwork you submit for your Initial report

- MJ-18 Residency Verification for John Nemeth & Tracy LaBarge
 - Because we were unable to determine your residency from the PFD database, 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.

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



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:		License Number:	
License Type:			
Doing Business As:			
Premises Address:			
City:		State:	
		ZIP:	

Section 2 – Individual Information

Enter information for the individual licensee or affiliate.

Name:	
Title:	

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?

--



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 CertificationsRead 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:

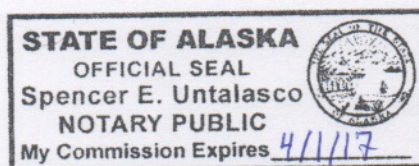
I certify that I do not have an ownership in, or a direct or indirect financial interest in a marijuana testing facility license.

☒

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 21st day of April, 2016.

Notary Public in and for the State of Alaska.

My commission expires: April 1, 2017



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:		License Number:	
License Type:			
Doing Business As:			
Premises Address:			
City:		State:	
		ZIP:	

Section 2 – Individual Information

Enter information for the individual licensee or affiliate.

Name:	
Title:	

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?

--



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.

JSW

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

JSW

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

JSW

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.

JSW

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.

JSW

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.

JSW

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).

JSW

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

JSW

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.

JSW

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.

JSW

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

JSW

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.

JSW



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.

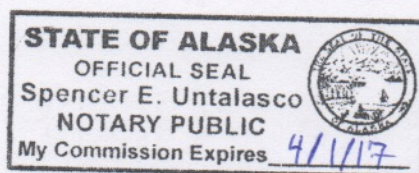
[Signature]

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]
Signature of licensee

Subscribed and sworn to before me this 21st day of April, 2016.



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

My commission expires: April 1, 2017



Alaska Marijuana Control Board

Form MJ-00: Application Certifications

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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.

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Licensee:		License Number:	
License Type:			
Doing Business As:			
Premises Address:			
City:		State:	
		ZIP:	

Section 2 – Individual Information

Enter information for the individual licensee or affiliate.

Name:	
Title:	

Section 3 – Other Licenses

Ownership and financial interest in other licenses:

Yes No

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☐ ☐

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

--



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:

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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

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

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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.

☐

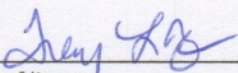
Only initial next to the following statement if this form is accompanying an application for a retail marijuana store, a marijuana cultivation facility, or a marijuana products manufacturing facility license:

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

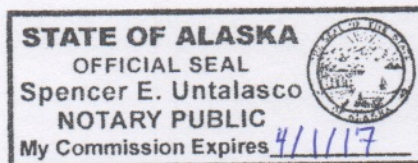
☒

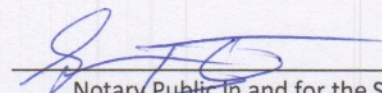
All marijuana establishment license applicants:

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 21st day of April, 2016.




Notary Public in and for the State of Alaska.

My commission expires: April 1, 2017



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:		License Number:			
License Type:					
Doing Business As:					
Premises Address:					
City:		State:	Alaska	ZIP:	

Mailing Address:					
City:		State:	AK	ZIP:	

Primary Contact:					
Main Phone:		Cell Phone:			
Email:					



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:

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



Alaska Marijuana Control Board

Form MJ-01: Marijuana Establishment Operating Plan

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

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

TOP HAT VISITOR SIGN-IN SHEET

Date Beginning:	Date Ending:
	Log Sheet #

[illegible]

**YOUR
LOGO HERE**

VISITOR

Name:

Destination:

Visiting:

Date:

Time In:

Time Out:





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:

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

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:



Alaska Marijuana Control Board

Form MJ-01: Marijuana Establishment Operating Plan

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

Describe your policies and procedures for preventing loitering:

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:



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:

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:

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:

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:



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:



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:



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:

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



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:

Grinder Used for Destroying Waste Cannabis Materials

Home > Products > Machinery > Food & Beverage Machinery > Other Food Processing Machinery (714999)  [Subscribe to Trade Alert](#)



Commercial Chinese herbs grinder,electric corn grinder machine

FOB Price: **US \$1,000 - 1,600 / Set** | [Get Latest Price](#)
Min.Order Quantity: 1 Set/Sets
Supply Ability: 2000 Set/Sets per Month
Port: shanghai,guangzhou
Payment Terms: L/C,D/P,T/T,Western Union,MoneyGram

 [Contact Supplier](#)


 [Chat Now!](#)

[Start Order](#)


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Trade Assurance

Place order online and pay to the designated bank account to get full protection.

 Payment protection

 On-time shipment

 Product quality protection

 [Add to My Cart](#)

 [Add to My Favorites](#)





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

☐ ☐

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

☐ ☐

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

☐ ☐

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

☐ ☐

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

☐ ☐

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

☐ ☐

The marijuana establishment will refuse to accept any shipment of marijuana or marijuana product that is not accompanied by the transport manifest

☐ ☐



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:

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

CONTICO



CONTICO

**Portable Tool Box, Structural Foam, 37"
Overall Width x 21" Overall Depth**

Price ⓘ
\$96.50 / each

1

Add to Cart

+ Add to List

C
a
Z



A A A A A



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:

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:

NOBODY is allowed inside the cultivation/processing facility unless they are a MJ Handlers card carrying employee or escorted by a manager/owner of the company. In order for a non-employee to gain access they have to be let into the "lobby" waiting area to have their state or federal ID checked and logged on the visitor registry. This area will also have the state required warning and underage notice signs framed and posted. Absolutely nobody will be allowed access without proper identification and accompaniment of owner/manager.

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.

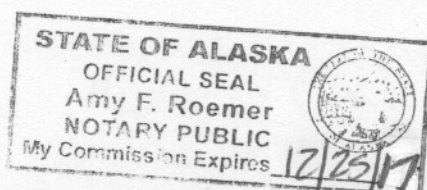
John S. Wemeth

Signature of licensee

John S. Wemeth

Printed name

Subscribed and sworn to before me this 23 day of May, 2016.



Amy F. Roemer
Notary Public in and for the State of Alaska.

My commission expires: 12/25/17



Alaska Marijuana Control Board

Form MJ-02: Premises Diagram

What is this form?

A detailed diagram of the proposed licensed premises is required for all marijuana establishment license applications, per 3 AAC 306.020(b)(8). Your diagram must show all entrances and boundaries of the premises, restricted access areas, and storage areas, and dimensions. For those applying for a limited marijuana cultivation license, the proposed area(s) for cultivation must be clearly delineated.

The second page of this form is not required. Blueprints, CAD drawings, or other clearly drawn and marked diagrams may be submitted in lieu of the second page of this form. The first page must still be completed, attached, and submitted to any supplemental premises diagrams. An AMCO employee may require you to complete the second page of this form if additional documentation for your premises diagram is needed.

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

Yes No

I have attached blueprints, CAD drawings, or other supporting documents in addition to, or in lieu of, the second page of this form.

☐ ☐

Section 1 – Establishment Information

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

Licensee:		License Number:	
License Type:			
Doing Business As:			
Premises Address:			
City:		State:	
		ZIP:	



Alaska Marijuana Control Board

Operating Plan Supplemental Form MJ-04: Marijuana Cultivation Facility

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:		License Number:			
License Type:					
Doing Business As:					
Premises Address:					
City:		State:	Alaska	ZIP:	



Alaska Marijuana Control Board

Operating Plan Supplemental Form MJ-04: Marijuana Cultivation Facility

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

marijuana.licensing@alaska.gov
<https://www.commerce.alaska.gov/web/amco>
Phone: 907.269.0350

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 licensee's 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:



Alaska Marijuana Control Board

Operating Plan Supplemental Form MJ-04: Marijuana Cultivation Facility

Alcohol and Marijuana Control Office
550 W 7th Avenue, Suite 1600

Anchorage, AK 99501

marijuana.licensing@alaska.gov

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

Phone: 907.269.0350

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

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

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



Environmental (DEC)



100%

FAST SHIPPING

Our Price
MSRP: \$

Quantity 1

ADD TO CART

Not rated yet.

DESCRIPTION

REVIEWS (0)

Combine CO₂, temperature and humidity control with digital precision in ONE device utilizing the Autopilot Environmental Controller (DEC). With highly accurate temp, humidity and light sensors, the DEC coordinates supplemental CO₂ injection within the temperature function.

Unique Features:

- Temperature, humidity and CO₂ controlled together in on flexible unit
- Independent or synchronized control
- Temperature set point Day/Night
- Temperature and humidity sensor 15 ft. remote
- Warranty: 3-year

Size: 9" x 7" x 4", 15A max/120v



Alaska Marijuana Control Board

Operating Plan Supplemental Form MJ-04: Marijuana Cultivation Facility

Describe the marijuana cultivation facility's waste disposal arrangements:

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:



Alaska Marijuana Control Board

Operating Plan Supplemental Form MJ-04: Marijuana Cultivation Facility

Alcohol and Marijuana Control Office
550 W 7th Avenue, Suite 1600

Anchorage, AK 99501

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:



Alaska Marijuana Control Board

Operating Plan Supplemental Form MJ-04: Marijuana Cultivation Facility

Alcohol and Marijuana Control Office
550 W 7th Avenue, Suite 1600

Anchorage, AK 99501

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 7th Avenue, Suite 1600

Anchorage, AK 99501

marijuana.licensing@alaska.gov

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

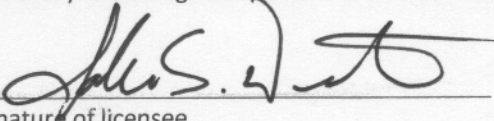
Phone: 907.269.0350

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 windows whatsoever that allow anyone to see into the facility. Even when first secure entry door is open, the only thing visible is the lobby. Second entry door located inside garage bay only has view to work area and will only be opened when supply deliveries are being taken inside. While designated employees are bringing in deliveries there will be no marijuana present in the work area where supplies are stored and safes will be secured.

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.

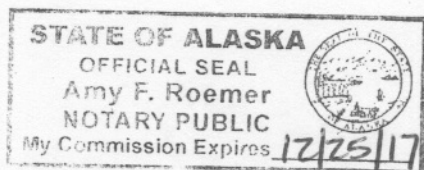


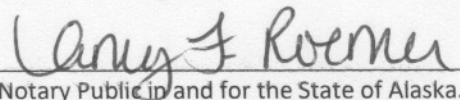
Signature of licensee

John S. Nemeth

Printed name

Subscribed and sworn to before me this 23 day of May, 2016.




Notary Public in and for the State of Alaska.

My commission expires: 12/25/17



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:	Top Hat, LLC	License Number:	10270
License Type:	Standard Marijuana Cultivation Facility		
Doing Business As:	TOP HAT, LLC		
Premises Address:	2315 Industrial BLVD, Suite A		
City:	Juneau	State:	ALASKA
		ZIP:	99801

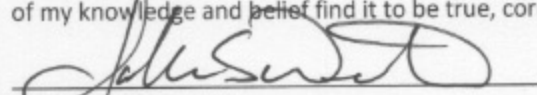
Section 2 – Certification

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:

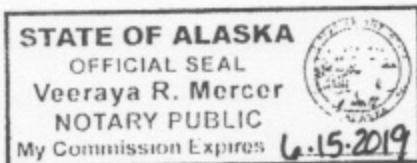
Start Date: 6/24/16 End Date: 6/30/16

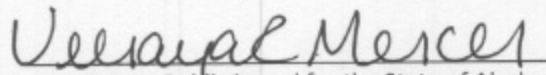
Other conspicuous location: CBJ City Hall

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

Subscribed and sworn to before me this 7 day of July, 2016.




Notary Public in and for the State of Alaska.

My commission expires: June 15, 2019



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:	Top Hat, LLC	License Number:	10270
License Type:	Standard Marijuana Cultivation Facility		
Doing Business As:	TOP HAT, LLC		
Premises Address:	2315 Industrial BLVD, Suite A		
City:	Juneau	State:	ALASKA
		ZIP:	99801

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):

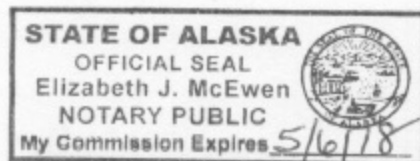
Local Government: City & Borough of Juneau Date Submitted: 6/24/16

Community Council: _____ 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 24th day of June, 2016.



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

My commission expires: 5/6/2018



Public Notice

Application for Marijuana Establishment License

License Number: 10270

License Status: Initiated

License Type: Standard Marijuana Cultivation Facility

Doing Business As: TOP HAT, LLC

Business License Number: 1035395

Email Address: john@thcalaska.com

Latitude, Longitude: 58.366400, -134.605000

Physical Address: 2315 Industrial BLVD
Juneau, AK 99801
UNITED STATES

Owner #1

Owner Type: Entity

Alaska Entity Number: 10036509

Alaska Entity Name: Top Hat, LLC

Phone Number: 313-318-5322

Email Address: john@thcalaska.com

Mailing Address: PO BOX 20842
Juneau, AK 99801
UNITED STATES

Affiliate #1

Owner Type: Individual

Name: John Nemeth

Date of Birth: 03/12/1983

Phone Number: 313-318-5322

Email Address: john@thcalaska.com

Mailing Address: 1220 Glacier Ave
APT 204
Juneau, AK 99801
UNITED STATES

Affiliate #2

Owner Type: Individual

Name: Tracy LaBarge

Date of Birth: 03/26/1967

Phone Number: 907-723-2004

Email Address: tracy@thcalaska.com

Mailing Address: 2913 Blueberry Hills Rd
Juneau, AK 99801
UNITED STATES

Affiliate #3

Owner Type: Individual

Name: Benjamin Wilcox

Date of Birth: 04/08/1970

Phone Number: 907-419-0065

Email Address: ben@thcalaska.com

Mailing Address: 125 Wire St
Juneau, AK 99801
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 not later than 30 days after this notice of application.

POSTING DATE 4/21/2016



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:		License Number:	
License Type:			
Doing Business As:			
Premises Address:			
City:		State:	
		ZIP:	

Section 2 – Individual Information

Enter information for the individual licensee or affiliate.

Name:	
Title:	
SSN:	



Alaska Marijuana Control Board

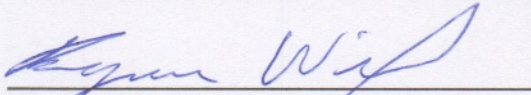
Form MJ-09: Statement of Financial Interest

Section 3 – Certifications

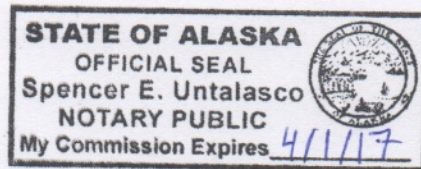
I certify that no person other than a proposed licensee listed on my marijuana establishment license application has a direct or indirect financial interest, as defined in 3 AAC 306.015(e)(1), in the business for which a marijuana establishment license is being applied for.

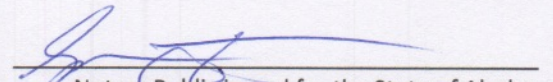
I further certify that any ownership change shall be reported to the board as required under 3 AAC 306.040.

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 21st day of April, 2016.




Notary Public in and for the State of Alaska.

My commission expires: April 1, 2017



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:		License Number:	
License Type:			
Doing Business As:			
Premises Address:			
City:		State:	
		ZIP:	

Section 2 – Individual Information

Enter information for the individual licensee or affiliate.

Name:	
Title:	
SSN:	



Alaska Marijuana Control Board

Form MJ-09: Statement of Financial Interest

Section 3 – Certifications

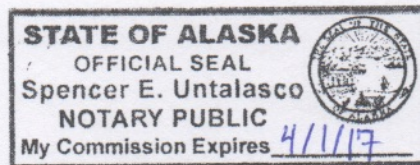
I certify that no person other than a proposed licensee listed on my marijuana establishment license application has a direct or indirect financial interest, as defined in 3 AAC 306.015(e)(1), in the business for which a marijuana establishment license is being applied for.

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 21st day of April, 20 16.



Notary Public in and for the State of Alaska.

My commission expires: April 1, 2017



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:		License Number:	
License Type:			
Doing Business As:			
Premises Address:			
City:		State:	
		ZIP:	

Section 2 – Individual Information

Enter information for the individual licensee or affiliate.

Name:	
Title:	
SSN:	



Alaska Marijuana Control Board

Form MJ-09: Statement of Financial Interest

Section 3 – Certifications

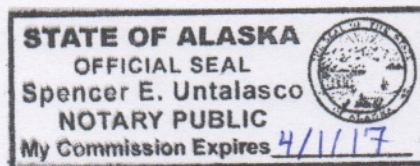
I certify that no person other than a proposed licensee listed on my marijuana establishment license application has a direct or indirect financial interest, as defined in 3 AAC 306.015(e)(1), in the business for which a marijuana establishment license is being applied for.

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 21st day of April, 2016.



Notary Public in and for the State of Alaska.

My commission expires: April 1, 2017

Alcohol & Marijuana Control Office

Initiating License Application

4/20/2016 3:56:16 PM

License Number: 10270**License Status:** New**License Type:** Standard Marijuana Cultivation Facility**Doing Business As:** TOP HAT, LLC**Business License Number:** 1035395**Designated Owner:** John S Nemeth**Email Address:** john@thcalaska.com**Latitude, Longitude:** 58.366400, -134.605000**Physical Address:** 2315 Industrial BLVD
Juneau, AK 99801
UNITED STATES**Owner #1****Owner Type:** Entity**Alaska Entity Number:** 10036509**Alaska Entity Name:** Top Hat, LLC**Phone Number:** 313-318-5322**Email Address:** john@thcalaska.com**Mailing Address:** PO BOX 20842
Juneau, AK 99801
UNITED STATES**Affiliate #1****Owner Type:** Individual**Name:** John Nemeth**SSN:** [REDACTED]**Date of Birth:** [REDACTED]**Phone Number:** [REDACTED]**Email Address:** john@thcalaska.com**Mailing Address:** 1220 Glacier Ave
APT 204
Juneau, AK 99801
UNITED STATES**Affiliate #2****Owner Type:** Individual**Name:** Tracy LaBarge**SSN:** [REDACTED]**Date of Birth:** [REDACTED]**Phone Number:** 907-723-2004**Email Address:** tracy@thcalaska.com**Mailing Address:** 2913 Blueberry Hills Rd
Juneau, AK 99801
UNITED STATES**Affiliate #3****Owner Type:** Individual**Name:** Benjamin Wilcox**SSN:** [REDACTED]**Date of Birth:** [REDACTED]**Phone Number:** 907-419-0065**Email Address:** ben@thcalaska.com**Mailing Address:** 125 Wire St
Juneau, AK 99801
UNITED STATES

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2015-005984-0

Recording Dist: 101 - Juneau

11/12/2015 11:24 AM Pages: 1 of 2



File for Record at Request of:

First American Title Insurance Company

AFTER RECORDING MAIL TO:

Name: **Genuine Ventures, LLC**

Address: **PO Box 21082**

Juneau, AK 99802

File No.: **0231-2548053 (JV)**

STATUTORY WARRANTY DEED

THE GRANTOR, **Horst A. Schramm dba Horsts Beetle and Bunny Service**, whose mailing address is **3112 Wildmeadow Lane, Juneau, AK 99801**, for and in consideration of **TEN DOLLARS AND OTHER GOOD AND VALUABLE CONSIDERATION**, in hand paid, conveys and warrants to **Genuine Ventures, LLC**, residing at **PO Box 21082, Juneau, AK 99802**, the following described real estate, situated in the **Juneau** Recording District, **FIRST** Judicial District, State of **Alaska**:

Lot 7A-1, a replat of Lots 7A and 8A, MASON INDUSTRIAL PARK NO. 2, according to the official plat thereof, filed under Plat Number 85-28, Records of the Juneau Recording District, First Judicial District, State of Alaska.

SUBJECT TO reservations, exceptions, easements, covenants, conditions and restrictions of record, if any.

Dated: November 5th, 2015.

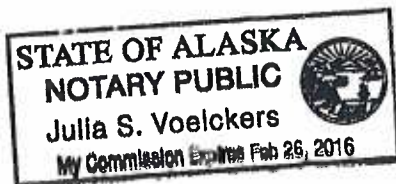
Horst A. Schramm dba Horsts Beetle and
Bunny Service

By: Horst A. Schramm
Name: Horst A. Schramm
Title:

STATE OF Alaska)
) ss.
FIRST Judicial District)

THIS IS TO CERTIFY that on this **Fifth day of November, 2015**, before me the undersigned Notary Public, personally appeared **Horst A. Schramm dba Horsts Beetle and Bunny Service**, known to me and to me known to be the individual(s) described in and who executed the foregoing instrument and he/she/they acknowledged to me that he/she/they signed the same freely and voluntarily for the uses and purposes therein mentioned.

WITNESS my hand and official seal.



Notary Public in and for Alaska
My commission expires 02/26/2016



SUBLEASE AGREEMENT

THIS SUBLEASE AGREEMENT ("Sublease") is entered into as of the **15th** day of May, 2016 by and between **JBT DEV, LLC**, an Alaska limited liability company ("Sublandlord") and **TOP HAT, LLC**, an Alaska limited liability company, and **TOP HAT CONCENTRATES, LLC**, an Alaska limited liability company (together, "Subtenant").

RECITALS

A. Genuine Ventures, LLC, an Alaska limited liability company, as landlord ("Landlord"), and Sublandlord, as tenant, entered into that certain Lease Agreement dated **May 15th**, 2016 (the "Master Lease"), whereby Landlord leased to Sublandlord the premises commonly known as 2315 Industrial Boulevard in Juneau, Alaska, and as more particularly described in the Master Lease (the "Premises"). A copy of the Master Lease is attached hereto as Exhibit A and made a part hereof.

B. Top Hat, LLC and Top Hat Concentrates, LLC wish to sublease separate but adjacent space in the Premises and agree to be jointly and severally liable for the obligations of Subtenant under this Sublease.

C. Sublandlord and Subtenant wish to enter into a sublease of the Premises on the terms and conditions hereafter set forth.

AGREEMENT

NOW, THEREFORE, for good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the parties hereby agree as follows:

1. DEFINED TERMS. All capitalized terms used herein shall have the same meaning ascribed to them in the Master Lease unless otherwise defined herein.

2. PREMISES. Sublandlord hereby subleases to Subtenant and Subtenant hereby subleases from Sublandlord the Premises, upon and subject to the terms, covenants and conditions hereinafter set forth. Top Hat, LLC is subleasing approximately 2300 square feet of space in the Premises, which space is designated "Suite A," and Top Hat Concentrates, LLC is subleasing approximately 700 square feet of space in the Premises, which space is designated "Suite B."

3. LEASE TERM. The term of this Sublease ("Term") shall commence on the date this Sublease is fully executed and Sublandlord shall provide Subtenant with possession of the Premises on that date. Subtenant shall pay rent beginning on **July 1, 2016** ("Sublease Commencement Date") through **July 1, 2018** (the "Sublease Expiration Date").

4. USE. The Premises shall be used by Subtenant for the production and processing of botanicals, including cannabis, in conformance with the laws of the State of Alaska, and for general office purposes, and for no other purpose without Sublandlord's prior written consent.

5. SUBRENTAL.

(a) **Minimum Rent.** Beginning with the Sublease Commencement Date and thereafter during the Term of this Sublease and ending on the Sublease Expiration Date, Subtenant shall pay **one-thousand** Dollars (**\$1,000.00**) to Sublandlord each month during the Term as minimum rent ("Minimum Rent"). The first monthly installment of Minimum Rent, along with the Deposit (as defined in

Section 6 below) shall be paid by Subtenant upon execution of this Sublease. Minimum Rent and additional rent (including without limitation, late fees, interest, and Percentage Rent, defined below) shall hereinafter be collectively referred to as "Rent."

(b) **Percentage Rent.** In addition to the Minimum Rent, beginning with **September 1, 2016** and ending on the Sublease Expiration Date, Subtenant shall pay as additional Rent an amount equal to of forty percent (40%) of the Subtenant's Net Cash Flow. "Net Cash Flow" means the gross cash proceeds of the Subtenant from operations (including sales and dispositions of property owned by the Subtenant ("Subtenant Property") in the ordinary course of business) less the portion thereof used to pay or establish reserves for all Subtenant expenses, debt payments, capital improvements, replacements, and contingencies, all as determined by the Subtenant in its sole discretion. "Net Cash Flow" shall not be reduced by depreciation, amortization, cost recovery deductions, or similar allowances, but shall be increased by any reductions of reserves previously established pursuant to the first sentence of this definition and the definition of "Net Cash from Sales or Refinancing." "Net Cash from Sales or Refinancings" means the net cash proceeds from all sales and other dispositions (other than in the ordinary course of business) and all refinancings of Subtenant Property, less any portion of proceeds used to establish reserves, all as determined by the Subtenant. "Net Cash from Sales or Refinancings" shall include all principal and interest payments with respect to any note or other obligation received by the Subtenant in connection with sales and other dispositions (other than in the ordinary course of business) of Subtenant Property.

(c) **Prorations.** If the Sublease Commencement Date is not the first (1st) day of a month, or if the Sublease Expiration Date is not the last day of a month, a prorated installment of the Minimum Rent and Percentage Rent based on a thirty (30) day month shall be paid for the fractional month during which the Term commenced or terminated.

(d) **Payment of Rent.** Except as otherwise specifically provided in this Sublease, Rent shall be payable in lawful money without demand, and without offset, counterclaim, or setoff in monthly installments, in advance, on the first day of each and every month during the Term of this Sublease. All of said Rent is to be paid to Sublandlord at:

JBT Dev, LLC
PO Box 20842
Juneau, AK 99801
Attn: John S Nemeth

or at such other place or to such agent and at such place as Sublandlord may designate by notice to Subtenant. Any additional rent payable on account of items which are not payable monthly by Sublandlord to Landlord under the Master Lease is to be paid to Sublandlord as and when such items are payable by Sublandlord to Landlord under the Master Lease unless a different time for payment is elsewhere stated herein.

(e) **Payment of Rent.** If any sums payable by Subtenant to Sublandlord under this Sublease are not received within five (5) days of their due date, Subtenant shall pay Sublandlord an amount equal to the sum which would be payable by Tenant to Landlord for an equivalent default under the Master Lease or five percent (5%) of the delinquent amount for the cost of collecting and handling such late payment in addition to the amount due and as additional rent, whichever is greater. All delinquent sums not paid by Subtenant within five (5) business days of the due date shall, at Sublandlord's option, bear interest at the rate Tenant would pay the Landlord under the Master Lease for an equivalent default or the highest rate of interest allowable by law, whichever is less. Interest on all delinquent amounts shall be calculated from the original due date to the date of payment.

(f) **Less Than Full Payment.** Sublandlord's acceptance of less than the full amount of any payment due from Subtenant shall not be deemed an accord and satisfaction or compromise of such payment unless Sublandlord consents in writing to payment of such lesser sum as an accord and satisfaction or compromise of the amount which Sublandlord claims. Any portion that remains to be paid by Sublandlord shall be subject to the late charges and default interest provisions of this Section 5.

6. **SECURITY DEPOSIT.** Concurrently with the execution of this Sublease, Subtenant shall deposit with Sublandlord the sum of **one-thousand and No/100 Dollars (\$1,000.00)** ("**Deposit**"), which shall be held by Sublandlord as security for the full and faithful performance by Subtenant of its covenants and obligations under this Sublease. The Deposit is not an advance Rent deposit, an advance payment of any other kind, or a measure of Sublandlord's damage in case of Subtenant's default. If Subtenant defaults in the full and timely performance of any or all of Subtenant's covenants and obligations set forth in this Sublease, then Sublandlord may, from time to time, without waiving any other remedy available to Sublandlord, use the Deposit, or any portion of it, to the extent necessary to cure or remedy the default or to compensate Sublandlord for all or a part of the damages sustained by Sublandlord resulting from Subtenant's default. Subtenant shall immediately pay to Sublandlord within five (5) days following demand, the amount so applied in order to restore the Deposit to its original amount, and Subtenant's failure to immediately do so shall constitute a default under this Sublease. If Subtenant complies with all of the covenants and obligations set forth in this Sublease throughout the Sublease term, Sublandlord shall return the Deposit to Subtenant after the surrender of the Premises by Subtenant in the condition required by Section 9 of this Sublease. Sublandlord's obligations with respect to the Deposit are those of a debtor and not a trustee. Sublandlord shall not be required to maintain the Deposit separate and apart from Sublandlord's general or other funds and Sublandlord may commingle the Deposit with any of Sublandlord's general or other funds. Subtenant shall not at any time be entitled to interest on the Deposit.

7. **SIGNAGE.** Subject to the terms of Section 19 of the Master Lease, Subtenant is granted the right, at or about the inception of the Term of this Sublease, to install standard signage identifying Subtenant on or adjacent to the entry to the Premises, subject to Landlord's and Sublandlord's prior written approval.

8. **[PARKING.]** Subtenant shall have the right, during the Term of this Sublease, to six (6) reserved parking spaces and additional non-reserved parking spaces in the parking area adjacent to the Premises.]

9. **CONDITION OF PREMISES.** Subtenant acknowledges that it is subleasing the Premises "as-is" and that Sublandlord is not making any representation or warranty concerning the condition of the Premises and that Sublandlord is not obligated to perform any work to prepare the Premises for Subtenant's occupancy, with the sole exception that Sublandlord shall deliver the Premises in a "broom-clean" condition. Subtenant is not authorized to make or do any alterations or improvements in or to the Premises without Sublandlord's and Landlord's consent, which consent by Sublandlord shall not be unreasonably withheld, conditioned or delayed, and which consent by Landlord shall be subject to the terms of the Master Lease. Any improvements or alterations must be performed in accordance with the terms of the Master Lease. All such work shall be done in a good and workmanlike manner and in conformity with a valid building permit and all applicable laws and codes. Subtenant shall pay when due all claims for labor or materials furnished to or for Subtenant at or for use in the Premises, which claims are or may be secured by any mechanics' or materialmen's liens against the Premises or any interest therein. Subtenant hereby agrees that to the extent Sublandlord is required to pay any amounts to Landlord pursuant to the Master Lease based on the performance of alterations or improvements in the Premises by Subtenant, Subtenant shall be required to reimburse Sublandlord for such amounts within five (5) business days. Subtenant

acknowledges that Subtenant shall be required to remove any alterations or improvements made to the Premises by Subtenant that Landlord requires to be removed pursuant to the Master Lease and Subtenant shall immediately repair any damage to the Premises caused by the installation or removal of such alterations or improvements. Subtenant shall be required to surrender the Premises to Sublandlord one day prior to the expiration of the Term in the condition required under Section 15.1 of the Master Lease.

10. INCORPORATION OF TERMS OF MASTER LEASE.

(a) This Sublease is subject and subordinate to the Master Lease. Subject to the modifications set forth in this Sublease, the terms of the Master Lease are incorporated herein by reference, and shall, as between Sublandlord and Subtenant (as if they were Landlord and Tenant, respectively, under the Master Lease) constitute the terms of this Sublease except to the extent that they are inapplicable to, inconsistent with, or modified by, the terms of this Sublease. In the event of any inconsistencies between the terms and provisions of the Master Lease and the terms and provisions of this Sublease, the terms and provisions of this Sublease shall govern. Subtenant acknowledges that it has reviewed the Master Lease and is familiar with the terms and conditions thereof. Subtenant shall not do, nor permit to be done, any act or thing which is, or with notice or the passage of time would be, a default under this Sublease or the Master Lease. If the Master Lease terminates or is forfeited as a result of a default or breach by Subtenant under this Sublease and/or the Master Lease, then Subtenant shall be liable to Sublandlord for the damage suffered as a result of such termination or forfeiture.

(b) For the purposes of incorporation herein, the terms of the Master Lease are subject to the following additional modifications:

(i) In all provisions of the Master Lease (under the terms thereof and without regard to modifications thereof for purposes of incorporation into this Sublease) requiring the approval or consent of Landlord, Subtenant shall be required to obtain the approval or consent of both Sublandlord and Landlord.

(ii) In all provisions of the Master Lease requiring Tenant to submit, exhibit to, supply or provide Landlord with evidence, certificates, or any other matter or thing, Subtenant shall be required to submit, exhibit to, supply or provide, as the case may be, the same to both Landlord and Sublandlord. In any such instance, Sublandlord shall determine if such evidence, certificate or other matter or thing shall be satisfactory.

(iii) Sublandlord shall have no obligation to restore or rebuild any portion of the Premises after any destruction or taking by eminent domain.

(iv) Subtenant shall not be entitled to any allowances (design, construction, moving or any other allowances) granted to Tenant under the Master Lease.

(v) With respect to any obligation of Subtenant to be performed under this Sublease, wherever the Master Lease grants to Sublandlord a specified number of days to perform its obligations under the Master Lease, except as otherwise provided herein, Subtenant shall have (a) one (1) fewer day to perform obligations for which the Master Lease provides a period of less than fifteen (15) days and (b) three (3) fewer days to perform obligations for which the Master Lease provides a period of fifteen (15) days or more, including, without limitation, curing any defaults.

(vi) Subtenant shall not be entitled to any holdover tenancy or extension right granted to Tenant under the Master Lease.

(vii) Subtenant shall not use or occupy the Premises in violation of law, provided that an exception will be made for the Controlled Substances Act, 21 U.S.C. Section 800 *et seq.* with respect to the Act's provisions concerning marijuana.

11. SUBTENANT'S OBLIGATIONS. Subtenant covenants and agrees that all obligations of Sublandlord under the Master Lease shall be done or performed by Tenant with respect to the Premises, except as otherwise provided by this Sublease. Subtenant shall not do, nor permit to be done, any act or thing which is, or with notice or the passage of time would be, a default under this Sublease or the Master Lease.

12. SUBLANDLORD'S OBLIGATIONS. [Sublandlord agrees that Subtenant shall be entitled to receive all services and repairs to be provided by Landlord to Sublandlord under the Master Lease. Subtenant shall look solely to Landlord for all such services and shall not, under any circumstances, seek nor require Sublandlord to perform any of such services, nor shall Subtenant make any claim upon Sublandlord for any damages which may arise by reason of Landlord's default under the Master Lease.] Sublandlord covenants and agrees with Subtenant that Sublandlord will pay all fixed rent and additional rent payable by Sublandlord pursuant to the Master Lease to the extent that failure to perform the same would adversely affect Subtenant's use or occupancy of the Premises.

13. DEFAULT BY SUBTENANT. In the event Subtenant shall be in default of any covenant of, or shall fail to honor any obligation under this Sublease, Sublandlord shall have available to it against Subtenant, jointly and severally, all of the remedies available (a) to Landlord under the Master Lease in the event of a similar default on the part of Sublandlord thereunder or (b) at law.

14. QUIET ENJOYMENT. So long as Subtenant pays all of the Rent due hereunder and performs all of Subtenant's other obligations hereunder, Sublandlord shall do nothing to affect Subtenant's right to peaceably and quietly have, hold and enjoy the Premises.

15. NOTICES. All notices, demands and requests shall be in writing and shall be sent either by hand delivery or by a nationally recognized overnight courier service (e.g., FedEx), in either case return receipt requested, to the address of the appropriate party. Notices, demands and requests so sent shall be deemed given when the same are received. Notices to Sublandlord shall be sent to:

JBT Dev, LLC
PO Box 20842
Juneau, AK 99801
Attn: John S Nemeth

Notices to Subtenant shall be sent to the attention of:

Top Hat, LLC
2315 Industrial BLVD
Juneau, AK 99801
Attn: Benjamin Wilcox

Top Hat Concentrates, LLC
2315 Industrial BLVD

Juneau, AK 99801
Attn: Benjamin Wilcox

16. BROKERS. Sublandlord and Subtenant represent and warrant to each other that no brokers were involved in connection with the negotiation or consummation of this Sublease. Each party agrees to indemnify the other, and hold it harmless, from and against any and all claims, damages, losses, expenses and liabilities (including reasonable attorneys' fees) incurred by said party as a result of a breach of this representation and warranty by the other party.

17. CONSENT OF LANDLORD. Section 12 of the Master Lease requires Sublandlord to obtain the written consent of Landlord to this Sublease. Sublandlord shall solicit Landlord's consent to this Sublease promptly following the execution and delivery of this Sublease by Subtenant to Sublandlord. In the event Landlord's written consent to this Sublease has not been obtained within sixty (60) days after the execution hereof, then this Sublease may be terminated by either party hereto upon notice to the other within ten (10) days after such time period ends, and upon such termination neither party hereto shall have any further rights against or obligations to the other party hereto; provided, however, that Sublandlord shall promptly return to Subtenant any amounts previously paid by Subtenant to Sublandlord hereunder.

18. TERMINATION OF THE LEASE. If for any reason the term of the Master Lease shall terminate prior to the Sublease Expiration Date, this Sublease shall automatically be terminated and Sublandlord shall not be liable to Subtenant by reason thereof unless said termination shall have been caused by the default of Sublandlord under the Master Lease, and said Sublandlord default was not as a result of a Subtenant default hereunder.

19. ASSIGNMENT AND SUBLETTING. Any assignment of this Sublease or sublease of all or a portion of the Premises shall be subject to the receipt of Landlord's and Sublandlord's consents, which consent may be withheld by such parties in their sole discretion, and shall otherwise be subject to the terms of the Master Lease.

20. GOVERNING LAW. This Sublease shall be governed by and construed in accordance with the laws of the State of Alaska.

21. ATTORNEYS' FEES. In the event a party to this Sublease commences a legal action to enforce or interpret the provisions hereof, the Substantially Prevailing Party in such action shall be entitled to recover its reasonable attorneys' fees and costs incurred therein. As used herein, the term "Substantially Prevailing Party" means the party that prevails on the main issue(s), even if not to the extent of its original contribution.

22. AMENDMENTS. None of the terms, covenants, conditions or provisions of this Sublease can be modified, deleted or added to except in writing signed by the parties hereto.

23. COUNTERPARTS; ELECTRONIC TRANSMISSIONS. This Sublease may be executed in counterparts. All executed counterparts shall be treated as one fully executed Sublease and transmissions of signed counterparts of this Sublease by facsimile or by electronic mail shall be treated as a signed original counterpart.

24. ENTIRE AGREEMENT. It is understood and acknowledged that there are no oral agreements between the parties hereto affecting this Sublease and this Sublease supersedes and cancels any and all previous negotiations, arrangements, agreements and understandings, if any, between the parties hereto with respect to the subject matter thereof, and none thereof shall be used to interpret or construe this

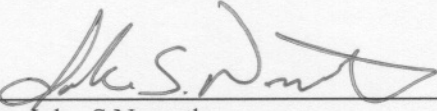
Sublease. This Sublease, and the exhibits and schedules attached hereto, contain all of the terms, covenants, conditions, warranties and agreements of the parties relating in any manner to the rental, use and occupancy of the Premises and shall be considered to be the only agreements between the parties hereto and their representatives and agents. All negotiations and oral agreements acceptable to both parties have been merged into and are included herein.

[Signature page follows.]

IN WITNESS WHEREOF, the parties have entered into this Sublease as of the date first written above.

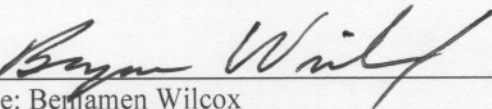
SUBLANDLORD:

JBT DEV, LLC,
an Alaska limited liability company

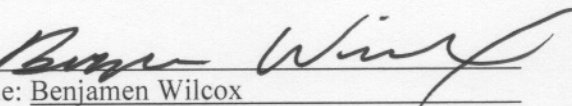
By: 
Name: John S Nemeth
Title: President

SUBTENANT:

TOP HAT, LLC,
an Alaska limited liability company

By: 
Name: Benjamin Wilcox
Title: Vice President

TOP HAT CONCENTRATES, LLC,
an Alaska limited liability company

By: 
Name: Benjamin Wilcox
Title: Vice President

LANDLORD'S CONSENT

The undersigned, as Landlord, hereby consents to the foregoing Sublease, including the modifications to the Master Lease set forth herein.

LANDLORD:

GENUINE VENTURES LLC,
an Alaska limited liability company

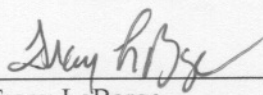
By: 
Name: Tracy LaBarge
Title: Member
Date: 5/15/16

EXHIBIT A
COPY OF MASTER LEASE

See attached.

GSB:7735625.2

COMMERCIAL LEASE

THIS COMMERCIAL LEASE ("Lease") is entered into this 15th day of May, 2016 by and between GENUINE VENTURES, LLC, an Alaska limited liability company ("Landlord") and JBT DEV, LLC, an Alaska limited liability company ("Tenant").

1. **PREMISES.** Landlord hereby leases to Tenant and Tenant hereby leases from Landlord those certain Premises commonly known as 2315 Industrial Boulevard in Juneau, Alaska, and legally described on Exhibit A, which is attached hereto and incorporated herein by this reference (the "Premises").

2. **TERM.** The term of this Lease will be for a period of two (2) years, from the date of commencement, with 5 option renewal terms as set forth in Section 21 below. The date of commencement is July 1, 2016.

3. **MONTHLY RENT.** The Tenant will pay to the Landlord at Landlord's address specified in Section 17 below, or at such other place as the Landlord may hereinafter designate, on or before the first day of each calendar month, without offset or deduction the following amounts as rent for the Premises: five-thousand Dollars (\$5,000) per month, increased each year during the Lease term, including any applicable renewal option terms, by one percent (1%) of the immediately prior year's monthly rent. The [first month's] rent will be paid upon execution of this Lease.

4. **SECURITY DEPOSIT.** Tenant will pay a security deposit to Landlord in the amount of five-thousand Dollars (\$5,000) ("Deposit"), which shall be held by Landlord as security for the full and faithful performance by Tenant of its covenants and obligations under this Sublease. The Deposit is not an advance Rent deposit, an advance payment of any other kind, or a measure of Landlord's damage in case of Tenant's default. If Tenant defaults in the full and timely performance of any or all of Tenant's covenants and obligations set forth in this Sublease, then Landlord may, from time to time, without waiving any other remedy available to Landlord, use the Deposit, or any portion of it, to the extent necessary to cure or remedy the default or to compensate Landlord for all or a part of the damages sustained by Landlord resulting from Tenant's default. Tenant shall immediately pay to Landlord within five (5) days following demand, the amount so applied in order to restore the Deposit to its original amount, and Tenant's failure to immediately do so shall constitute a default under this Sublease. If Tenant complies with all of the covenants and obligations set forth in this Sublease throughout the Sublease term, Landlord shall return the Deposit to Tenant after the surrender of the Premises by Tenant in the condition required by Section 9 of this Sublease. Landlord's obligations with respect to the Deposit are those of a debtor and not a trustee. Landlord shall not be required to maintain the Deposit separate and apart from Landlord's general or other funds and Landlord may commingle the Deposit with any of Landlord's general or other funds. Tenant shall not at any time be entitled to interest on the Deposit.

5. **QUIET ENJOYMENT.** Landlord covenants that Tenant, upon paying the basic rent and all other charges herein provided for and observing and keeping all covenants, agreements and conditions of this Lease on its part to be kept, will quietly have and enjoy the demised Premises during the term of this Lease without hindrance by anyone claiming by or through Landlord.

6. **UTILITIES.** Tenant will pay promptly when due all charges for water, sewer, garbage disposal, telephone, electricity, cable, heat, gas, power, and any other utilities or services and like charges, including any fire protection charge, furnished to or consumed upon the leased Premises. Landlord will not be liable for any failure or interruption of utility service to the Premises, unless such failure is caused by the gross negligence or willful misconduct of Landlord, its agents or employees.

7. TAXES AND ASSESSMENTS, INSURANCE, ETC.

7.1 Tenant's Costs. In addition to the rent provided in Section 3 above, and commencing on the date of commencement specified in Section 2 above, Tenant agrees to pay to Landlord as additional rent the following items, referred to as "Tenant's costs":

7.1.1 Real Estate Taxes. Real estate taxes and assessments accruing against the Premises which become due and payable during the term of this Lease or any extension or renewal thereof. Tenant's portion of such taxes and assessments will be prorated for any partial calendar year of the term of this Lease.

7.1.2 Building Insurance. Insurance premiums for fire, extended coverage, general commercial liability and other insurance that Landlord deems necessary upon the Premises.

7.1.3 [Heating and Air Conditioning Unit Maintenance. All costs incurred by the Landlord for servicing, maintaining and repairing the heating and air conditioning equipment used for the Premises, if Landlord elects to contract for such service, maintenance and repair.]

7.2 Billing of Charges. The Tenant will pay to the Landlord the Tenant's costs described above within ten (10) days of billing for said costs by the Landlord.

7.3 Records. Landlord or its agents will keep records in reasonable detail showing all expenditures made for the items enumerated in subparagraph 7.1 above, which records will be available for inspection by Tenant at any reasonable time.

7.4 Additional Taxes. Should there presently be in effect or should there be enacted during the term of this Lease any law, statute, or ordinance levying any tax (other than Federal or State income taxes) directly or indirectly, in whole or in part, upon rents or the income from real estate or rental property, or increasing any such tax, Tenant will reimburse Landlord monthly, as additional rent, at the same time as monthly rental payments are due hereunder, for the actual amount of all such taxes paid.

8. REPAIRS, MAINTENANCE AND CONDITION OF PREMISES.

8.1 Condition of Premises. Tenant accepts the Premises "AS IS" in their current condition. No warranties or representations concerning the condition or suitability of the Premises for intended uses have been made, except as are expressly set forth herein.

8.2 Tenant's Obligation to Repair. Tenant will, at its own expense, at all times keep the Premises in good repair, and maintained, subject only to the Landlord's obligation to repair in Section 8.3 below. Tenant's repair and maintenance obligation includes, without limitation, gardening and landscaping; interior and exterior painting; lighting; lamp replacement; window replacement; door repair and/or replacement; parking lot sweeping and snow removal; maintenance and repair of all electrical, plumbing, telephone and other utility systems and routine roof maintenance and repair. If the Tenant does not make repairs promptly and adequately, or fails to maintain the Premises in good repair, Landlord may make repairs on fifteen (15) days' notice to the Tenant, and Tenant will pay promptly the reasonable cost thereof, as additional rent, on the next rent date thereafter. The right of Landlord to make such repairs will be without prejudice to any rights it may have because of Tenant's failure to make such repairs.

8.3 [Landlord's Obligation to Repair. Upon reasonable written notice from Tenant of the need therefor, Landlord will be responsible for roof replacement, exterior walls (excluding doors, storefronts, entryways, and windows, and excluding painting), and foundation repair, at its own expense,

except that Tenant will pay for the repair of any damage caused by Tenant, its agents, employees or invitees.] [Landlord may elect to service the HVAC system but the costs will be chargeable to Tenant in accordance with Section 7 above.]

8.4 Alterations. After prior written consent of Landlord, Tenant, at its sole cost and expense, may make alterations, additions and improvements in the Premises. In the performance of such work, Tenant will hold Landlord harmless from any damage, loss or expense, and will comply with all laws, ordinance, rules and regulations of any public authority, obtaining all necessary permits, approvals or authorizations. Tenant will not allow any liens to be filed against the Premises; in the event of filing of a lien claim Tenant will promptly take such action as may be required to remove the lien, including, without limitation, obtaining a bond, if required. All such alterations, additions and improvements to the Premises (except trade fixtures) will be the property of Landlord, and will be surrendered with the Premises upon termination of this Lease. Upon demand by Landlord given at least thirty (30) days prior to the end of the Lease term, Tenant will remove any alterations, additions or improvements made by Tenant, designated by Landlord to be removed, at Tenant's sole cost and expense, unless such alterations, additions or improvements had previously been consented to by Landlord. In such event, Tenant will repair any damage to the Premises caused by such removal, and as far as possible, return the Premises to their condition prior to making of any such alterations, improvements or additions.

Notwithstanding the above, if Tenant is not then in default after notice and the expiration of any applicable cure period, then prior to the end of the term of this Lease, Tenant will have the right to remove all trade fixtures located on the Premises which were installed by the Tenant. However, in such event, Tenant will repair all damage caused to the Premises by such installation and removal, returning the Premises, as far as possible, to their condition prior to installation of such trade fixtures.

Trade fixtures will not be deemed to include any heating, air conditioning, ventilation, plumbing or electrical equipment, or other fixtures relating primarily to general usage of the building or Premises, as opposed to fixtures specifically used for the operation of the Tenant's particular type of business.

8.5 Entry and Inspection. Tenant will permit Landlord or its agents to enter the Premises at reasonable times and after prior notice to inspect, clean, or repair the Premises, or to show the Premises to prospective purchasers or tenants.

9. USE OF PREMISES.

9.1 Permitted Use. The Premises shall be used by Tenant for the production and processing of botanicals, including cannabis, in conformance with the laws of the State of Alaska, and for general office purposes, and for no other purpose without Landlord's prior written consent.

9.2 Hazardous Substances. Tenant agrees to comply with all applicable air and water pollution control and prevention laws, regulations and state and federal air pollution and water pollution control agencies' recommendations in the maintenance of all facilities located on the leased Premises. Tenant agrees to comply with all federal and state laws and regulations regarding hazardous waste or substances. In the event of any discharge by Tenant or Tenant's agents of hazardous or toxic substances on or to the Premises, after execution of this Lease, Tenant will immediately notify Landlord and all relevant governmental agencies, and restore the Premises to their previous condition. After the termination of this Lease for any reason, Tenant will remove all hazardous and toxic materials and containers for those materials from the Premises.

Tenant shall indemnify, defend (using counsel approved by Landlord) and hold harmless the Landlord, its successors and assigns, from any and all claims, damages, fines, judgments, penalties, costs,

liabilities or losses (including, without limitation any and all sums paid for settlement, claims, attorneys' fees, consulting and expert fees) relating to or in connection with the presence or suspected presence of hazardous or toxic substances or materials ("hazardous substances") in or on the Premises or areas adjacent to the Premises, to the extent the hazardous substances are present as a result of the negligence, willful conduct or other acts of Tenant, Tenant's agents, employees, contractors or invitees, or which are present because the hazardous substances were physically placed upon the Premises during the term of this Lease.

9.3 Disposal of Non-Hazardous Waste Materials. All non-hazardous waste materials will be disposed of by Tenant properly and in accordance with all applicable laws and regulations.

9.4 Compliance with Law. Tenant will not use the Premises or permit anything to be done in or about the Premises which will in any way conflict with any law, statute, zoning restriction, ordinance or governmental rule or regulation or requirements of duly constituted public authorities now in force or which may hereafter be enacted or promulgated. Tenant will at its sole cost and expense promptly comply with all laws, statutes, ordinances and governmental rules, regulations or requirements now in force or which may hereafter be in force and with the requirements of any board of fire underwriters or other similar body now or hereafter constituted relating to or affecting the condition, use or occupancy of the Premises.

10. INSURANCE; INDEMNITY.

10.1 Public Liability Insurance. Tenant, at its own expense, will procure and maintain in effect comprehensive public liability insurance coverage with limits of not less than **two Million Dollars (\$2,000,000.00)** combined single limits; insuring against any and all liability of Tenant with regard to the Premises or use or occupancy thereof. In no event will the limits of said policies be considered as limiting the liabilities of Tenant under this Lease. The above-stated minimum policy limits will be subject to periodic review by the Landlord, and may be reasonably adjusted for inflation.

10.2 Casualty Insurance. Landlord will maintain property insurance on the Premises and will charge Tenant for such insurance in accordance with Section 7.1.2 above. However, Tenant understands and acknowledges that such insurance does not cover the personal property of Tenant located on the Premises, and may not cover fixtures installed by Tenant. Tenant, at its expense, will maintain fire and extended coverage insurance covering all inventory, equipment and other personal property located on the Premises. Upon request by Landlord, Tenant will provide proof of such insurance. The Landlord will have no liability whatsoever for any loss or damage to property of Tenant. Tenant agrees that with respect to any such insurance on its property in or about the Premises, the carrier will not be subrogated to any claim of Tenant against Landlord, or Landlord's agents or employees. Tenant agrees to indemnify, defend (using counsel acceptable to Landlord) and hold harmless Landlord from any expense, costs or damages, incurred by reason of any claim or action based in whole or in part upon such subrogation, including all attorneys' fees incurred by Landlord in connection with such claim or action.

10.3 Insurance Policies. All insurance policies (except the fire and extended coverage insurance on Tenant's personal property) will name Landlord as an additional insured and will be with companies and with loss-payable clauses satisfactory to Landlord, and copies of policies or certificates evidencing such insurance will be delivered to Landlord by Tenant. No such policy will be cancelable or amendable except after thirty (30) days' written notice to Landlord.

10.4 Waiver of Subrogation. Landlord and Tenant mutually agree to waive their right of recovery against each other, and their respective officers, employees or agents, for losses or damages occurring to the Premises, improvements, contents, other property of the waiving party or under its control, or business interruptions related to the loss or damage to such property. However, this waiver will not apply to

losses which are not covered under reasonable fire and extended coverage insurance acquired by Landlord, or to the extent of reasonable deductibles or co-insurance provisions within Landlord's policy. Permission to grant this waiver is to be included in the provisions of the insurance policies now carried by both Landlord and Tenant. The continuation of this mutual waiver of subrogation is subject to the insurance continuing to grant this option on renewal policies.

10.5 Indemnification. Tenant agrees to indemnify, defend, and hold harmless Landlord, its employees and its agents from any and all demands, claims, causes of action, fines, penalties, damages (including consequential damages), liabilities, judgments and expenses, including reasonable attorney's fees and costs, and litigation-related expenses arising out of: (a) any injury or damage, however occurring, on or about the Premises, except to the extent such claims or expenses are caused by the gross negligence or willful misconduct of Landlord, its agents or employees, (b) the use or occupancy or manner of use or occupancy of the Premises by Tenant or any person claiming under Tenant, or (c) any breach, violation or non-performance of any provision in this Lease by Tenant or any person claiming under Tenant. The provisions of this Section shall survive the expiration or earlier termination of this Lease. If any action or proceeding is brought against Landlord or its employees or agents by reason of any such claims for which Tenant has indemnified Landlord, tenant, upon written notice from Landlord, shall defend the same at Tenant's expense with counsel approved by Landlord. The limits of Tenant's insurance coverage with respect to the Premises shall in no way imply any limitation to Tenant's indemnification obligations hereunder.

10.6 Waiver and Release. Landlord and its employees and agents will not be liable for any loss or injury to persons or damage to property, in or about the Premises, from any cause, which at any time may be suffered by Tenant or by its invitees or employees or agents, except to the extent said damage is caused by or resulting solely from the gross negligence or willful misconduct of Landlord, its agents or employees without contributory negligence on the part of Tenant or any other Tenants or occupants of the Premises. Tenant, as a material part of the consideration to Landlord for this Lease, by this Section waives and releases all claims against Landlord, its employees and agents and each of their respective affiliates, with respect to all matters for which such parties have disclaimed liability pursuant to the provisions of this Lease. The provisions of this Section shall survive the expiration or earlier termination of this Lease.

11. RECONSTRUCTION AND RESTORATION.

11.1 Minor Damage. If during the term hereof, the Premises are damaged by fire or other perils covered by the fire and extended coverage insurance on the Premises, and such damage is not substantial, Landlord will promptly repair such damage at Landlord's expense after the application of all insurance proceeds, and this Lease will continue in full force and effect.

11.2 Substantial Damage. If during the term hereof the Premises are destroyed or damaged by fire or other perils covered by the insurance, and if such damage is substantial, or if damaged by an uninsured peril where the estimated cost of repair exceeds eight (8) months' rent, Landlord may at its option either (a) promptly repair such damage at Landlord's expense, in which event this Lease will continue in full force and effect, or (b) cancel this Lease as of the date of such damage, by giving Tenant written notice of its election within thirty (30) days after the date Tenant notifies Landlord of such damage. If Landlord will elect option (a), Landlord will include in the notice a good faith estimate of the time Landlord expects to complete such repairs. If the estimated completion date for the repairs is more than one hundred eighty (180) days after the date Tenant notifies Landlord of such damage, Tenant will have an option to cancel this Lease as of the date of the occurrence of such damage by giving Landlord written notice of its election to do so within twenty (20) days after the date Tenant receives the notice from Landlord as to the expected date of completion of the repair work.

Notwithstanding any other provision in this Section 11, if damage to the Premises is caused by Tenant, and such damage is not subject to waiver of subrogation under Section 10.4, then Tenant will be responsible for repair and rent will not abate during the repair period.

11.3 Abatement of Rent. If the Premises are destroyed or damaged and Landlord repairs or restores them under this section, Tenant will continue the operation of this business in the Premises to the extent reasonably practicable, and the rent payable hereunder for the period during which such damage, repair or restoration continues will be abated in proportion to the proportion of usable Premises space compared to the total Premises space. The Tenant will have no claim against Landlord for any damage suffered by Tenant by reason of such damage, destruction, repair or restoration.

11.4 Definition of Substantial. For the purpose of this Section 11, substantial damage to the Premises will mean damage to the Premises the estimated cost of repair of which exceeds twenty five percent (25%) of the then estimated replacement cost of the improvements to the Premises. The good faith determination by Landlord of the estimated cost of repair and replacement cost will be prima facie evidence for the purpose of this Section.

12. ASSIGNMENT AND SUBLETTING. Tenant will not sublease all or any portion of the Premises or assign this Lease without Landlord's prior written consent. If Tenant is a corporation or association, the sale or assignment of any stock or interest in such corporation or association (for other than security purposes) in the aggregate in excess of forty-five percent (45%) in any two-year period, will be deemed an assignment within the meaning and provisions of this Section. Tenant agrees to reimburse Landlord for Landlord's reasonable costs and attorney's fees incurred with the documentation of such assignment or other transfer of this Lease or Tenant's interest in and to the Premises. No assignment or sublease by Tenant will serve to relieve Tenant, or any guarantor of Tenant's obligations under this Lease, from continuing liability under this Lease, unless Landlord expressly releases any such person from liability in writing.

13. CONDEMNATION.

13.1 Entire or Substantial Taking. If the entire Premises, or so much thereof as to make the balance not reasonably adequate for the conduct of Tenant's business (notwithstanding restoration by Landlord as herein provided) will be taken under the power of eminent domain, this Lease will automatically terminate on the date the condemning authority takes possession.

13.2 Partial Taking. In the event of any taking under the power of eminent domain which does not so result in a termination of this Lease, the monthly rental payable hereunder will be reduced, effective on the date the condemning authority takes possession, in the same portion as the value of the Premises after the taking relates to the value of the Premises prior to the taking. Landlord will promptly, at its sole expense, restore the portion of the Premises not taken to as near its former condition as is reasonably possible, and this Lease will continue in full force and effect.

13.3 Awards. Any award for taking of all or any part of the Premises under the power of eminent domain will be the property of the Landlord, whether such award will be made as compensation for diminution in value of the leasehold or for taking of the fee. Nothing herein, however, will be deemed to preclude Tenant from obtaining, or to give Landlord any interest in, any award to Tenant for loss of or damage to or cost of removal of Tenant's trade fixtures and removable personal property, or for damages for cessation or interruption of Tenant's business.

14. LIENS AND ENCUMBRANCES. Tenant agrees that it will pay all costs for work done or caused to be done by it on the Premises, and Tenant will keep the Premises free and clear of all mechanic's and other liens on account of work done for Tenant or persons claiming under Tenant. Should any claim of lien be filed against the Premises or any action affecting the title to such property be commenced, the party receiving notice of such lien or action will promptly give the other party written notice thereof. In the event a dispute between Tenant and a third party having lien rights arising from work performed for Tenant results in litigation to enforce such lien right in which Landlord or any party deriving rights from Landlord is named a party defendant, defense of such action will, at Landlord's option, and using counsel approved by Landlord, immediately be assumed by Tenant. Tenant will appear and defend Landlord and any parties deriving interest through Landlord or will pay any costs or attorney's fees incurred by Landlord or parties deriving interest through Landlord in respect to their own defenses to such action and will indemnify and hold Landlord and parties deriving interest through Landlord harmless from any judgment arising out of such litigation.

15. SURRENDER OF PREMISES.

15.1 Surrender of Premises. Tenant will promptly surrender possession of the Premises to Landlord upon the expiration or prior termination of the Lease. The Premises will be surrendered in the same condition as they were at the commencement of the Lease term, normal wear and tear excepted, damages covered by insurance excepted, and acts of God excepted.

15.2 Holding Over. Any holding over by Tenant after the expiration or termination of the Lease will be construed to be a tenancy at will, terminable at any time by Landlord. Tenant shall pay to Landlord two times the rental amount for the month immediately preceding the expiration of the Term of this Lease, and in addition thereto, without limiting the liability of Tenant for its unauthorized occupancy of the Premises, Tenant shall indemnify, defend and hold harmless Landlord and any replacement tenant of the Premises for any loss, cost, liability, expenses, or damages suffered by Landlord or the replacement tenant (including reasonable attorneys' fee) resulting from Tenant's failure timely to vacate the Premises. The provisions of this section shall not exclude Landlord's right of re-entry or any other right hereunder.

15.3 Sub-Tenancies. The voluntary or other surrender of this Lease by Tenant, or a mutual cancellation thereof, shall terminate all and any existing subtenancies, or may, at the option of Landlord, operate as an assignment to it of any and all such subtenancies.

16. DEFAULT BY TENANT.

16.1 Default. The occurrence of any one or more of the following events will constitute breach of this Lease by Tenant:

16.1.1 Failure to Pay Rent. The failure by Tenant to make any payment of monthly rent, Tenant's costs, or any other payment required to be made by Tenant hereunder, as and when due.

16.1.2 Failure to Perform. The failure by Tenant to observe or perform any of the covenants, conditions or provisions of this Lease to be observed or performed by the Tenant, other than payment of rent, where such failure will continue for a period of thirty (30) days after written notice thereof by Landlord to Tenant.

16.1.3 Bankruptcy. The making by Tenant of any general assignment or general arrangement for the benefit of creditors; or by the filing by or against Tenant of a petition to have Tenant adjudged bankrupt, or a petition or reorganization or arrangement under any law relating to

bankruptcy (unless, in the case of a petition filed against Tenant, the same is dismissed within sixty (60) days filing); or the appointment of a trustee or a receiver to take possession of substantially all of Tenant's assets located at the Premises or of Tenant's interest in this Lease, where such seizure is not discharged in thirty (30) days after appointment of said trustee or receiver, or the filing of a petition for the appointment of the same, whichever will first occur.

16.1.4 Vacating the Premises. The vacating or abandonment of the Premises by Tenant. Tenant will be conclusively deemed to have abandoned the Premises upon removal of all or substantially all personal property of Tenant from the Premises (unless prior written notice was given to Landlord explaining the basis for such removal and that occupancy was intended to be re-commenced within twenty (20) days).

16.2 Remedies in Default. In the event of any such default or breach by Tenant, Landlord may at any time thereafter, with or without notice or demand and without limiting Landlord in the exercise of any right or remedy which Landlord may have by reason of such default or breach:

16.2.1 Terminate Tenant's right to possession of the Premises by any lawful means, in which case this Lease will terminate and Tenant will immediately surrender possession of the Premises to Landlord. In such event Landlord will be entitled to recover from Tenant all damages incurred by Landlord by reason of Tenant's default, including but not limited to:

- (i) the cost of recovering possession of the Premises; and
- (ii) expenses of reletting, including necessary renovation and alteration of the Premises; and
- (iii) reasonable attorneys' fees, any real estate commission actually paid, and that portion of the leasing commission, if any, paid by Landlord with respect to this Lease, applicable to the unexpired term of this Lease; and
- (iv) all unpaid rent due at the time of award by the court having jurisdiction thereof, plus interest as provided below; plus the worth at the time of the award of all unpaid rent and other charges required herein for the balance of the Lease term after the time of such award, except to the extent that Tenant proves such amount can reasonably be avoided by reletting the Premises; and
- (v) any other amount, including reasonable attorneys' fees and court costs, necessary to compensate Landlord for all detriment proximately caused by Tenant's default; and
- (vi) if Landlord has financed any Tenant Improvements and the cost of such improvements is being amortized over a period of time during the Lease term, Landlord may accelerate and declare the entire unreimbursed balance of financed Tenant improvement costs immediately due and payable.

Unpaid installments of rent or other sums will bear interest from the date due at the rate of twelve percent (12%) per annum (or the maximum legal rate if lesser and applicable). In the event Tenant will have abandoned the Premises, Landlord will have the option of (1) retaking possession of the Premises and recovering from Tenant the amount specified in this Section 16.2.1, or (2) proceeding under Section 16.2.2. As used in this paragraph, the term "the worth at the time of award" is to be computed by discounting by the amount of the discount rate of the Federal Reserve Bank of San Francisco at the time of the award, plus one percent (1%).

16.2.2 Maintain Tenant's right to possession, in which case this Lease will continue in effect whether or not Tenant will have abandoned the Premises. In such event, Landlord will be entitled to all of Landlord's rights and remedies under this Lease including the right to recover the rent as it becomes due hereunder.

16.2.3 Pursue any other remedy now or hereafter available to Landlord under the laws or judicial decisions of the state in which the Premises are located.

16.3 **Late Charges.** In addition to all other remedies available for nonpayment, if the amount due from the Tenant is not received by the Landlord on or before the tenth (10th) day following the date upon which such amount is due and payable, a late charge of five percent (5%) of said amount owed will become due and payable as additional rent hereunder, which represents a fair and reasonable estimate of the processing and accounting costs that Landlord will incur by reason of such late payment.

17. NOTICES. Any notice, consent, approval or other communication required or permitted pursuant to this Lease shall be in writing and shall be deemed to have been given (i) when delivered by hand, (ii) when delivered by first class registered or certified mail, postage prepaid, return receipt requested, (iii) when delivered by a nationally recognized overnight courier with written proof of delivery, in any case addressed to the parties at the address below:

to Landlord: Genuine Ventures, LLC
 P.O. Box 21082
 Juneau, AK 99802
 Attn: Tracy LaBarge

to Tenant: JBT Dev, LLC
 PO Box 20842
 Juneau, AK 99801
 Attn: John S Nemeth

Either Landlord or Tenant may change its address for purposes of this provision by giving written notice of such change to the other party in the manner stated herein.

18. LANDLORD'S FINANCING. This Lease will automatically be subordinate to any deed of trust, mortgage and other security instruments now existing or hereafter placed on the leased Premises or any part thereof by the Landlord and all advances made or to be made thereunder. Within ten (10) days of presentation, Tenant will execute, acknowledge, and deliver to Landlord (i) any subordination or nondisturbance agreement or other instrument that Landlord may require to carry out the provisions of this Section, provided that such agreement will provide that as long as Tenant is not in default after notice and the expiration of any applicable cure period, the holder of such deed of trust, mortgage or other security instrument will not disturb or impair Tenant's possession of the Premises and its rights under this Lease and (ii) any estoppel certificate requested by Landlord, with any such mortgagee or beneficiary certifying in writing, if such be true, that Tenant will be in occupancy and that the Lease is in full force and effect, and the dates to which the rent and other charges will have been paid, and that there will be no rental offsets or claims.

19. SIGNAGE. Tenant will not place upon or install in windows or other openings or exterior sides of doors or walls of the Premises any symbols, drapes, or other materials without the prior written consent of Landlord. Tenant will observe and comply with the requirements of all laws applicable to signage.]

20. MISCELLANEOUS.

20.1 Waivers. No waiver by Landlord of any provision of this Lease will be deemed to be a waiver of any other provision hereof or of any subsequent breach by Tenant of the same or any other provision. Landlord's consent to or approval of any act by Tenant requiring Landlord's consent or approval will not be deemed to render unnecessary the obtaining of Landlord's consent to or approval of any subsequent act by Tenant, whether or not similar to the act so consented to or approved.

20.2 Limitation on Recourse. Tenant shall look solely to Landlord's interest in the Premises for the recovery of any judgment, covenant, agreement, or obligation under this Lease, or otherwise, from Landlord. Landlord and its employees and agent shall not be personally liable for any such judgment or claim.

20.3 Interest on Past Due Obligations. Any amount due from Tenant to Landlord hereunder which is not paid when due will bear interest at the rate of one and a half percent (1.5%) per month, or the highest legal rate, if applicable, from the date due until paid, but the payment of such interest will not excuse or cure any default by Tenant.

20.4 Construction.

20.4.1 This Lease will be construed and governed by the laws of the State of Alaska;

20.4.2 The invalidity or unenforceability of any provision hereof will not affect or impair any other provisions hereof;

20.4.3 This Lease constitutes the entire agreement of the parties and supersedes all prior agreements or understandings between the parties with respect to the subject matter hereof;

20.4.4 This Lease may not be modified or amended except by written agreement signed and acknowledged by both parties;

20.4.5 Time is of the essence of this Lease in each and every provision hereof;

20.4.6 Nothing contained herein will create the relationship of principal and agent or of partnership or of joint venture between the parties hereto and no provisions contained herein will be deemed to create any relationship other than that of Landlord and Tenant; and

20.4.7 Tenant has had the opportunity to have this document reviewed by counsel of its choice. Tenant agrees that no interpretation or construction will be made with respect to this document based on which party drafted the document.

20.5 Successor. Subject to any limitations on assignments herein, all of the provisions of this Lease will inure to the benefit of and be binding upon the successors and assigns of the parties hereto.

20.6 Costs and Attorneys' Fees. If by reason of any breach or default on the part of either party hereto it becomes necessary for the other party hereto to employ an attorney, then the non-breaching party will have and recover against the other party in addition to costs allowed by law, reasonable attorneys' fees and litigation-related expenses. The non-breaching party will be entitled to recover reasonable

attorneys' fees and costs and expenses, as provided above, regardless of whether litigation is actually commenced.

20.7 Jurisdiction and Venue. The parties hereto do hereby consent to jurisdiction and venue of the state courts in the First Judicial District in the State of Alaska.

21. [OPTION TO RENEW] If Tenant is not in default after notice and the expiration of any applicable cure period, Tenant, at its option, may obtain 5 renewals of this Lease for further terms of two (2) years each, upon the terms and conditions herein stated. Tenant will exercise this option to renew by giving Landlord written notice of intention to renew not less than six (6) months prior to the expiration of each applicable term.]

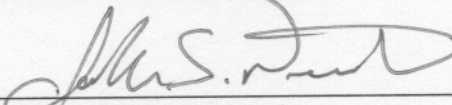
22. BROKERS; COMMISSIONS. If either party has engaged a real estate agent or broker to represent it in connection with this transaction, that party will be solely liable for the payment of any fees or commissions due such agent or broker and will indemnify the other party from and against liability for any such fees or commissions.

[Signature page follows.]

IN WITNESS WHEREOF, the parties have entered into this Lease as of the date first written above.

TENANT:

JBT DEV, LLC,
an Alaska limited liability company

By: 
Printed Name: John S Nemeth
Its: President

LANDLORD:

GENUINE VENTURES, LLC,
an Alaska limited liability company

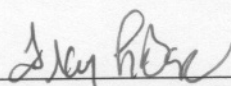
By: 
Printed Name: Tracy LaBarge
Its: Owner

EXHIBIT A
Legal Description

Lot 7A-1, a replat of Lots 7A and 8A, MASON INDUSTRIAL PARK NO. 2, according to the official plat thereof, filed under Plat Number 85-28, Records of the Juneau Recording District, First Judicial District, State of Alaska.

GSB:7736095.1

Affidavit of Publication

United States of America
Top Hat, LLC

Ad #: 7000054437

Top Hat, LLC is applying under 3 AAC 306.400(a)(1) for a new Standard Marijuana Cultivation Facility license, license #10270, doing business as TOP HAT, LLC, located at 2315 Industrial BLVD, Juneau, AK, 99801, 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 not later than 30 days after this notice of application.

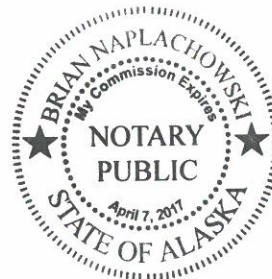
I, Shandra Comas, first duly sworn, oath, depose, and say that I am the Principle Clerk of the Juneau Empire, a newspaper of general circulation, published in the city of Juneau, State of Alaska; that the publication was published in said newspaper and on

www.juneauempire.com, the online edition, on the 24th day of April 2016 and thereafter for 2 additional day(s), the last date of publication being May 3, 2016.

Shandra Comas

Subscribed and sworn to before me this 3 day of May, 2016.

Notary Public in and for the State of Alaska.



Affidavit of Publication

United States of America

Ad #: 7000062295

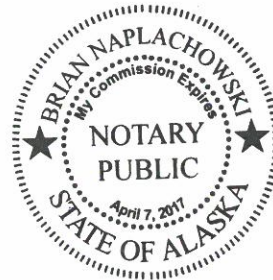
Top Hat, LLC

Top Hat, LLC is applying under 3 AAC 306.400(a)(1) for a new Standard Marijuana Cultivation Facility license, license #10270, doing business as TOP HAT, LLC, located at 2315 Industrial BLVD, Suite A, Juneau, AK, 99801, 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 not later than 30 days after this notice of application.

I, Stephanie West, first duly sworn, oath, depose, and say that I am the Principle Clerk of the JUNEAU EMPIRE, a newspaper of general circulation, published in the city of Juneau, State of Alaska; that the publication was published in said newspaper and on www.juneauempire.com, the online edition, on the 29th day of June 2016 and thereafter for 0 additional day(s), the last date of publication being June 29th, 2016.

.....
Subscribed and sworn to before me this 1st day of July 2016.

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



CBJ APPROVED APPLICATION 5/24/2016

CBJ Conditional Use Permit Application for Top Hat Concentrates, LLC & Top Hat, LLC: Narrative and Site Plan, 3/28/2016

CONTENTS

-Business Structure & Operations

-Extraction Overview

-Site Construction / Development

-Safety & Security

-Equipment / HVAC Specs

-Site Plan & Drawings

-Attachments

BUSINESS & OPERATIONS

Top Hat Concentrates, LLC is comprised of three individuals, John S Nemeth, Benjamin Wilcox, and Tracy LaBarge, licensed by the State of Alaska and managed by JBT Development, LLC. The company seeks a Conditional Use Permit for a marijuana product manufacturing facility (table of permissible uses code 4.220). CEO John S Nemeth will oversee the company and VP Benjamin Wilcox will manage cultivation. Top Hat Concentrates, LLC strives to be the best cannabis extraction company in North America with the highest regard for quality production and the environment. The extracts produced under our own label will be Co2 extracted, free of chemical pesticides, and will always be Vegan/Organic. This company and its' equipment will be in secured access room inside the cannabis cultivation facility, Top Hat, LLC. Top Hat Concentrates, LLC will extract for Top Hat Cannabis, LLC as well as other properly licensed facilities within the CBJ.

EXTRACTION PROCESS (Top Hat Concentrates, LLC)

When you hear the word "extraction" or "processing" of cannabis what that is referring to in the case of Top Hat Concentrates, LLC is removing the cannabinoids (THC, CBD, CBG...) from the plant material. This process is extremely safe and requires a special closed loop botanical extractor and Co2 (the same substance used to carbonate your favorite soft drink). The extractor uses the compressed gas to remove the cannabinoids from the plant material. This is the same process used by other companies to make essential oils, perfumes, and other extracts. We chose the more expensive Co2 method to keep our cannabis, and others who use our extraction company, as healthy as possible. Co2 for the process is brought to the facility by a beverage gas supply company in the form of 60lb refillable tanks that attach to the side of the extractor.

After the product is extracted it goes through what's known as a winterization process. Simply stated this is the process that stabilizes the product and separates any remaining plant material. Co2 extracted product is placed in a round bottom (same as you'd find in any lab) and dissolved into alcohol. This substance is then frozen in a laboratory freezer, filtered, and then placed in a laboratory vacuum oven to remove any remaining alcohol from the extraction. What you're left with is a clean THC/CBD product free of plant material that is ready to be used as is, placed in vaporizer cartridges, edibles, or capsules.

Alcohol is the only flammable and potentially dangerous substance in the entire facility (aside from a few house hold cleaners). Being that there are no open or any flames in the facility. Alcohol is just as safe to have around as it is in doctor's offices, hospitals, and art studios.

CULTIVATION (Top Hat, LLC)

As stated, our goal is produce the highest quality cannabis. With the firm belief that cannabis is medicine and the body shouldn't be subjected to harmful materials from medicine. ALL of our cannabis will be grown with Vegamatrix fertilizers. This product is 100% bioorganic, containing only natural materials that are safe for human consumption and yield no harmful properties to the environment. With that being said it is our intent to NOT use pesticides. Our strict growing SOPs combined with state of the art air handing equipment (see attached specs) will prevent insect and microbial related pests. In the event we experience a pest, ONLY chemical free/natural pesticides will be used (such as neem oil). At time of processing only traces of these elements will be left in the plant and are not harmful for human consumption in any way.

Plants will start their life as either a seed or a clone form one of the mothers in the "mother room". Clones will be clipped, tagged, and put into batches using the State required tracking system, Metrc by Franwell. When qualified clones reach root maturity they are potted in a soil mixture and continue their vegetative cycle in the "Veg" room. Once they reach a certain age they are then moved to the large "Flower Room" where they reach maturity in 8-10 weeks.

Watering of plants will be done individually by humans to ensure quality growth and monitoring plants for pests. The facility will use about 150-200 gallons of water per day. Use of municipal water will also be subsidized by a water collection system from dehumidification of grow rooms. The water will be shared with the other buildings on the property using the 1", metered connection, to the main.

There is a Co2 introduction system in the flower room. This system is quite simple and is mainly a tube that runs the outline of the room about 7 feet off the floor. The tube has tiny perforations that allow Co2 to be blanketed around the canopy of the plants. An Autopilot Environmental Controller maintains the level of Co2, monitors temperature, and humidity. (See attachment) Co2 is stored in a commercial, restaurant grade tank just outside the secured facility inside a shared indoor area. This allows for easy filling by Co2 company and ensures that less people have to enter the secured facility.

TRIMMING & CURING (Top Hat, LLC)

When it comes time to harvest (around every 4-6 weeks) the plants will be hand cut and brought upstairs to the area marked “trimming” on the floor plan. Material will be separated into categories, colas, sweet leaf, sellable hemp, and waste material. All the different types of product are weighed and reentered into Metrc as the new products they’ve become. Colas will be hand trimmed, weighed, hung, and dried in the room marked “drying” as will the sweet leaf material that after curing will be transferred to the processing company to extract the cannabinoids from the plant material. (More information on this process included in the application for Top Hat Concentrates, LLC) All waste material will be recorded and disposed of according to State regulations.

USE OF SITE

The extraction room will utilize approx. 200sqft in total of an existing structure located on lot 8A of the parcel 4-B17-0-108-007-1 in the Mason Industrial Park #2 (GPS coordinates 58.3664 (lat), -134.605 (long), zoned industrial) at 2315 Industrial Blvd, Juneau, AK 99801. The structure will be permitted and constructed to reflect the plans attached here following all State and CBJ guidelines for such facilities. Growing areas use approx. 1824 of the available 3000 square feet. The processing facility is located in a secure area behind a secured RFID access only door. During the expected operating hours of 8am – 12am the extraction facility will have 1, maybe 2 people working in the room at a time. ALL employees will be documented in accordance to State and Federal Law and possess marijuana handling certifications on their person at all times. There will also be photocopies of all employees’ cards in the office.

Electrical usage for the extraction room has been factored into the electrical plan/upgrade for Top Hat, LLC. The entire building will be 480amp 3 phase and the extraction room will use 125 of those amps.

Parking for up to 8 vehicles will be provided on the south and east side of the structure.

SAFETY & SECURITY

The safety and security of our people and surrounding neighbors is top priority. The attached security plan shows the location of 2.3mm 1.3mp security cameras, secured door/access points, door sensors, motion sensors, and location of stored equipment/data backup. There will be no windows and only 2 secured access doors for ingress and egress. Cameras will have coverage of 100% of the entire facility leaving no opportunity for blind spots. The storage of data back up and all security processing equipment will “owner only” accessible with an access log located inside the cabinet to record when and who accessed. There is backup power provided for the security system for 4 hours. The exterior of the building will be lit with motion sensor lighting to highly illuminate the access door and allow for clear visibility on cameras at any time of the day/night. The safes will be fire proof up to 2 hours in accordance to State regulations. Security system will be monitored locally to ensure prompt service in the event it is needed. System also includes a “panic” feature.

As part of the safety plan all MSDS sheets for products used in the facility will be easily accessible to every employee. Clear evacuation plans and emergency numbers will be posted as well.

Transportation of product will begin as it is logged “out for transfer” within the State tracking system to licensed dispensary operations. The vehicle will be in a secured garage area in a building attached to the processing/cultivation facility. Product will be loaded into the vehicles’ secured and lockable vessel and immediately transported to the purchasing dispensary. From there it is signed off on, recounted and logged into their tracking system. Transport of large quantities of cannabis products will be kept to a minimum frequency of around 2-3 random times per week to limit any risk.

ODOR, WASTE & NOISE

The air handling system provided by Surna, LLC includes filtration for intake and exhaust air via hepa filters. This is to prevent contaminants from entering the facility as well as remove odor from flowering plants in the air exiting the building. Currently, the lot next door that is closest to where exit air will be coming out, is vacant. In the future if that land is developed the exit air is not harmful and will possess no noticeable smell.

There will be little to no water run off associated with the cultivation or processing facility. Water will be used as a part of strict cleaning procedures to hose dirt off cultivation room floors. This water will run into floor drains (according to an attached permit issued on the property in 2008 all of the buildings previous waste systems connected to a municipal sewer system and previous drain field and holding tank have been properly decommissioned). As stated above there will be no materials harmful to humans or the environment entering the ground or city municipal system.

Plant waste discarded from the botanical extractor will be the only waste generated by the extraction company. This will be logged and combined with non-hemp waste at the 50/50 State mandated ratio, locked in secured trash bins where it will await removal by waste management company.

The only noticeable noise heard on the outside of the facility by all operations will be that of the air conditioning compressors or dry cooler when in use. Neighboring condensers for existing equipment on the property are louder than this system.

HVAC SYSTEM

Surna, LLC out of Denver, CO are experts in the indoor horticultural industry. They will be drafting the engineering plan and SOW for HVAC with a State of Alaska certified stamp. The system is made up of a series of air handlers that move air in the various cultivation rooms. The air handlers are noted on the floor plan for the facility. They also include electric heat elements should the facility ever need to be heated.

Cooling will come from a “dry cooler” a majority of the time. Utilizing the cool ambient temperatures in Juneau as it’s cooling source this makes for a very efficient, energy saving system. The system is ductless and connected by pipes vs. traditional ducting. All condensation water will be collected by dehumidification equipment and then re-used for watering plants.

Aiding in pest/microbial prevention the system is equipped with an Airoclean Microbial Environmental Control Kit. Similar to what’s used in hospitals.

SUMMARY

Top Hat Cannabis, Top Hat Concentrates, and Kannavi will operate together as vertically integrated Alaskan cannabis companies operated by JBT Development, LLC. The primary goal is to produce the world’s best and safest cannabis products, but education, medical research, and philanthropy are key drivers of success for the group. Through our educational programs at Kannavi, continued partnerships in medicine & lab research, and commitment to give back to numerous groups in the local community; current generations and businesses of other industry in the future to come will look up to our practices and business model.

We look forward to driving a successful future for Juneau and the cannabis industry!

***Top Hat, LLC; Top Hat Concentrates, LLC; Kannavi, LLC; and JBT Dev., LLC are all registered and trademarked entities by THC Alaska, LLC. Use of names or any proprietary information other than for the purpose of this application within this document is unlawful.**

John S Nemeth
Owner/President
313.318.5322
john@thcalaska.com

Benjamin Wilcox
Owner/Vice President
907.419.0065
thcalaska@yahoo.com

Tracy LaBarge
Owner/ Secretary Treasurer
907.723.2004
tracy@kingcrabshack.com

CONSTRUCTION/ELECTRICAL/PLUMBING ENGINEERING & PLAN SETS:

Bauer/Clifton Interiors
Jeremy Bauer & Jason Clifton
Jeremy@bauerclifton.com

CONSTRUCTION:

Alaska Renovators
Alan Wilson
akrenovate@icloud.com

HVAC EQUIPMENT & ENGINEERING:

Surna, LLC
Sarah Schoenhals
sara@surna.com

SECURITY SYSTEM DESIGN:

Security Grade Protective Services
David Beckett
david@securitygrade.com



THE STATE
of **ALASKA**
GOVERNOR BILL WALKER

Department of Commerce, Community,
and Economic Development

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

July 13, 2016

City and Borough of Juneau
Attn: General Box
VIA Email: MCB_Notice@juneau.org

License Number:	10270
License Type:	Standard Marijuana Cultivation Facility
Licensee:	Top Hat, LLC
Doing Business As:	TOP HAT, LLC
Physical Address:	2315 Industrial BLVD Suite A Juneau, AK 99801
Designated Licensee:	John Nemeth
Phone Number:	313-318-5322
Email Address:	john@thcalaska.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



THE STATE
of **ALASKA**
GOVERNOR BILL WALKER

Department of Commerce, Community,
and Economic Development

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

July 13, 2016

Department of Environmental Conservation
Attn: Permitting Division
Via email: DEC.FSSPermit@alaska.gov

License Number:	10270
License Type:	Standard Marijuana Cultivation Facility
Licensee:	Top Hat, LLC
Doing Business As:	TOP HAT, LLC
Physical Address:	2315 Industrial BLVD Suite A Juneau, AK 99801
Designated Licensee:	John Nemeth
Phone Number:	313-318-5322
Email Address:	john@thcalaska.com

3 AAC 306.300(a)(2)(B), 3 AAC 306.400(b)(2)(B), 3 AAC 306.500(b)(2)(B), and 3 AAC 306.605(b)(2)(B) require that an applicant for a marijuana establishment license operate in compliance with each applicable public health, fire, safety, and tax code and ordinance of the state and the local government in which the applicant's proposed licensed premises are located.

This letter serves to provide written notice and request for compliance status from the above referenced entities regarding the above application (see attached application documents for more information). **Please complete and return this form to the AMCO office at the email below.**

REVIEWER: Melanie Thompson ☒ DEC ☐ Fire Marshal

DATE: 07/13/2016 PHONE: (907) 269-6289

☒ Compliant ☐ Non-compliant

COMMENTS: No permit is needed from DEC for this facility.

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

Sincerely,

Cynthia Franklin, Director marijuana.licensing@alaska.gov

From: Thibodeaux, Christina N (CED)
To: [MCB Notice](#)
Subject: Marijuana license application #10270 Top Hat, LLC
Date: Wednesday, July 13, 2016 11:58:00 AM
Attachments: [CBJ Local Government Notice.pdf](#)

Dear local government officials,

Please find the attached correspondence for a new marijuana establishment license.
Direct all correspondence to 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:

This is an automated message sent to you by the Alaska ZendTo service.
Naomi Johnston (naomi.johnston@alaska.gov) has dropped-off 55 files for you.

IF YOU TRUST THE SENDER, and are expecting to receive a file from them,
you may choose to retrieve the drop-off by clicking the following link (or copying
and pasting it into your web browser):

<https://drop.state.ak.us/drop/pickup.php?claimID=GvUTVMNQMb2yJSvp&claimPasscode=bHA9fU6g89H2uK6f&emailAddr=calderjp%40gmail.com>

You have 4 days to retrieve the drop-off; after that the link above will expire. If
you wish to contact the sender, just reply to this email.

Full information about the drop-off:

Claim ID: GvUTVMNQMb2yJSvp
Claim Passcode: bHA9fU6g89H2uK6f
Date of Drop-Off: 2016-04-22 12:17:49-0400

-- Sender --

Name: Naomi Johnston
Organisation: AMCO
Email Address: naomi.johnston@alaska.gov
IP Address: 10.3.202.35 (10.3.202.35)

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. 7th Ave. Ste. 1600 Anchorage, AK 99501 | 907.754.3588 |



Please consider the environment before printing this e-mail.

Less paper is better for us and our environment.

From: [Marijuana Licensing \(CED sponsored\)](#)
To: ["john@thcalaska.com"](mailto:john@thcalaska.com)
Subject: Marijuana License Application #10270 Top Hat, LLC - Complete Application Letter
Date: Wednesday, July 13, 2016 12:51:00 PM
Attachments: [10270 Applicant Notice.pdf](#)

Hello,

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

*Thank you,
AMCO Staff*

From: [Marijuana Licensing \(CED sponsored\)](#)
To: [decfsspermit \(DEC sponsored\)](#)
Subject: Marijuana License Application #10270 Top Hat, LLC
Date: Wednesday, July 13, 2016 12:43:00 PM
Attachments: [10270 DEC Notice.pdf](#)
[10270 MJ-02 Premises Diagram.pdf](#)
[10270 Online Application Redacted.pdf](#)

Hello,

Please find the attached notification of a new marijuana license application in the City and Borough of Juneau.

Please send all correspondence to marijuana.licensing@alaska.gov.

*Thank you,
AMCO Staff*

From: [Marijuana Licensing \(CED sponsored\)](#)
To: ["john@thcalaska.com"](mailto:john@thcalaska.com)
Cc: [Marijuana Licensing \(CED sponsored\)](#)
Subject: Marijuana License Application #10270 Top Hatt, LLC *Incomplete Letter*
Date: Wednesday, June 22, 2016 11:22:00 AM
Attachments: [10270 Incomplete Letter.docx](#)
[MJ-18 ApplicantResidencyVerification.pdf](#)

Hello,

Your application is now under review. Please read the attached letter regarding information/documents/corrections needed.

*Thank you,
AMCO Staff*

Emily A. Kane, ND LAc

Naturopathic Doctor

Alaska License № 22

Licensed Acupuncturist

Alaska License № 18

May 5 2016

Dear Members of the CBJ Assembly and Planning Commission,

I am writing in support of the ongoing development of a wide variety of hemp and cannabis products in Juneau and state-wide. In particular I'm deeply interested in the therapeutic benefits of CBD, the non hallucinogenic phytocannabinoid, cannabidiol. I have seen positive responses to relatively low doses of CBD for insomnia, anxiety, mild to moderate depression, obsessive compulsive disorders, including eating disorders, which are notoriously difficult to treat, and pain. There is a large body of published research validating the medical uses of marijuana, particularly in the areas of managing pediatric epilepsy, and mitigating cancer pain and cancer growth.

As you are aware we are experiencing an epidemic of opioid abuse, leading to more overdose deaths than fatal car accidents in the US in the past months. CBD has no potential for addiction. It is a very exciting medicine and despite the US being nearly 70 years behind in scientific research because of years of unfortunate vilification of this beautiful and useful plant -- these barriers are lifting all over the country. Alaska, and Juneau, is poised to be a leader in moving forward with all things hemp. I applaud the work of the Assembly in carrying out the will of CBJ voters, which will not only bring jobs and revenue diversification to Juneau, but help stem the tragedies engendered by abuse of heroin, meth and alcohol.

The commercial leaders in the cannabis arena in Juneau are stellar citizens, mostly well known to you. Tracy LaBarge is arguably the most popular and steady restaurant owner in Juneau and has provided not only great dining options for the Borough for decades, but employs many people including younger folk during the summer months. John Nemeth, who has a background in restaurant development and urban planning, has been part of our community for only a few years but brings a great deal of business acumen to the Downtown Business Association Infrastructure Committee and plays an active role in DIG. He looks forward to being a generous contributor to the CBJ school district, and working with physicians to improve understanding of the therapeutic potential of cannabis. The third major partner is Ben Wilcox, a 20+ year Juneau resident who is passionate, as am I, about reducing the dependency on addictive substances we are witnessing in Juneau.

I recently heard JPD office Chris Sell say on the radio that to solve the heroin problem in Juneau we can't just focus on supply. We need to look at the demand side. Why are folks in such pain that they are willing to wreck their lives with quickly addictive substances? Cannabis is also known as "ditch weed." It grows easily, all over the world. It is an incredible gift from nature that can produce rope, clothing, fiber, animal feed, and gentle effective medicine. Moving forward with the cannabis industry is win-win-win. Please feel free to contact me if you are interested in scientific studies attesting to the healing powers of cannabis, particularly CBD, in an astonishing array of human ailments.

Sincerely,



Dr Emily A Kane

418 Harris Street, Suite 329 Juneau, AK 99801

Phone: 907-586-3655 FAX: 907-586-4326 email: DrEmilyKane@gmail.com

May 9, 2016

Dear Ladies and Gentlemen of the Juneau Assembly,

As a downtown retail store owner for nearly twenty years, I fully support the business plans and ideas of THC Alaska. John Nemeth, Tracy LaBarge and Benjamin Wilcox not only each have proven track records in creative concepts, but are also community members who care about the economic and social wellness of Juneau. This thoughtful, bright, focused team will spearhead a respectable, responsible cannabis business that I know I can feel comfortable with as a downtown neighbor and Juneau can be proud of as a top-notch operation.

Sincerely,

A handwritten signature in black ink, reading "Tanja Cadigan". The signature is fluid and cursive, with a long, sweeping underline that extends to the right.

Tanja Cadigan
Caribou Crossings

Chrissy Steadman
City & Borough of Juneau
Community Development
155 S. Seward Street
Juneau, AK 99801

May 20, 2016

RE: USE2016 0012
Good Morning Chrissy,

I am a property owner down the street from the applicant of USE2016 0012. I am fully in support of the applicants request for a conditional use permit for a Marijuana Product Manufacturing Facility. After reviewing the application and the supporting documents this application fully meets the requirements spelled out by the planning commission, recommendations of the Marijuana Task Force and the borough assembly. In addition the applicant has a well located facility in the heart the industrial zone, one that is very accessible and on a street that is well maintained which is shortly scheduled for a major street upgrade.

As a former Planning Commissioner and member of the Marijuana Task Force it is encouraging to see an applicant respect the requirements as they are spelled out. It certainly makes one feel good about the countless hours spent by the commission, the task force and the assembly.

What a great application to base future decisions by the planning commission.

Sincerely,



Dennis Watson
9333 Northland Street
907-723-8761