

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 6, 2016

Taku/Campbell Community Council

Attn: President or Chair

VIA email: jefflandfield@hotmail.com
Cc: jefflandfield@hotmail.com

License Number:	10299		
License Type:	Standard Marijuana Cultivation Facility		
Licensee:	R.C. Tinderbox, LLC		
Doing Business As:	R.C. TINDERBOX, LLC		
Physical Address:	7801 King St. Anchorage , AK 99518		
Designated Licensee:	Christina Euscher		
Phone Number:	907-306-1572		
Email Address:	elway331999@hotmail.com		

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

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

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

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

Sincerely,

Cynthia Franklin, Director marijuana.licensing@alaska.gov



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 6, 2016

R.C. Tinderbox, LLC DBA R.C. Tinderbox, LLC

VIA email: elway331999@hotmail.com

Re: Application Status for License # 10299

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. Please feel free to contact us through the marijuana.licensing@alaska.gov email address if you have any questions.

Sincerely,

Cynthia Franklin

Director, Marijuana Control Board

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Drop-Off Summary

Filename	Туре	Size	Description
10299 Entity Documetns.pdf	application/pdf	2.0 MB	Entity Documents
10299 MJ-00 Application Certifications.pdf	application/pdf	2.5 MB	Application Certifications
10299 MJ-01 Operating Plan.pdf	application/pdf	6.8 MB	Operating Plan
10299 MJ-02 Premises Diagram.pdf	application/pdf	1.8 MB	Premises Diagram
10299 MJ-04 Cultivator Supplemental.pdf	application/pdf	2.5 MB	Cultivator Supplemental
10299 MJ-07 Public Notice Posting Affidavit.pdf	application/pdf	604.0 KB	Public Notice Posting Affidavit
10299 MJ-08 Local Government Notice Affidavit.pdf	application/pdf	604.1 KB	Local Government Notice Affidavit
10299 MJ-09 Financial Interest Statement_Redacted.pdf	application/pdf	1.5 MB	Financial Interest Statement
10299 Online Application_Redacted.pdf	application/pdf	98.6 KB	Online Application
10299 POPPP.pdf	application/pdf	5.7 MB	POPPP
10299 Publisher's Affidavit.pdf	application/pdf	266.3 KB	Publisher's Affidavit
11 files			

From:

Jane Preston Sawyer (jane.sawyer@alaska.gov) State of Alaska-AMCO from 10.3.202.25 on 06 Jul 2016 09:55:02 AM

To:

(honestml@muni.org)

(moserak@muni.org)

(mcconnelleb@ci.anchorage.ak.us)

(mclaughlinfd@muni.org)

(schoenthaltn@muni.org)

Comments:

To send the file to someone else, simply send them this Claim ID and Passcode:

None of the files has been picked-up yet.

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Name(s)

Туре	Name		
Legal Name	R.C. Tinderbox, LLC		

ENTITY DETAILS

Entity Type: Limited Liability Company

Entity #: 10035400

Status: Good Standing

AK Formed Date: 2/2/2016

Duration/Expiration: Perpetual

Home State: ALASKA

Next Biennial Report Due: 1/2/2018

Entity Mailing Address: 3601 RASPBERRY RD UNIT 1A, ANCHORAGE, AK 99502 Entity Physical Address: 3601 RASPBERRY RD UNIT 1A, ANCHORAGE, AK 99502

REGISTERED AGENT

Agent Name: Jana Weltzin

Registered Mailing Address: 3003 MINNESOTA DR #201, ANCHORAGE, AK 99503
Registered Physical Address: 3003 MINNESOTA DR #201, ANCHORAGE, AK 99503

OFFICIALS

Show Former

AK Entity#	# Name Titles		Percent Owned
	Christina Euscher	Member, Manager	35
	Matthew Lindemann	Member, Manager	30
	Rick Euscher	Member, Manager	35

FILED DOCUMENTS

Date Filed	Туре	Filing	Certificate
2/2/2016	Creation Filing	Click to View	Click to View
2/2/2016	Initial Report	Click to View	
3/29/2016	Agent Change	Click to View	
4/28/2016	Change of Officials	Click to View	

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FOR DIVISION USE ONLY



THE STATE

of ALASKA

Department of Commerce, Community, and Economic Development Division of Corporations, Business, and Professional Licensing PO Box 110806, Juneau, AK 99811-0806

(907) 465-2550 • Email: corporations@alaska.gov

Website: Corporations. Alaska.gov

Limited Liability Company

Initial Biennial Report

Web-2/2/2016 7:33:22 AM

Entity Name: R.C. Tinderbox, LLC Registered Agent

Entity Number: 10035400 Name: Jana Weltzin

Home Country: UNITED STATES Physical Address: 601 W 5TH AVE, 2ND FLOOR,

ANCHORAGE, AK 99501

Home State/Province: ALASKA Mailing Address: 601 W 5TH AVE, 2ND FLOOR,

ANCHORAGE, AK 99501

Entity Physical Address: 3601 RASPBERRY RD., UNIT 1A, ANCHORAGE, AK 99502

Entity Mailing Address: 3601 RASPBERRY RD., UNIT 1A, ANCHORAGE, AK 99502

Please include all officials. Check all titles that apply. Must use titles provided. Please list the names and addresses of the members of the domestic limited liability company (LLC). There must be at least one member listed. If the LLC is managed by a manager(s), there must also be at least one manager listed. Please provide the name and address of each manager of the company. You must also list the name and address of each person owning at least 5% interest in the company and the percentage of interest held by that person.

Name	Address	% Owned	Titles
Christina Euscher	3601 Raspberry Rd, Unit 1A, Anchorage, AK 99502	37.5	Manager, Member
Rick Euscher	3601 Raspberry Rd, Unit 1A, Anchorage, AK 99502	37.5	Manager, Member
Matthew Lindemann	3601 Raspberry Rd, Unit 1A, Anchorage, AK 99502	25	Manager, Member

NAICS Code: 111998 - ALL OTHER MISCELLANEOUS CROP FARMING

New NAICS Code (optional):

I certify under penalty of perjury under the Uniform Electronic Transaction Act and the laws of the State of Alaska that the information provided in this application is true and correct, and further certify that by submitting this electronic filing I am contractually authorized by the Official(s) listed above to act on behalf of this entity.

Name: Jana D. Weltzin

Entity #: 10035400 Page 1 of 1

OPERATING AGREEMENT

FOR

R.C. TINDERBOX, LLC

an Alaska limited liability company

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OPERATING AGREEMENT OF R.C. TINDERBOX, LLC an Alaska limited liability company

THIS O	PERATING AGE	REEMENT	(this "	'Agreement") is e	entered into to be
effective as of the	day of	, 20	_ (the	"Effective Date"	'), by and among
each of the persons l	isted on Exhibit	A and exec	uting	this Agreement,	or a counterpart
thereof, as Managing	Members of R.C	TINDER	BOX,	LLC, an Alaska	limited liability
company (the "Comp	any'').				·

Section I Formation; Name and Office; Purpose; Partnership Treatment

- 1.1. Formation. Pursuant to the Alaska Revised Limited Liability Company Act, A.S. Sections 10.50.010 through 10.50.995 (the "Act"), the parties have formed an Alaska limited liability company effective upon the filing of the Articles of Organization of this Company (the "Articles") with the State of Alaska Department of Commerce, Community, and Economic Development. The parties have executed this Agreement to serve as the "Operating Agreement" of the Company, as that term is defined in A.S. Section 10.50.095, and, subject to any applicable restrictions set forth in the Act, the business and affairs of the Company, and the relationships of the parties to one another, shall be operated in accordance with and governed by the terms and conditions set forth in this Agreement. By executing this Agreement, the Managing Members certify that those executing this Agreement constitute all of the Members of the Company at the time of its formation. The parties agree to execute all amendments of the Articles, and do all filing, publication, and other acts as may be appropriate from time to time hereafter to comply with the requirements of the Act.
- 1.2. Name and Known Place of Business. The Company shall be conducted under the name of R.C. TINDERBOX, LLC, and the known place of business of the Company shall be at 7801 King St., Anchorage, AK 99502, or such other place as the Managing Members may from time to time determine.
- 1.3. *Purpose*. The purpose and business of this Company shall be to cultivate, process, and manufacture horticulture and horticulture products, and any other lawful purpose as may be determined by the Members. The Company shall have the power to do any and all acts and things necessary, appropriate, or incidental to the furtherance of such purpose.

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

Section II Definitions

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

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

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

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

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

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

"Family" means a Person's spouse, lineal ancestors, or descendants by birth or adoption, siblings, and trusts for the benefit of such Person or any of the foregoing individuals.

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

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

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

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

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

"Majority of the Members" means one or more of the Members, regardless of the Percentage Interest held by the Members.

"Manager" means those persons designated as such pursuant to Section V of this Agreement.

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

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

"Percentage Interest" means, as to a Member, the percentage set forth after the Member's name on **Exhibit A**, as amended from time to time, and, as to an Interest Holder who is not a Member, the Percentage of the Member whose Interest has been acquired by

such Interest Holder, to the extent the Interest Holder has succeeded to that Member's Interest.

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

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

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

Section III Capital Contributions

- 3.1. Capital Contributions.
- 3.1.1. *Initial Capital Contributions*. Upon the execution of this Agreement, the Members have or shall make contributions to the capital of the Company as set forth in **Exhibit A** attached hereto and by this reference made a part hereof.
- 3.1.2. Additional Capital Contributions. No Member shall be required to contribute any additional capital to the Company, and no Member shall have any personal liability for any obligation of the Company.
- 3.2. Withdrawal or Return of Capital Contributions. Except as specifically provided in this Agreement, no Interest Holder shall have the right to withdraw or reduce the Capital Contributions he or she makes to the Company. Upon dissolution of the Company or liquidation of his or her interest in the Company, each Interest Holder shall look solely to the assets of the Company for return of his or her Capital Contributions and, if the Company's property remaining after the payment or discharge of the debts, obligations, and liabilities of the Company is insufficient to return the Capital contributions of each Interest Holder, no Interest Holder shall have any recourse against the Company, any Interest Holder, or Member except for gross negligence, malfeasance, bad faith, or fraud.
- 3.3. Form of Return of Capital. Under circumstances requiring a return of any Capital Contributions, no Interest Holder shall have the right to receive property other than cash except as may be specifically provided herein.

- 3.4. Salary or Interest. Except as otherwise expressly provided in Section V of this Agreement, no Interest Holder shall receive any interest, salary, or drawing with respect to his or her Capital Contributions or his or her Capital Account, or for services rendered on behalf of the Company.
- 3.5. Member Loans. If the Members determine that the Company requires additional capital to carry out the purposes of the Company, the Members shall have the right, but not the obligation, to make loans to the Company (a "Member Loan"). Such Member Loans shall be made by the Members willing to make such Member Loans pro rata based on their Percentage Interests unless the Members willing to make such Member Loans agree otherwise.
- 3.6. Terms of Member Loans. All Member Loans made pursuant to Section 3.5 shall bear interest at the prime rate of interest as reported by the Wall Street Journal Western Edition, shall be unsecured, and shall be repaid in full out of available funds of the Company before any distribution may be made to any Member. If more than one Member has made a Member Loan, repayment shall be made to each Member in proportion to the amount of principal each has advanced.

Section IV Distributions

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

4.2. General.

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

- 4.2.2. Withholding. All amounts required to be withheld pursuant to Code Section 1446 or any other provision of federal, state, or local tax law shall be treated as amounts actually distributed to the affected Interest Holders for all purposes under this Agreement.
- 4.2.3. Varying Interests; Distributions in Respect to Transferred Interests. If any Interest is sold, assigned, or transferred in compliance with the provisions of this Agreement, all distributions on or before the date of such transfer shall be made to the transferor, and all distributions thereafter shall be made to the transferee. Solely for purposes of making such distributions, and allocating Profits and Losses and other items of income, gain, loss, and deduction pursuant to Exhibit A-1 hereof, the Company shall recognize such transfer not later than the end of the calendar month during which it is given notice of such transfer, provided that if the Company does not receive a notice stating the date such Interest was transferred and such other information as it may reasonably require within thirty (30) days after the end of the Fiscal Year during which the transfer occurs, then all of such items shall be allocated, and all distributions shall be made, to the person who, according to the books and records of the Company, on the last day of the Fiscal Year during which the transfer occurs, was the owner of the Interest. Neither the Company nor any Interest Holder shall incur any liability for making allocations and distributions in accordance with the provisions of this Section, whether or not any Interest Holder or the Company has knowledge of any transfer of ownership of any Interest.

Section V Management

- 5.1. Management. Subject to the rights under the Act or the provisions of this Agreement to approve certain actions, the business and affairs of the Company shall be managed exclusively by its Members. The Managers shall direct, manage, and control the business of the Company to the best of their ability and, subject only to those restrictions set forth in the Act or this Agreement, shall have full and complete authority, power, and discretion to make any and all decisions and to do any and all things which the Managers deem appropriate to accomplish the business and objectives of the Company. No Member other than a Member who is also a Manager shall have the authority to act for or bind the Company. Each Manager agrees not to incur any liability on behalf of the other Members or otherwise enter into any transaction or do anything which will subject the other Members to any liability, except in all instances as contemplated hereby.
- 5.2. Number, Tenure, and Qualifications. Each Manager shall hold office until its resignation or removal. Managers need not be residents of the State of Alaska.

- 5.3. Certain Powers of the Manager. Without limiting the generality of Section 5.1, the Managers shall have power and authority on behalf of the Company:
- 5.3.1. In the ordinary course of business, to acquire property from and sell property to any person as the Manager may determine. The fact that a Managing Member is directly or indirectly affiliated or connected with any such person shall not prohibit dealing with that Person;
- 5.3.2. Subject to approval by a Majority of the Members under Section 5.4.4, to use credit facilities and borrow money for the Company from banks, other lending institutions, the Interest Holders, or Affiliates of the Interest Holders, on such terms as approved by the Members, and in connection therewith, to hypothecate, encumber, and grant security interests in the assets of the Company to secure repayment of the borrowed sums. No debt or other obligation shall be contracted or liability incurred by or on behalf of the Company by the Manager;
- 5.3.3. To purchase liability and other insurance to protect the Members and the Company's property and business;
- 5.3.4. Subject to approval by a Majority of the Members, to hold and own any Company real and personal property in the name of the Company or others as provided in this Agreement;
- 5.3.5. Subject to approval by a Majority of the Members, to execute on behalf of the Company all instruments and documents, including, without limitation, checks, drafts, notes, and other negotiable instruments, mortgages, or deeds of trust, security agreements, financing statements, documents providing for the acquisition, mortgage, or disposition of the Company's property, assignments, bills of sale, leases, partnership agreements, and any other instruments or documents necessary, in the opinion of the Manager, to accomplish the purposes of the Company;
- 5.3.6. To employ accountants, legal counsel, managing agents, or other experts to perform services for the Company and to compensate them from Company funds;
- 5.3.7. Except for the agreements described in Section 5.4.6 below, to enter into any and all other agreements on behalf of the Company, with any other Person for any purpose, in such forms as the Manager may approve;
- 5.3.8. To vote any shares or interests in other entities in which Company holds an interest;

- 5.3.9. To do and perform all other acts as may be necessary or appropriate to accomplish the purposes of the Company; and
- 5.3.10. To take such other actions as do not expressly require the consent of the non-Managing Members under this Agreement.

A Manager may act by a duly authorized attorney-in-fact. Unless authorized to do so by this Agreement, no Member, agent, or employee of the Company shall have any power or authority to bind the Company in any way, to pledge its credit, or to render it liable for any purpose.

- 5.4. Actions Requiring Approval of the Members. In addition to those actions for which this Agreement specifically requires the consent of the Members, the following actions require approval by a Majority of the Members:
- 5.4.1. Amend this Agreement or the Articles, except that any amendments required under the Act to correct an inaccuracy in the Articles may be filed at any time;
- 5.4.2. Authorize the Company to make an assignment for the benefit of creditors of the Company, file a voluntary petition in bankruptcy, or consent to the appointment of a receiver for the Company or its assets; or
- 5.4.3. Approve a plan of merger or consolidation of the Company with or into one or more business entities;
- 5.4.4. Borrow money for the Company from banks, other lending institutions, the Interest Holders, Manager, or Affiliates of the Interest Holders or to hypothecate, encumber, or grant security interests in the assets of the Company;
- 5.4.5. Sell or otherwise dispose of all or substantially all of the assets of the Company in a single transaction or a series of related transactions; or
- 5.4.6. Enter into any contract or agreement between the Company and any Manager, Interest Holder, or Affiliate of a Manager or Interest Holder without the consent of a Majority of the Members.
- 5.5. Manager Has No Exclusive Duty to Company. The Members shall not be required to manage the Company as the Members' sole and exclusive function and the Members may engage in other business and investment activities in addition to those relating to the Company. Neither the Company nor any Interest Holder shall have any right,

solely by virtue of this Agreement or its relationship to a Member or the Company, to share or participate in any such other investments or activities of the Members or to the income or proceeds derived therefrom. Managers shall not have any obligation to disclose any such other investments or activities to the Interest Holders unless it actually or potentially adversely affects the business or property of the Company.

- 5.6. Resignation. The Manager may resign as a Manager at any time by giving at least fifteen (15) days' written notice of his resignation to all the Members.
- 5.7. Removal. The Manager may be removed, with or without cause, on fifteen (15) days' written notice by the affirmative vote of all of the Members other than the Manager, without liability or obligation except as may be provided in any written contract between the Manager and the Company, provided such contract has been approved by the Members as provided herein.
- 5.8. Vacancies. Any vacancy occurring for any reason in the office of the Manager of the Company shall be filled by the affirmative vote of a Majority of the Members.
- 5.9. Compensation and Expenses. The Company may enter into management or employment contracts, under such terms and conditions and providing for such compensation as shall be approved by the Members as provided herein, with one or more Manager or Interest Holders or Persons Affiliated with the Manager or Interest Holders.
- 5.10. Books and Records. At the expense of the Company, the Members shall keep or cause to be kept complete and accurate books and records of the Company and supporting documentation of transactions with respect to the conduct of the Company's business. The books and records shall be maintained in accordance with sound accounting practices and kept at the Company's known place of business and such other location or locations as the Members shall from time to time determine. At a minimum the Company shall keep at its known place of business the following records:
- 5.10.1.A current list of the full name and last known business, residence, or mailing address of each Managing Member;
- 5.10.2.A copy of the initial Articles and all amendments thereto and restatements thereof;
- 5.10.3. Copies of the Company's federal, state, and local income tax returns and reports, if *any*, for the three most recent fiscal years;

- 5.10.4. Copies of this Agreement and all amendments hereto or restatements hereof, including any prior operating agreements no longer in effect;
- 5.10.5. Copies of any documents relating to a Member's obligation to contribute cash, property, or services to the Company;
- 5.10.6.Copies of any financial statements of the Company for the three most recent fiscal years; and
- 5.10.7. Copies of minutes of all meetings of the Members and all written consents obtained from Members for actions taken by Members without a meeting.
- 5.11. Financial Accounting / Member Access to Books and Records. The Managers shall prepare and provide a financial accounting of the Company to all other Members no less than once (1) every sixty (60) days. Within three (3) calendar days following written notice to the Manager, which may be submitted in writing, via facsimile or electronic mail, each Member shall have the right, during normal business hours, to inspect and copy, at the Member's expense, the Company's books and records.
- 5.12. Reports. Within seventy-five (75) days after the end of each Fiscal Year of the Company, the Manager shall cause to be sent to each Person who was a Member at any time during the Fiscal Year a complete accounting of the affairs of the Company for the Fiscal Year then ended. In addition, within seventy-five (75) days after the end of each Fiscal Year of the Company, the Manager shall cause to be sent to each Person who was an Interest Holder at any time during the Fiscal Year, the tax information concerning the Company which is necessary for preparing the Interest Holder's income tax returns for that year. At the request of any Member, and at the Member's expense, the Manager shall cause an audit of the Company's books and records to be prepared by independent accountants for the period requested by the Member.

5.13. Title to Company Property.

- 5.13.1.Except as provided in Section 5.13.2, all real and personal property acquired by the Company shall be acquired and held by the Company in its name.
- 5.13.2.Ten (10) days after giving notice to all Members, the Manager may direct that legal title to all or any portion of the Company's property be acquired or held in a name other than the Company's name. Without limiting the foregoing, the Manager may cause title to be acquired and held in the Manager's name or in the names of trustees, nominees, or straw parties for the Company. It is expressly understood and agreed that the manner of holding title to the Company's property (or any part thereof) is solely for the

convenience of the Company and all of that property shall be treated as Company property. The notice to be given to the Members under this section shall identify the asset or assets to be titled outside of the Company name, the Person in whom legal title is intended to vest, and the reason for the proposed transaction. If any Member provides written notice of an objection to the transaction before the expiration of the ten (10) day period, the transaction shall not be consummated except upon approval of a Majority of the Members.

Section VI Members

- 6.1. *Meetings*. Unless otherwise prescribed by the Act, meetings of the Members may be called, for any purpose or purposes, by a Majority of the Members.
- 6.2. Place of Meetings. Whoever calls the meeting may designate any place, either within or outside the State of Alaska, as the place of meeting for any meeting of the Members.
- Notice of Meetings. Except as provided in this Agreement, written notice stating the date, time, and place of the meeting, and the purpose or purposes for which the meeting is called, shall be delivered not less than three (3) nor more than fifty (50) days before the date of the meeting, either personally or by mail, electronic mail, facsimile, or overnight or next-day delivery services by or at the direction of the person or persons calling the meeting, to each Member entitled to vote at such meeting. If mailed, such notice shall be deemed to be delivered two (2) days after being deposited in the United States mail, postage prepaid, addressed to the Member at his or her address as it appears on the books of the Company. If transmitted by way of electronic mail or facsimile, such notice shall be deemed to be delivered on the date of such electronic mail or facsimile transmission to the electronic mail address or fax number, if any, for the respective Member which has been supplied by such Member to the Company and identified as such Member's electronic mail address or facsimile number. If transmitted by overnight or next-day delivery, such notice shall be deemed to be delivered on the next business day after deposit with the delivery service addressed to the Member at his or her address as it appears on the books of the Company. When a meeting is adjourned to another time or place, notice need not be given of the adjourned meeting if the time and place thereof are announced at the meeting at which the adjournment is taken, unless the adjournment is for more than thirty (30) days. At the adjourned meeting the Company may transact any business which might have been transacted at the original meeting.
- 6.4. Meeting of All Members. If all of the Members shall meet at any time and place, including by conference telephone call, either within or outside of the State of

Alaska, and consent to the holding of a meeting at such time and place, such meeting shall be valid without call or notice.

- 6.5. Record Date. For the purpose of determining Members entitled to notice of or to vote at any meeting of Members or any adjournment thereof, the date on which notice of the meeting is mailed shall be the record date for such determination of Members. When a determination of Members entitled to vote at any meeting of Members has been made as provided in this Section, such determination shall apply to any adjournment thereof, unless notice of the adjourned meeting is required to be given pursuant to Section 6.3.
- 6.6. Quorum. A Majority of the Members, represented in person or by proxy, shall constitute a quorum at any meeting of Members. Business may be conducted once a quorum is present.
- 6.7. Voting Rights of Members. Each Member shall be entitled to one (1) vote on all matters stipulated herein. If all of an Interest is transferred to an assignee who does not become a Member, the Member from whom the Interest is transferred shall no longer be entitled to vote. No withdrawn Member shall be entitled to vote nor shall such Member's Interest be considered outstanding for any purpose pertaining to meetings or voting.
- 6.8. Manner of Acting. Unless otherwise provided in the Act, the Articles of Organization, or this Agreement, the affirmative vote of a Majority of the Members at a meeting at which a quorum is present shall be the act of the Members.
- 6.9. *Proxies*. At all meetings of Members a Member may vote in person or by proxy executed in writing by the Member or by a duly authorized attorney-in-fact. Such proxy shall be filed with the Company before or at the time of its exercise. No proxy shall be valid after eleven (11) months from the date of its execution, unless otherwise provided in the proxy.
- 6.10. Action by Members without a Meeting. Any action required or permitted to be taken at a meeting of Members may be taken without a meeting if the action is evidenced by one or more written consents describing the action taken, circulated to all the Members with an explanation of the background and reasons for the proposed action, signed by that percentage or number of the Members required to take or approve the action. Any such written consent shall be delivered to the Managing Members of the Company for inclusion in the minutes or for filing with the Company records. Action taken by written consent under this Section shall be effective on the date the required percentage or number of the Members have signed and delivered the consent to the Managing Members, unless the consent specifies a different effective date. The record date for determining Members

entitled to take action without a meeting shall be the date the written consent is circulated to the Members.

- 6.11. Telephonic Communication. Members may participate in and hold a meeting by means of conference telephone or similar communications equipment by means of which all persons participating in the meeting can hear each other, and participation in such meeting shall constitute attendance and presence in person, except where the Member participates in the meeting for the express purpose of objecting to the transaction of any business on the ground the meeting is not lawfully called or convened.
- 6.12. Waiver of Notice. When any notice is required to be given to any Member, a waiver thereof in writing signed by the Person entitled to such notice, whether before, at, or after the time stated therein, shall be equivalent to the giving of such notice.

Section VII Transfers and Withdrawals

- Transfers. Except as otherwise provided in this Section VII no Member may Transfer all, or any portion of, or any interest or rights in, the Membership Rights owned by the Member, and no Interest Holder may Transfer all, or any portion of, or any interest or rights in, any Interest without the prior written consent of the other Members, which consent may be withheld in the Members' sole and absolute discretion. Any sale or foreclosure of a security interest will itself constitute a Transfer independent of the grant of security. Each Member hereby acknowledges the reasonableness of this prohibition in view of the purposes of the Company and the relationship of the Members. The Transfer of any Membership Rights or Interests in violation of the prohibition contained in this Section 7.1 shall be deemed invalid, null, and void, and of no force or effect. Any Person to whom Membership Rights or an Interest are attempted to be transferred in violation of this Section 7.1 shall not be entitled to vote on matters coming before the Members, participate in the management of the Company, act as an agent of the Company, receive allocations or distributions from the Company, or have any other rights in or with respect to the Membership Rights or Interest.
- 7.2. Withdrawal. Except as otherwise provided in this Agreement, no Member shall have the right to withdraw from the Company. Any such withdrawal shall constitute a material breach of this Agreement and the Company shall have the right to recover damages from the withdrawn member and to offset the damages against any amounts otherwise distributable to such Member under this Agreement.
- 7.3. Option on Death, Bankruptcy or Involuntary Transfer. On the death, bankruptcy, or similar event (whether voluntary or involuntary) of a Member or Interest

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

- 7.4. No Transfer of Membership Rights. The Transfer of an Interest shall not result in the Transfer of any of the Transferring Member's other Membership Rights, if any, and unless the transferee is admitted as a Member pursuant to Section VII of this Agreement, the transferee shall only be entitled to receive, to the extent transferred, the share of distributions, including distributions representing the return of contributions, and the allocation of Profits and Losses (and other items of income, gain, or deduction), to which the Transferring Member would have otherwise been entitled with respect to the Transferring Member's Interest. The transferee shall have no right to participate in the management of the business and affairs of the Company or to become or to exercise any rights of a Member.
- 7.5. Substitute Members. Notwithstanding any provision of this Agreement to the contrary, an assignee of a Member may only be admitted as a substitute Member upon the written consent of a Majority of the non-transferring Members, which consent may be withheld in the Members' sole and absolute discretion.
- 7.6. Additional Members. The Company shall not issue additional Interests after the date of formation of the Company without the written consent or approval of a Majority of the Members, which consent may be withheld in the Members' sole and absolute discretion.
- 7.7. Expenses. Expenses of the Company or of any Interest Holder occasioned by transfers of Interests shall be reimbursed to the Company or Interest Holder, as the case may be, by the transferee.
- 7.8. Distributions on Withdrawal. Upon the occurrence of an Event of Withdrawal with respect to a Member, the withdrawn Member shall not be entitled to receive a withdrawal distribution but the withdrawn Member (or the withdrawn Member's personal representatives, successors, and assigns) shall be entitled to receive the share of distributions, including distributions representing a return of Capital Contributions, and the

allocation of Profits and Losses, to which the withdrawn Member otherwise would have been entitled if the Event of Withdrawal had not occurred, during the continuation of the business of the Company and during and on completion of winding up. If the Event of Withdrawal violated this Agreement, the distributions paid to the withdrawn Member shall be offset by any damages suffered by the Company or its Members as a result of the Event of Withdrawal.

Section VIII Dissolution and Termination

- 8.1. Dissolution.
- 8.1.1. Events of Dissolution. The Company will be dissolved upon the occurrence of any of the following events:
 - 8.1.1.1. Upon the written consent of a Majority of the Members;
- 8.1.1.2. Upon the entry of a decree of dissolution under Section 10.50.405 of the Act or an administrative dissolution under Section 10.50.408 of the Act;
- 8.1.1.3. Upon the sale or other disposition of all or substantially all of the Company's assets and receipt by the Company of the proceeds therefrom; or
- 8.1.1.4. Upon the occurrence of an Event of Withdrawal of the last remaining member unless within ninety (90) days all assignees of Interests in the Company consent in writing to admit at least one member to continue the business of the company.
- 8.2. Continuation. An Event of Withdrawal with respect to a Member shall not cause dissolution, and the Company shall automatically continue following such an Event of Withdrawal.
- 8.3. Distributions and Other Matters. The Company shall not terminate until its affairs have been wound up and its assets distributed as provided herein. Promptly upon the dissolution of the Company, the Members shall cause to be executed and filed a Notice of Winding Up with the Alaska Department of Commerce, Community, and Economic Development, and will liquidate the assets of the Company and apply and distribute the proceeds of such liquidation, or distribute the Company's assets in kind, as follows and in the following order:
- 8.3.1. Ordinary Debts. To payment of the debts and liabilities of the Company, including debts owed to Interest Holders, in the order of priority provided by

law; provided that the Company shall first pay, to the extent permitted by law, liabilities with respect to which any Interest Holder is or may be personally liable;

- 8.3.2. Reserves and Distributions. To the setting up of such reserves as the Members may deem reasonably necessary for any contingent or unforeseen liabilities or obligations of the Company arising out of or in connection with the Company business;
- 8.3.3. Remainder. The balance of the proceeds shall be distributed to the Interest Holders in accordance with the positive balance in their Capital Accounts, determined as though all of the Company assets were sold for cash at their fair market value as of the date of distribution. Any such distributions shall be made in accordance with the timing requirements of Treasury Regulation Section 1.704-1(b)(2)(ii)(b)(2).
- 8.4. Deficit Capital Accounts. Notwithstanding anything to the contrary in this Agreement, if any Interest Holder's Capital Account has a deficit balance (taking into account all contributions, distributions, and allocations for the year in which a liquidation occurs), the Interest Holder shall not be obligated to make any contribution to the capital of the Company and the negative balance of such Interest Holder's Capital Account shall not be considered a debt owed by the Interest Holder to the Company or to any other person for any purpose whatsoever.
- 8.5. Rights of Interest Holders—Distributions of Property. Except as otherwise provided in this Agreement, each Interest Holder shall look solely to the assets of the Company for the return of his or her Capital Contribution and shall have no right or power to demand or receive property other than cash from the Company. No Interest Holder shall have priority over any other Interest Holder for the return of his or her Capital Contributions, distributions, or allocations.
- 8.6. Articles of Termination. When all the assets of the Company have been distributed as provided herein, the Managers shall cause to be executed and filed Articles of Termination as required by the Act.

Section IX Other Interests of an Interest Holder

Any Interest Holder may engage in or possess interests in other business ventures of every nature and description, independently or with others. Neither the Company nor any Interest Holder shall have any right to any independent ventures of any other Interest Holder or to the income or Profits derived therefrom. The fact that an Interest Holder, a member of his or her Family, or an Affiliate is employed by, or owns, or is otherwise directly or indirectly interested in or connected with, any person, firm, or corporation

employed or retained by the Company to render or perform services, including without limitation, management, contracting, mortgage placement, financing, brokerage, or other services, or from whom the Company may buy property or merchandise, borrow money, arrange financing, or place securities, or may lease real property to or from the Company, shall not prohibit the Company from entering into contracts with or employing that person, firm, or corporation or otherwise dealing with him or it, and neither the Company nor any of the Interest Holders as such shall have any rights in or to any income or Profits derived therefrom.

Section X Indemnity

- 10.1. Indemnity Rights. The Company shall indemnify each Interest Holder who was or is a party or is threatened to be made a party to any threatened, pending, or completed action, suit, or proceeding, whether civil, criminal, administrative, or investigative, by reason of his or her actions as an Interest Holder or by reason of his or her acts while serving at the request of the Company as a director, officer, employee, or agent of another corporation, partnership, joint venture, trust, or other enterprise, against expenses, including attorneys' fees, and against judgments, fines, and amounts paid in settlement actually and reasonably incurred by him or her in connection with such action, suit, or proceeding, provided that the acts of such Interest Holder were not committed with gross negligence or willful misconduct, and, with respect to any criminal action or proceeding, such Interest Holder had no reasonable cause to believe his or her conduct was unlawful. The termination of any action, suit, or proceeding by judgment, order, settlement, or conviction, or upon a plea of no contest or its equivalent, shall not, in and of itself, create a presumption that the Interest Holder acted with gross negligence or willful misconduct, or with respect to any criminal action or proceeding, had reasonable cause to believe that his or her conduct was unlawful.
- 10.2. Notice and Defense. Any Interest Holder who is or may be entitled to indemnification shall give timely written notice to the Company, the Interest Holders that a claim has been or is about to be made against him or her, shall permit the Company to defend him or her through legal counsel of its own choosing, and shall cooperate with the Company in defending against the claim. The Interest Holder shall have the sole power and authority to determine the terms and conditions of any settlement of the claim.
- 10.3. Other Sources. The indemnification provided for herein shall apply only in the event, and to the extent that, the person is not entitled to indemnification, or other payment, from any other source (including insurance), and the Company's indemnity obligations hereunder shall be in excess of any indemnification or other payment provided by such other source.

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

Section XI Miscellaneous

- 11.1. Notices. Any notice, demand, offer, or other communication which any person is required or may desire to give to any other person shall be delivered in person or by United States mail, electronic mail, facsimile, or overnight or next-day delivery service. If mailed, such notice shall be deemed to be delivered two (2) days after being deposited in the United States mail, postage prepaid, addressed to the person at his or her address as it appears on the books of the Company. If transmitted by way of electronic mail or facsimile, such notice shall be deemed to be delivered on the date of such electronic mail or facsimile transmission to the electronic mail address or facsimile number, if any, for the person which has been supplied by such person and identified as such person's electronic mail address or facsimile number. If transmitted by overnight or next-day delivery, such notice shall be deemed to be delivered on the next business day after deposit with the delivery service addressed to the person at his or her address as it appears on the books of the Company.
- 11.2. Bank Accounts. All funds of the Company shall be deposited in a bank account or accounts opened in the Company's name. The Members shall determine the institution or institutions at which the accounts will be opened and maintained, the types of accounts, and the Persons who will have authority with respect to the accounts and the funds therein.
- 11.3. *Partial Invalidity*. The invalidity of any portion of this Agreement will not affect the validity of the remainder hereof.
- 11.4. Governing Law; Parties in Interest. This Agreement will be governed by and construed according to the laws of the State of Alaska without regard to conflicts of law principles and will bind and inure to the benefit of the heirs, successors, assigns, and personal representatives of the parties.
- 11.5. Execution in Counterparts. This Agreement may be executed in counterparts, all of which taken together shall be deemed one original.

- 11.6. *Titles and Captions*. All article, section, or paragraph titles or captions contained in this Agreement are for convenience only and are not deemed part of the context thereof.
- 11.7. Pronouns and Plurals. All pronouns and any variations thereof are deemed to refer to the masculine, feminine, neuter, singular, or plural as the identity of the person or persons may require.
- 11.8. Waiver of Action for Partition. Each of the Interest Holders irrevocably waive any right that he or she may have to maintain any action for partition with respect to any of the Company Property.
- 11.9. Entire Agreement. This Agreement contains the entire understanding between the parties, and supersedes any prior understandings and agreements between or among them with respect to the subject matter hereof.
- 11.10. Estoppel Certificate. Each Member shall, within ten (10) days after written request by any Member or the Managers, deliver to the requesting Person a certificate stating, to the Member's knowledge, that: (a) this Agreement is in full force and effect; (b) this Agreement has not been modified except by any instrument or instruments identified in the certificate; and (c) there is no default hereunder by the requesting Person, or if there is a default, the nature and extent thereof.

Section XII Arbitration

If the parties are unable to resolve any dispute arising out of this Agreement either during or after its term informally, including the question as to whether any particular matter is arbitrable, the parties agree to submit the matter to binding arbitration. In the event the parties have not agreed upon an arbitrator within twenty (20) days after either party has demanded arbitration, either party may file a demand for arbitration with an Alaska regional office of the American Arbitration Association ("AAA") and a single arbitrator shall be appointed in accordance with the then existing Commercial Arbitration Rules of the AAA. At all times during arbitration, the arbitrator shall consider that the purpose of arbitration is to provide for the efficient and inexpensive resolution of disputes, and the arbitrator shall limit discovery whenever appropriate to insure that this purpose is pre-served. The dispute between the parties shall be submitted for determination within sixty (60) days after the arbitrator has been selected. The decision of the arbitrator shall be rendered within thirty (30) days after the conclusion of the arbitration hearing. The decision of the arbitrator shall be in writing and shall specify the factual and legal basis for the decision. Upon stipulation of the parties, or upon a showing of good cause by either party,

the arbitrator may lengthen or shorten the time periods set forth herein for conducting the hearing or for rendering a decision. The decision of the arbitrator shall be final and binding upon the parties. Judgment to enforce the decision of the arbitrator, whether for legal or equitable relief, may be entered in any court having jurisdiction thereof, and the parties hereto expressly and irrevocably consent to the jurisdiction of the Alaska Courts for such purpose. The arbitrator shall conduct all proceedings pursuant to the then existing Commercial Arbitration Rules of the AAA, to the extent such rules are not inconsistent with the provisions of this Article III. The AAA Uniform Rules of Procedure shall not apply to any arbitration proceeding relating to the subject matter or terms of the documents. In the event a dispute is submitted to arbitration pursuant to this Section, the prevailing party shall be entitled to the payment of its reasonable attorneys' fees and costs, as determined by the arbitrator. Each of the parties shall keep all disputes and arbitration proceedings strictly confidential, except for disclosures of information required by applicable law or regulation.

Section XIII Agreement of Spouses of Members

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

Section XIV Representation

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

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

[SIGNATURE PAGE TO FOLLOW]

Managing MEMBERS:

CHRISTINA EUSCHER

RICK EUSCHER

MA THEW LINDEMANN

EXHIBIT A

Members, Capital Contributions, and Percentage Interests

<u>Member</u>	Initial Capital Contribution	Current Capital Account	Percentage Interest
Christina Euscher	Sweat equity no capital contribution	\$ N/A 9,639.00	35.00%
Rick Euscher	Sweat equity no capital contribution	\$ N/A	35.00%
Matthew Lindemann		\$ -164,700 as of 6.13.2016	767.61 30.00%

EXHIBIT A-1

Tax Matters

- 1. *Definitions*. The capitalized words and phrases used in this **Exhibit A-1** shall have the following meanings:
- 1.1. "Adjusted Book Value" means with respect to Company Property, the Property's Initial Book Value with the adjustments required under this Agreement.
- 1.2. "Adjusted Capital Account Deficit" means, with respect to any Interest Holder, the deficit balance, if any, in the Interest Holder's Capital Account as of the end of the relevant Fiscal Year, after giving effect to the following adjustments:
- 1.2.1. the Capital Account shall be increased by the amounts which the Interest Holder is obligated to restore under this Agreement or is deemed obligated to restore pursuant to Regulation Sections 1.704-2(g)(1) and (i)(5) (i.e., the Interest Holder's share of Minimum Gain and Member Minimum Gain); and
- 1.2.2. the Capital Account shall be decreased by the items described in Regulation Sections 1.704-1(b)(2)(ii)(d)(4), (5) and (6).

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

- 1.3. "Capital Account" means the account maintained by the Company for each Interest Holder in accordance with the following provisions:
- 1.3.1. An Interest Holder's Capital Account shall be credited with the amount of money contributed by the Interest Holder to the Company; the fair market value of the Property contributed by the Interest Holder to the Company (net of liabilities secured by such contributed Property that the Company is considered to assume or take subject to under Section 752 of the Code); the Interest Holder's allocable share of Profit and items of income and gain; and the amount of Company liabilities that are assumed by the Interest Holder under Regulation Section 1.704-1(b)(2)(iv)(c);
- 1.3.2. An Interest Holder's Capital Account shall be debited with the amount of money distributed to the Interest Holder; the fair market value of any Company property distributed to the Interest Holder (net of liabilities secured by such distributed Property that the Interest Holder is considered to assume or take subject to under Section 752 of the

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

- 1.3.3. If Company Property is distributed to an Interest Holder, the Capital Accounts of all Interest Holders shall be adjusted as if the distributed Property had been sold in a taxable disposition for the gross fair market value of such Property on the date of distribution (taking into account Section 7701 of the Code) and the Profit or Loss from such disposition allocated to the Interest Holders as provided in this **Exhibit A-1**.
- 1.3.4. If money or other Property (other than a *de minimis* amount) is (a) contributed to the Company by a new or existing Interest Holder in exchange for an interest in the Company; or (b) distributed by the Company to a retiring or continuing Interest Holder as consideration for an interest in the Company; then, if the Members deem such an adjustment to be necessary to reflect the economic interests of the Interest Holders, the Book Value of the Company's Property shall be adjusted to equal its gross fair market value on such date (taking into account Section 7701(g) of the Code) and the Capital Accounts of all Interest Holders shall be adjusted in the same manner as if all the Company Property had been sold in a taxable disposition for such amount on such date and the Profit or Loss allocated to the Interest Holders as provided in this **Exhibit A-1**.
- 1.3.5. To the extent an adjustment to the tax basis of any Company asset pursuant to Code Section 734(b) or Code Section 743(b) is required, pursuant to Regulation Section 1.704-1(b)(2)(iv)(m), to be taken into account in determining Capital Accounts, the Book Value of the Company's Property and the Capital Account of the Interest Holders shall be adjusted in a manner consistent with the manner in which the Capital Accounts are required to be adjusted pursuant to that Section of the Regulations.
- 1.3.6. If any Interest is transferred pursuant to the terms of this Agreement, the transferee shall succeed to the Capital Account of the transferor to the extent the Capital Account is attributable to the transferred Interest. It is intended that the Capital Accounts of all Interest Holders shall be maintained in compliance with the provisions of Regulation Section 1.704-1(b), and all provisions of this Agreement relating to the maintenance of Capital Accounts or the Adjusted Book Value of Company Property shall be interpreted and applied in a manner consistent with that Section of the Regulations.
- 1.4. "Code" means the Internal Revenue Code of 1986, as amended, or any corresponding provision of any succeeding law.
- 1.5. "Company Minimum Gain" has the meaning set forth in Regulation Section 1.704-2(b)(2) for "partnership minimum gain."

- 1.6. "Initial Book Value" means, with respect to Property contributed to the Company by an Interest Holder, the Property's fair market value at the time of contribution and, with respect to all other Property, the Property's adjusted basis for federal income tax purposes at the time of acquisition.
- 1.7. "Member Nonrecourse Debt" has the meaning set forth in Section 1.704-2(b)(4) of the Treasury Regulations for "partner nonrecourse debt."
- 1.8. "Member Nonrecourse Debt Minimum Gain" has the meaning set forth in Regulation Section 1.704-2(i) for "partner nonrecourse debt minimum gain."
- 1.9. "Member Nonrecourse Deductions" has the meaning set forth in Regulation Section 1.704-2(i) for "partner nonrecourse deductions."
- 1.10. "Nonrecourse Deductions" has the meaning set forth in Regulation Section 1.704-2(b)(1). The amount of Nonrecourse Deductions shall be determined according to the provisions of Regulation Section 1.704-2(c).
- 1.11. "Nonrecourse Liability" has the meaning set forth in Regulation Section 1.704-2(b)(3).
- 1.12. "Profit" and "Loss" means, for each Fiscal Year of the Company (or other period for which Profit or Loss must be computed), the Company's taxable income or loss determined in accordance with Code Section 703(a), with the following adjustments:
- 1.12.1. All items of income, gain, loss, deduction, or credit required to be stated separately pursuant to Code Section 703(a)(1) shall be included in computing taxable income or loss;
- 1.12.2. Any tax-exempt income of the Company, not otherwise taken into account in computing Profit or Loss, shall be included in computing Profit or Loss;
- 1.12.3. Any expenditures of the Company described in Code Section 705(a)(2)(B) (or treated as such pursuant to Regulation Section 1.704-1(b)(2)(iv)(i)) and not otherwise taken into account in computing Profit or Loss, shall be included in computing Profit or Loss;
- 1.12.4. If the Adjusted Book Value of Company Property differs from its adjusted basis for federal income tax purposes, then gain or loss resulting from any taxable disposition of Company property shall be computed by reference to the Adjusted Book

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

- 1.12.5. If the Adjusted Book Value of Company Property differs from its adjusted basis for federal income tax purposes, then in lieu of the depreciation, amortization, or cost recovery deductions allowable in computing taxable income or loss, the depreciation, amortization (or other cost recovery deduction) shall be an amount that bears the same ratio to the Adjusted Book Value of such Property as depreciation, amortization (or other cost recovery deduction) computed for federal income tax purposes for such period bears to the adjusted tax basis of such Property. If the Property has a zero adjusted tax basis, the depreciation, amortization (or other cost recovery deduction) of such Property shall be determined under any reasonable method selected by the Company; and
- 1.12.6. Any items that are specially allocated pursuant to Sections 2.3 and 2.4 hereof shall not be taken into account in computing Profit or Loss.
- 1.13. "Treasury Regulations" or "Regulations" means the income tax regulations, including any temporary regulations, promulgated under the Code as such regulations may be amended from time to time (including corresponding provisions of succeeding regulations).
- 2. Allocations. After making any special allocations contained in Section 2.5, remaining Profits and Losses shall be allocated for any Fiscal Year in the following manner:

2.1. Profits.

- 2.1.1. First, Profits shall be allocated among the Interest Holders in proportion to the cumulative Losses previously allocated to the Interest Holder under Section 2.2.3 until the cumulative Profits allocated to each Interest Holder under this subparagraph equal the cumulative Losses previously allocated to each Interest Holder under Section 2.2.3;
- 2.1.2. Second, Profits shall be allocated proportionately among the Interest Holders until the cumulative Profits allocated to each Interest Holder under this subparagraph equal the cumulative Priority Return each Interest Holder has received through the end of the Fiscal Year plus Losses, if any, allocated to the Interest Holder under Section 2.2.2; and
- 2.1.3. Third, Profits shall be allocated to the Interest Holders in accordance with their Percentage Interests.

2.2. Losses.

- 2.2.1. First, Losses shall be allocated to the Interest Holders in proportion to the cumulative Profits previously allocated to the Interest Holders under Section 2.1.3 until the cumulative Losses allocated pursuant to this subparagraph to each Interest Holder are equal to the cumulative Profits previously allocated to each Interest Holder under Section 2.1.3.
- 2.2.2. Second, Losses shall be allocated to the Interest Holders in proportion to the cumulative Profits previously allocated to the Interest Holders under Section 2.1.2 until the cumulative Losses allocated pursuant to this subparagraph to each Interest Holder are equal to the cumulative Profits previously allocated to each Interest Holder under Section 2.1.2; and
- 2.2.3. Third, Losses shall be allocated to the Interest Holders in accordance with their Percentage Interests.

2.3. Loss Limitations.

- 2.3.1. Adjusted Capital Account Deficit. No Losses shall be allocated to any Interest Holder pursuant to Section 2.1 if the allocation causes the Interest Holder to have an Adjusted Capital Account Deficit or increases the Interest Holder's Capital Account Deficit. All Losses in excess of the limitations set forth in this Subsection shall be allocated to the other Interest Holders in accordance with the other Interest Holders' Percentage Interests until all Interest Holders are subject to the limitation of this Subsection, and thereafter, in accordance with the Interest Holders' interest in the Company as determined by the Members. If any Losses are allocated to an Interest Holder because of this Subsection, then notwithstanding any other provision of this Agreement, all subsequent Profits shall be allocated to the Interest Holders pro rata based on Losses allocated to them pursuant to this Subsection until each Interest Holder has been allocated an amount of Profits pursuant to this Subsection equal to the Losses previously allocated to that Interest Holder under this Subsection.
- 2.3.2. Cash Method Limitation. If the Company is on the cash method of accounting and more than 35% of the Company's Losses in any year would be allocable to Interest Holders who are limited entrepreneurs (within the meaning of § 464(e)(2) of the Code), then except as otherwise provided in Section 2.2.1, the Losses in excess of 35% otherwise allocable to those Interest Holders shall be specially allocated among the other Interest Holders in the ratio that each shares in Losses. If any Losses are allocated to an Interest Holder under this Subsection, then notwithstanding any other provision of this

Agreement, all subsequent Profits shall be allocated to the Interest Holders pro rata based on Losses allocated to them pursuant to this Subsection until each Interest Holder has been allocated an amount of Profits pursuant to this Subsection in the current and previous Fiscal Years equal to the Losses allocated to that Interest Holder pursuant to this Subsection in previous Fiscal Years.

2.4. Section 704(c) Allocations.

- 2.4.1. Contributed Property. In accordance with Code Section 704(c) and the Regulations thereunder, as well as Regulation Section 1.704-1(b)(2)(iv)(d)(3), income, gain, loss, and deduction with respect to any property contributed (or deemed contributed) to the Company shall, solely for tax purposes, be allocated among the Interest Holders so as to take account of any variation between the adjusted basis of the property to the Company for federal income tax purposes and its fair market value at the date of contribution (or deemed contribution).
- 2.4.2. Adjustments to Book Value. If the Adjusted Book Value of any Company asset is adjusted as provided in clause (iv) of the definition of Capital Account, subsequent allocations of income, gain, loss, and deduction with respect to the asset shall, solely for tax purposes, take account of any variation between the adjusted basis of the asset for federal income tax purposes and its adjusted book value in the manner as provided under Code Section 704(c) and the Regulations thereunder.
- 2.5. Regulatory Allocations. The following allocations shall be made in the following order:
- 2.5.1. Company Minimum Gain Chargeback. Except as set forth in Regulation Section 1.704-2(f)(2), (3), (4), and (5), if during any Fiscal Year there is a net decrease in Company Minimum Gain, each Interest Holder, prior to any other allocation pursuant to this Section IV, shall be specially allocated items of gross income and gain for such taxable year (and, if necessary, succeeding taxable years) in an amount equal to that Interest Holder's share of the net decrease of Company Minimum Gain, computed in accordance with Regulation Section 1.704-2(g)(2). Allocations of gross income and gain pursuant to this Subsection shall be made first from gain recognized from the disposition of Company assets subject to Nonrecourse Liabilities to the extent of the Minimum Gain attributable to those assets and, thereafter, from a pro rata portion of the Company's other items of income and gain for the taxable year. It is the intent of the parties hereto that any allocation pursuant to this Subsection shall constitute a "minimum gain chargeback" under Regulation Section 1.704-2(f).

- 2.5.2. Member Nonrecourse Debt Minimum Gain Chargeback. Except as set forth in Regulation Section 1.704-2(i)(4), if during any Fiscal Year there is a net decrease in Member Nonrecourse Debt Minimum Gain, each Interest Holder with a share of that Member Nonrecourse Debt Minimum Gain (determined under Regulation Section 1.704-2(i)(5)) as of the beginning of the Fiscal Year shall be specially allocated items of income and gain for such Fiscal Year (and, if necessary, succeeding Fiscal Years) in an amount equal to that Interest Holder's share of the net decrease in Member Nonrecourse Debt Minimum Gain, computed in accordance with Regulation Section 1.704-2(i)(4). Allocations of gross income and gain pursuant to this Subsection shall be made first from gain recognized from the disposition of Company assets subject to Member Nonrecourse Debt to the extent of the Member Minimum Gain attributable to those assets and, thereafter, from a pro rata portion of the Company's other items of income and gain for the Fiscal Year. It is the intent of the parties hereto that any allocation pursuant to this Subsection shall constitute a "minimum gain chargeback" under Regulation Section 1.704-2(i)(4).
- 2.5.3. Qualified Income Offset. If an Interest Holder unexpectedly receives an adjustment, allocation, or distribution described in Regulation Section 1.704-1(b)(2)(ii)(d)(4), (5), or (6), then to the extent required under Regulations Section 1.704-1(b)(2)(d), such Interest Holder shall be allocated items of income and gain of the Company (consisting of a pro rata portion of each item of Company income, including gross income and gain for that Fiscal Year) before any other allocation is made of Company items for that Fiscal Year, in the amount and in proportions required to eliminate the Interest Holder's Adjusted Capital Account Deficit as quickly as possible. This Subsection is intended to comply with, and shall be interpreted consistently with, the "qualified income offset" provisions of the Regulations promulgated under Code Section 704(b).
- 2.5.4. *Nonrecourse Deductions*. Nonrecourse Deductions for a Fiscal Year or other period shall be allocated among the Interest Holders in proportion to their Percentage Interests.
- 2.5.5. Member Nonrecourse Deductions. Any Member Nonrecourse Deduction for any Fiscal Year or other period attributable to a Member Nonrecourse Liability shall be allocated to the Interest Holder who bears the risk of loss for the Member Nonrecourse Debt in accordance with Regulation Section 1.704-2(i).
- 2.5.6. Regulatory Allocations. The allocations contained in Section 2.5 are contained herein to comply with the Regulations under Section 704(b) of the Code. In allocating other items of Profit or Loss, the allocations contained in Section 2.5 shall be taken into account so that to the maximum extent possible the net amount of Profit or Loss allocated to each Interest Holder will be equal to the amount that would have been allocated to each Interest Holder if the allocations contained in Section 2.4 had not been made.

- 2.6. Varying Interests; Allocations in Respect to Transferred Interests. Profits, Losses, and other items shall be calculated on a monthly, daily, or other basis permitted under Code Section 706 and the Regulations. If any Interest is sold, assigned, or transferred in compliance with the provisions of this Agreement, profits, losses, each item thereof, and all other items attributable to such Interest for such period shall be divided and allocated between the transferor and the transferee by taking into account their varying interests during the period in accordance with Code Section 706(d), using any conventions permitted by law and selected by the Company.
- 2.7. Tax Matters Partner. The Managing Members shall select one Manager to be the Company's tax matters partner ("Tax Matters Partner") unless the Members designate a different Person to serve in this capacity. The Tax Matters Partner shall have all powers and responsibilities provided in Code Section 6221, et seq. The Tax Matters Partner shall keep all Members informed of all notices from government taxing authorities which may come to the attention of the Tax Matters Partner. The Company shall pay and be responsible for all reasonable third-party costs and expenses incurred by the Tax Matters Partner in performing those duties. A Member shall be responsible for any costs incurred by the Member with respect to any tax audit or tax-related administrative or judicial proceeding against any Member, even though it relates to the Company. The Tax Matters Partner shall not compromise any dispute with the Internal Revenue Service without the approval of the Members.
- 2.8. Returns and Other Elections. The Members shall cause the preparation and timely filing of all tax returns required to be filed by the Company pursuant to the Code and all other tax returns deemed necessary and required in each jurisdiction in which the Company does business.
- 2.9. Annual Accounting Period. The annual accounting period of the Company shall be its Fiscal Year. The Company's Fiscal Year shall be selected by the Members, subject to the requirements and limitations of the Code.
- 2.10. Knowledge. The Interest Holders acknowledge that they understand the economic and income tax consequences of the allocations and distributions under this Agreement and agree to be bound by the provisions of this **Exhibit A-1** in reporting their taxable income and loss from the Company.
- 2.11. Amendment. The Managers are hereby authorized, upon the advice of the Company's tax counsel, to amend this **Exhibit A-1** to comply with the Code and the Regulations promulgated under Code Section 704(b); provided, however, that no

amendment shall materially affect the distributions to an Interest Holder without the Interest Holder's prior written consent.

EXHIBIT B

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

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

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

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



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 30, 2016

R.C. Tinderbox, LLC DBA R.C Tinderbox LLC

Via email: elway331999@hotmail.com

Re: Standard Marijuana Cultivation Facility license application #10299

Dear applicant,

The AMCO Office is reviewing the documents submitted for the proposed marijuana establishment license referenced above. The following items need to be corrected and/or resubmitted.

• MJ-00 Application Certifications

On the first page of two of MJ-00's, establishment information; please complete doing-business-as name. Your application states your DBA is R.C. Tinderbox, LLC but on two of the MJ-00's it only lists R.C. Tinderbox

• MJ-02 Premises Diagram

On the diagram outlined in green, please clearly label it as you are describing it on MJ-04, page 2. In this same diagram, clearly identify (label) all entrances, walls, partitions, counters, windows, areas of ingress and egress, storage room/area, surveillance room. Please include dimensions

• MJ-07 Public Notice Posting Affidavit

On the first page of MJ-07, establishment information; please complete doingbusiness-as name. Your application states your DBA is R.C. Tinderbox, LLC but on your MJ-07 it only lists R.C. Tinderbox

• MJ-08 Local Government Notice Affidavit

On the first page of MJ-08, establishment information; please complete doing-business-as name. Your application states your DBA is R.C. Tinderbox, LLC but on your MJ-08 it only lists R.C. Tinderbox

R.C. Tinderbox, LLC DBA R.C. Tinderbox, LLC Date: June 29, 2016 Page 2

• MJ-09 Statement of Financial Interest

On the first page of two of MJ-09's, establishment information; please complete doing-business-as name. Your application states your DBA is R.C. Tinderbox, LLC but on two of the MJ-09's it only lists R.C. Tinderbox

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



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 6, 2016

Municipality of Anchorage Attn: Mandy Honest

VIA Email: honestml@muni.org
Cc: moserak@muni.org

License Number:	10299			
License Type:	tandard Marijuana Cultivation Facility			
Licensee:	C. Tinderbox, LLC			
Doing Business As:	.C. TINDERBOX, LLC			
Physical Address:	7801 King St. Anchorage , AK 99518			
Designated Licensee:	Christina Euscher			
Phone Number:	907-306-1572			
Email Address:	elway331999@hotmail.com			

New Application ■	☐ Transfer of Ownership Application	☐ Renewal Application
☐ Onsite Consumptio	n 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,

Cynthia Franklin, Director

amco.localgovernmentonly@alaska.gov



marijuana.licensing@alaska.gov

https://www.commerce.alaska.gov/web/amco Phone: 907.269.0350

Page 1 of 3

Alaska Marijuana Control Board

Form MJ-00: Application Certifications

What is this form?

[Form MJ-00] (rev 02/05/2016)

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 II	nformat	ion				
Enter information for the bu	isiness seeking to be licensed, as identified on the lice	nse applicat	ion.				
Licensee:	R.C. Tinderbox. UC	License	Numbe	er:	102	199	
License Type:	STANDAR Cultivation of	MAR:	iuAn	JA	4A	ralit	V.
Doing Business As:	R.C. Tindsebox, LC		1				7
Premises Address:	2801 KING STREET						
City:	Anchoraci E	State:	ALAS	KA	ZIP:	9957	8
Enter information for the inc	Section 2 – Individual Info	ormatio	n				
Name:							***************************************
Title:	CHRIS EUSCHER C.E.D.						
Ownership and financial int	^		Z NY	FAC	~ i (+	Yes	No
Do you currently have another marijuana es	e or plan to have an ownership interest in, or a direct stablishment license?	or indirect f	înancial i	interes		×	
If "Yes", which license n	umbers (for existing licenses) and license types do you CONCANTRALE MANUFI H 10301	ou own or p	lan to ov	wn?	Aculi	ity	
LICEUSE	# 10501						



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

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.





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Form MJ-00: Application Certifications

Read each line below, and then sign	n your initials in the box to the right of on	aly the applicable statement:	Initials
Only initial next to the following sta	atement if this form is accompanying an	application for a marijuana testing facility lice	ense:
I certify that I do not have an owner cultivation facility, or a marijuana pr		erest in a retail marijuana store, a marijuana	
- 3 5 7 - 3 5 - 3 - 3 - 3 - 3 - 3 - 3 - 3 - 3 -	atement if this form is accompanying an products manufacturing facility license:	application for a <u>retail marijuana store</u> , a <u>mar</u>	rijuana
I certify that I do not have an owner	ship in, or a direct or indirect financial int	erest in a marijuana testing facility license.	CE
All marijuana establishment license		y of unsworn falsification that I have read and a	am familiar
with AS 17.38 and 3 AAC 306, and the	The state of the s	n and this form, including all accompanying sch	
Short will	escl		
Signature of licensee	Subscribed and sworn to before me tl	his 8 day of Wne	_ 20 <u> </u> .
Г	NOTARY PUBLIC	Notary Public in and for the Stat	of Alaska
	ARBNORA DELOLLI STATE OF ALASKA My Commission Expires July 29, 2019	My commission expires: Wy 20	1,2019



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

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Phone: 907.269.0350

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 <u>by each proposed licensee</u> (as defined in 3 AAC 306.020(b)(2)) before any license application will be considered complete.

						\$45,664.60
	Section 1 – Establishment In	formati	on			
Enter information for the b	usiness seeking to be licensed, as identified on the licer	nse applicati	on.			
Licensee:	R.C. Tindaebox, CLC	License	Number:	10	299	
License Type:	STANDARD MARILIANA CULT	Vation	Facile	ty		
Doing Business As:	R.C. Tinderbox, Lic			/		
Premises Address:	7801 KING STREET					
City:	Anchorage	State:	ALASKA	ZIP:	995	78
	Section 2 – Individual Info	rmation				
Enter information for the in	ndividual licensee or affiliate.					
Name:	Matthew Livseman	IN				
Title:	CFO					
	Section 3 - Other Lice	nses				
Ownership and financial in	terest in other licenses:				Yes	No
	ve or plan to have an ownership interest in, or a direct of stablishment license?	or indirect fi	nancial inter	est in	H	
If "Yes", which license r	numbers (for existing licenses) and license types do yo	u own or pl	an to own?			
	ma Concentrate Many			acil.	ity	
						1



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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.	MZ
l certify that I am not currently on felony probation or felony parole.	M2
I certify that I have not been found guilty of selling alcohol without a license in violation of AS 04.11.010.	Ms
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.	Mz
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.	1/2
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.	W
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).	MZ
I certify that my proposed premises is not located in a liquor licensed premises.	Me
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.	MA
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.	ML
I certify that all proposed licensees have been listed on my application with the Division of Corporations.	pre
I certify that I understand that providing a false statement on this form, the online application, or any other form provided	MI

by AMCO is grounds for denial of my application.



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

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 lice	nse:
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 <u>retail marijuana store</u> , a <u>marcultivation facility</u> , or a <u>marijuana products manufacturing facility</u> license:	ijuana
I certify that I do not have an ownership in, or a direct or indirect financial interest in a marijuana testing facility license.	del
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 a with AS 17.38 and 3 AAC 306, and that I have examined the online application and this form, including all accompanying sch 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 10 day of 30mc	, 20 6.
NOTARY PUBLIC PUBLIC NOTARY PUBLIC NOTARY PUBLIC NOTARY PUBLIC NOTARY PUBLIC NOTARY PUBLIC NOTARY PUBLIC	e of Alaska. 7019
	CHICLE PROPERTY AND



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

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Phone: 907.269.0350

Page 1 of 3

Form MJ-00: Application Certifications

What is this form?

[Form MJ-00] (rev 02/05/2016)

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 <u>by each proposed licensee</u> (as defined in 3 AAC 306.020(b)(2)) before any license application will be considered complete.

	Section 1 – Establishment In	format	ion	1100			
Enter information for the b	usiness seeking to be licensed, as identified on the licen	se applicat	ion.				
Licensee:	R.C. Tinderbox, UC	License	Num	ber:	106	799	D. D
License Type:	Stand ARD Culti Vation	of N	JA2i	WÀ	NA	FACIL	ity
Doing Business As:	R. CTinderbox, LLC			J			(
Premises Address:	780 King Street						
City:	Ancharage	State:	ALA	SKA	ZIP:	9951	8
	Section 2 – Individual Info	rmatio	1				
Enter information for the in	ndividual licensee or affiliate.	market of the a					
Name:	RICK Euscher						
Title:	C.O.D.,						
	Section 3 – Other Licer	ises					
CONTRACTOR AND							
Ownership and financial in	terest in other licenses:					Yes	No
Do you currently have	ve or plan to have an ownership interest in, or a direct o	r indirect f	inancis	lintere	est in	ולא	
	stablishment license?	i manceer	maricio	, micere	.50 111	X	
If "Yes", which license r	numbers (for existing licenses) and license types do you	own or p	lan to	own?			
I WAIL I JU ANA	PLU KENTRALE MANUGUCHUL	t form	ac	11.	19		
License	- Concentrate Manufactur + 10301						



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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.





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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:	itials
Only initial next to the following statement if this form is accompanying an application for a <u>marijuana testing facility</u> 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 <u>retail marijuana store</u> , a <u>marijuana cultivation facility</u> , or a <u>marijuana products manufacturing facility</u> license:	<u>a</u>
I certify that I do not have an ownership in, or a direct or indirect financial interest in a marijuana testing facility license.	É
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 far with AS 17.38 and 3 AAC 306, and that I have examined the online application and this form, including all accompanying schedule 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 8 day of 0000 , 20	16.
Delell	
NOTARY PUBLIC ARBNORA DELOLLI STATE OF ALASKA My Commission Expires July 29, 2019 Notary Public in and for the State of A My commission expires: () () () () () () () () () () () () () (laska.



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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

elway331999@hotmail.com

- · 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: R.C. Tinderbox, LLC License Number: 10299 License Type: Standard Cultivation **Doing Business As:** R.C. Tinderbox, LLC Premises Address: 7801 King Street City: State: ZIP: **ALASKA** 99518 Anchorage Mailing Address: 7801 King Street ZIP: City: State: ALASKA 99518 Anchorage **Primary Contact:** Christina Euscher Main Phone: Cell Phone: 907-306-1572 Same

Email:



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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:

Maintaining the security of all marijuana products and employees of RC Tinderbox requires that access to the premises be monitored and restricted. Access will only be granted only if the individual attempting to access has proper credentials and been given a keycard for the magnetically coded sliding card lock system. Additionally, signage will be displayed on the door indicating that members of the public are not allowed unescorted access. Conspicuous cameras will be placed to encourage people to not attempt access. The restricted access area door will be locked at all times with a spring loaded hinge to ensure it closes behind persons as they enter or leave the secured area. The facility will be equipped with an alarm system, and video surveillance. Security cameras will be installed throughout the facility that allow for monitoring all areas 24 hours each day including, at a minimum: all entrances and exits, all security doors and restricted access areas, all windows, every portion of the office and safe room, and the exterior of the building to monitor and identify all activity adjacent to the facility. All members of the public who are allowed access to the facility will have to check in at the front entrance door and obtain a visitor badge. All entrants must provide an unexpired state-issued identification or a valid passport, no exceptions will be made for any persons, even if said person is personally known to the staff at the facility. All visitors must display their visitor badge on their person at all times, again, no exceptions to these requirements will be granted. All visitors will be escorted by an employee at all times while on the premises at a ratio of no more than 5 visitors to 1 employee at a time and said employee shall supervise and monitor visitors at all times. The visitor badge will be returned to the employee prior to leaving. A visitor's log will be kept and noted by the escorting employee, including the visitors name and date, time, and purpose of the visit, and will be made availabl

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

The facility will not be open to the public - all visitors must make an appointment ahead of time with either the owners or security. At the front entrance door of the facility, there will be an RC Tinderbox employee on staff who will greet each visitor or an authorized third-party security guard, who has obtained their MJ Handler's permit from AMCO. The visitor must check in with a facility employee. All visitors will be guided by an Owner or security guard at all times - at no time will more than 5 visitors be assigned to a individual employee at a time for supervision. No one is allowed in the cultivation space without prior approval and only after changing in to clean clothes and/or putting on a lab coat to avoid contamination. All other visitors to the facility must remain in the common areas of the lobby. In order to be escorted into restricted areas, a visitor must sign into a log indicating the date, time in and out of the restricted space, and purpose of the visit. The visitor's current government-issued ID will be taken and photocopied. The visitor's ID will be kept in security possession the entire time they are within the facility. The visitors log and copies of visitor's information will be kept and stored as official business records both in hard copy version and backed up to an electronic cloud. All visitors will be given company-issued visitor's badge, which they must display around their neck at all times during the visit so employees know they have permission to be in restricted areas. Once a visitor's escorted visit has concluded, and their identification is returned, they must leave the premises immediately.

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

Maintaining the security of all marijuana products and employees of RC Tinderbox requires that access to the premises be monitored and restricted. Access will only be granted only if the individual attempting to access has proper credentials and been given a keycard for the magnetically coded sliding card lock system. Additionally, signage will be displayed on the door indicating that members of the public are not allowed unescorted access. Conspicuous cameras will be placed to encourage people to not attempt access. The restricted access area door will be locked at all times with a spring loaded hinge to ensure it closes behind persons as they enter or leave the secured area. The facility will be equipped with an alarm system, and video surveillance. Security cameras will be installed throughout the facility that allow for monitoring all areas 24 hours each day including, at a minimum: all entrances and exits, all security doors and restricted access areas, all windows, every portion of the exterior of the building to monitor and identify all activity adjacent to the facility. All members of the public who are allowed access to the facility will have to check in at the front entrance door and obtain a visitor badge. All entrants must provide an unexpired state-issued identification or a valid passport, no exceptions will be made for any persons, even if said person is personally known to the staff at the facility. All visitors must display their visitor badge On their person at all times, again, no exceptions to these requirements will be granted. All visitors will be escorted by an employee at all times while on the premises at a ratio of no more than 5 visitors to 1 employee at a time and said employee shall supervise and monitor visitors at all times. The visitor badge will be returned to the employee prior to leaving. A visitor's log will be kept and noted by the escorting employee, including the visitors name and date, time, and purpose of the visit, and will be made available to AMCO upon request.





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Form MJ-01: Marijuana Establishment Operating Plan

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

In order to be permitted to gain entry into a restricted access area, a visitor must sign into the visitor's log indicating the date, time in and out of the restricted space, and purpose of the visit. A photocopy of the visitor's government-issued ID will be taken. The visitor's log and copies of visitor's information will be kept and stored on-site as official business records and backed up to the cloud. The log shall also reflect the owner or security who was tasked with supervising the visitor(s). The visitors will be escorted by an owner or security at all times while on the premises. The escorting owner will record all information related to the visitor's presence, including any reportable activity or behavior during the visit. The visitor log will be made available to AMCO upon request. No visitors will be allowed in unauthorized, confidential, or potentially hazardous areas. Any visitors who attempt entry to such unauthorized areas will be escorted off the premises by security immediately, and a record of the event will be noted in the visitor log and law enforcement will be notified. The log will be available to AMCO upon request.

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

See attack	ned Exhibit A		



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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:

Exterior lighting will be specially designed and positioned to help visually secure the premises and allow the surveillance system to depict individuals up to twenty (20) feet from all entry points. The luminaries will be mounted in inaccessible places and have sturdy housings and lenses to help make them vandal proof. The company will use extremely bright lights to deter crime and ensure maximum visibility. All lights will be (or equivalent of) flood lights 400 watt multi-tap high pressure sodium, and will be checked daily by Management to ensure the each light in the system in operational and well-placed for visibility in security footage and to deter loitering or otherwise unauthorized presence on the premises. The facility plans to install a total of 2 exterior lights to be evenly distributed and affixed to the building, and outer perimeter of the property has a street light 40 feet from front door of facility and infrared red cameras on the exterior of the facility.

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

The alarm system that will be installed will have an on and off site monitoring capability to which the owners and third party security company (Valkyrie, SAP, Inc.) will have constant viewing access to all cameras via their computers and mobile phones, to the premises activity 24 hours a day, 7 days a week, to ensure the safety of agents and assets, detect any unauthorized intrusion or activity, and notify local law enforcement, if needed. The facility will contract with Valkyrie, a third party alarm system and monitoring company to install and maintain all alarm system equipment. The security monitoring company will be in direct contact with our on-site manager and the local law enforcement. Alarm testing will be done every six (6) months or more frequent if Valkyrie deems necessary. The alarm system will monitor all exterior doors, windows, and roof penetrations. Motion detectors will monitor all areas of the building including the roof and attic areas during all hours that the facility is not open. Any unauthorized intrusion or attempted intrusion will send an automatic, electronic alert to Ownership, Valkyrie and local law enforcement. Additionally, the facility will be equipped with strategically-placed panic buttons to provide easy and central access by employees in an emergency. At all hours of the day or night these buttons, if pressed, will trigger the alarm system. At a minimum, the buttons will be located at the front entrance and in the office safe room. All employees will be aware of the locations of the panic buttons and taught proper use prior to beginning employment for RC Tinderbox. Ownership and Management will be educated on the security and alarm systems by the security and alarm system installers. Education on the security and alarm systems will include: proper use, troubleshooting, police response, measure's, and controls. The daily manager will be the first to arrive to the facility each morning to disable the alarm system. All security cameras and tapes will be checked each morning at opening to ensure they are functioning. The last agent to leave the facility each night will activate all overnight security devices, and lock all doors and windows. All doors that are not self-locking will be locked using a key, and sensors on windows will be activated at that time. Employees will receive continual training and testing to insure they remain up to date and trained on security and alarm system procedures.

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:

Valkyrie will install censors on all doors and windows so they register all activity when the alarm system is activated and any intrusion will imitate a response. The alarm system will always be activated when the facility is closed for business. Each morning, the daily manager will disable the alarm system, and the opening agents will check all security cameras and tapes to ensure they are functioning. The last employee to leave at close will activate all security devices and lock all doors and windows. All doors that are not self-locking will be locked using a key, and sensors on windows will be activated at close to monitor intrusions.

Form MJ-OI: Marijuana Establishment Operating Plan

Form MJ-OI: Marijuana Establishment Operating Plan

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

The alarm system that will be installed will have an on and Off site monitoring capability to which the owners and third party security company (Valkyrie, SAP, Inc.) will have constant viewing access to all cameras via their computers and mobile phones, to the premises activity 24 hours a day, 7 days a week, to ensure the safety of agents and assets, detect any unauthorized intrusion or activity, and notify local law enforcement. if needed. The facility will contract with Valkyrie, a third party alarm system and monitoring company to install and maintain all alarm system equipment. The security monitoring company will be in direct contact with our on-site manager and the local law enforcement. Alarm testing will be done every six (6) months or more frequent if Valkyrie deems necessary. The alarm system will monitor all exterior doors, windows, and roof penetrations. Motion detectors will monitor all areas of the building including the roof during all hours that the facility is not open. Any unauthorized intrusion or attempted intrusion will send an automatic, electronic alert to Ownership, Valkyrie and local law enforcement. Additionally, the facility will be equipped with strategically-placed panic buttons to provide easy and central access by employees in an emergency. At all hours of the day or night these buttons, if pressed, will trigger the alarm system. At a minimum, the buttons will be located at the front entrance and in the office. All employees will be aware of the locations of the panic buttons and taught proper use prior to beginning employment for RC Tinderbox. Ownership and management will be educated on the security and alarm systems by the security and alarm system installers. Education on the security and alarm systems will include: proper use, troubleshooting, police response, measure's, and controls. The daily manager will be the first to arrive to the facility each morning to disable the alarm system. All security cameras and tapes will be checked each morning at opening to ensure they are functioning. The last agent to leave the facility each night will activate all overnight security devices, and lock all doors and windows. All doors that are not self-locking will be locked using a key, and sensors on windows will be activated at that time. Employees will receive continual training and testing to insure they remain up to date and trained on security and alarm system procedures.





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Form MJ-01: Marijuana Establishment Operating Plan

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

RC Tinderbox understands that diversion can be a two way street - first diversion must be prevented in terms of marijuana diverted from the facility to unauthorized persons (particularly minors). Second, marijuana that is unregulated and untested from the black market must be prevented from being diverted from the black market into the commercial legal market. RC Tinderbox will not condone any behavior, conduct or practices that will promote or facilitate either of these types of diversion of marijuana or marijuana products. With regards to preventing diversion from the facility to unauthorized persons and diversions of black market IAJ into the facility, RC Tinderbox will deploy the following procedures and policies:

Marijuana products will be stored in a secured, locked area during closed business hours. All MJ will be tracked, inventoried and reconciled throughout the day. Any discrepancies, even over inventory, will be throughly researched and the source of the discrepancy will be pinpointed and if necessary actions will be taken if the discrepancy was more than a mere mistake. Restricted access is granted to specific personnel to these locked areas - said specific personnel will be required to sign in do ut of the secured areas with the time of entry and exit to ensure if discrepancies relating to amount of inventory secured, said personnel will be held accountable. The secured locked areas have 24-hour video surveillance and video back up for all video footage will be stored for forty (40) days. Cameras will be visible and provide a full view of the room, including the entryway, safes, money counting area, and product accounting area. Security monitors and video recording equipment will be located in the Safe Room. Mandatory inventory counts will be taken daily and weekly and stored as official business records. In the event that an employee is caught stealing or illegally distributing marijuana, R.C. Tinderbox will cooperate as needed with the appropriate law enforcement agencies in the Municipality of Anchorage and/or the State of Alaska. All employees shall not be allowed to have large personal haps (such as backnacks) on premises.

Employees found to be diverting marijuana, either from the facility or into the facility, will be turned over to law enforcement officers immediately and could be arrested and punished to the fullest extent of the law, and R.C. Tinderbox will cooperate with all law enforcement directives. All employees will be trained to recognize potential theft, and are required to notify Ownership or Management if they suspect such activity is occurring. All reports and documentation concerning a suspected or actual theft will be maintained by the company for five (5) years and made available to AMCO and its agents and representatives upon request. If any suspected or actual theft occurs, Owners will contact local law enforcement immediately. Additionally, Owners will take such steps appropriate and necessary to ensure that an employee's illegal conduct does not compromise or otherwise present a risk to the facility's license and legitimate business operations. Once a theft is reported to law enforcement, Owners will update the product records in the marijuana inventory control tracking system to maintain an accurate and comprehensive accounting for all marijuana inventory activity. Owners will also comply with any and all directives, inquires, and investigations lodged by AMCO.

Describe your policies and procedures for preventing loitering:

A "No Loitering" sign will be posted on the exterior of the building. Loitering outside the establishment will be met with a request from company agents to leave the premises. The loitering individual would then be given a verbal warning that law enforcement will be notified if they do not comply. The last resort is to reach out to law enforcement personnel for assistance. The facility will have a single and secure entrance for all regular ingress and egress from the building and for all visitors. The entrance and perimeter of the building will be monitored by security cameras at all times. Agents will maintain a regular and noticeable presence around the property to deter unauthorized entrance. Managers will work with the security company and local law enforcement, if necessary, to secure the premises, prevent business practices which could entice or allow loitering, and escort all loitering individuals off the premises as soon as possible.

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:

In addition to the security precautions outlined above, the facility will have between 2-3 gaurds onsite patroling the facility to deter criminal activity. Additionally, exterior lights will be installed with a motion detector to allow for additional security measures during closed hours and to ensure that outside cameras are able to clearly identify any individuals approaching the premises. Also, motion detectors inside the building will be activated with the alarm system so the 24-hour security monitoring company will be alerted if someone is in the building during closed hours. Motion detectors will monitor all areas of the building. Any unauthorized intrusion or attempted intrusion will send an automatic, electronic alert to the security company, Ownership, and local law enforcement. The facility will be equipped with strategically-placed panic buttons with easy and central access for employees in an emergency to ensure hold-up security. At all hours of the day or night, these buttons, if pressed, will trigger the alarm system. At a minimum, the locations of the panic buttons and taught proper use prior to beginning work. Panic buttons will be tested every six (6) months with the alarm system.

[Form MJ-01] (rev 02/12/2016)

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ALCOHOL MARIJUANA CONTROL OFFICE STATE OF ALASKA

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

RC Tinderbox understands that diversion can be a two-way street - first diversion must be prevented in terms of marijuana diverted from the facility to unauthorized persons (particularly minors). Second, marijuana that is unregulated and untested from the black must be prevented from being diverted from the black market into the commercial legal market. RC Tinderbox will not condone any behavior, conduct or practices that will promote or facilitate either of these types of diversion of marijuana or marijuana products. With regards to preventing diversion from the facility to unauthorized persons and diversions of black market marijuana into the facility, RC Tinderbox will deploy the following procedures and policies.

Marijuana products will be stored in a secured, locked area during closed business hours. All marijuana will be tracked, inventoried and reconciled throughout the day. Any discrepancies even over inventory, will be thoroughly researched and the source of the discrepancy will be pinpointed and if necessary actions will be taken if the discrepancy was more than a mere mistake. Restricted access is granted to specific personnel to these locked areas- said specific personnel will be required to sign in and out of the secured areas with the time of entry and exit to ensure if discrepancies relating to amount of inventory secured, said personnel will be held accountable. The secured locked areas have 24-hour video surveillance and video back up for all video footage and will be stored for a minimum of forty (40) days. Cameras will be visible and provide a full view of the room, including the entryway, locked storage area and product processing area. Security monitors will be in a secured locked IT closet and video recording equipment will be located above offices, elevated, out of reach and site in a locked secured cabinet. Mandatory inventory counts to be taken daily and weekly and stored as official business records. In the event that an employee is caught stealing or illegally distributing marijuana, R.C. Tinderbox will cooperate with the appropriate law enforcement agencies in the Municipality of Anchorage and/or the State of Alaska. All employees shall not be allowed to have large personal bags such as backpacks on premises.

Employees found to be diverting marijuana from or into the facility, will be turned over to law enforcement officers immediately and could result in arrest and prosecution to the full extent of law and RC Tinderbox will cooperate with all enforcement directives. All employees will be trained to recognize potential theft are required to notify Ownership or Management if they suspect such activity is occurring. All reports and documentation concerning a suspected or actual theft will be maintained by the company for five (5) years and made available to AMCO, agents and representatives upon request. If any suspected or actual theft occurs owners will contact local law enforcement immediately. Additionally, owners will take such steps appropriate and necessary to ensure that an employee's illegal conduct does not or otherwise present a risk to the facility's license and legitimate business operations. Once a theft is reported to law enforcement, owners will update the records in the marijuana inventory control tracking system to maintain an accurate and comprehensive accounting for all marijuana inventory activity. Owners will also comply with any and all directives, inquires and investigations lodged by AMCO.



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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:

In the event that a dangerous, threatening, or unauthorized situation arises in our around the facility and the electronic notification system alerts the local law enforcement, the on site Valkyrie guards will head to the location of breach and will commence immediate communication with Owners and local law enforcement. Employees will stay away from the location until otherwise told by law enforcement that is it safe. Employees will cooperate with local law enforcement and meet local police or the fire department in a safe location. All visitors present on the premises will be asked to leave immediately and escorted to the nearest exit in a safe and organized manner. If an emergency occurs in or around the facility during operation that threatens the facility or the safety of employees and visitors, Management will evacuate the building of all people, including themselves, and await the arrival of the local police or fire department in a safe and accessible location. Once allowed back into the facility, employees will look for property damages and verify cash and inventories. If anything is damaged or missing, a police report with be filled. Video surveillance will be downloaded and handed over to the appropriate law enforcement personnel for further investigation. Company agents will listen to the advice of local law enforcement at all times. Owners will be the liaison between the business and the police. Law enforcement representatives for Anchorage will be invited to tour the facility and meet the employees in an effort to help the agency further understand the business operations and the building layout. Should any saturation arise where law enforcement needs to contact R.C. Tinderbox Owners directly, they will be given a company phone number, as well as a direct phone numbers to Ownership, to ensure a good working relationship continues. Owners will also notifiy AMCO and provide a full written report regarding the incident.

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	Yes	No
	Yes	No



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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:

Multiple cameras will be used to record all areas of the establishment, inside and outside, at multiple angles and at a height that will provide a clear, unobstructed view. Cameras will be carefully placed to prevent any blockage from lighting hoods, fixtures, or other equipment. To ensure clear views for identity, we will use the Ultra Resolution, Outdoor 100ft Night Vision Security Cameras with extra upgrades to prevent vandalism. All security cameras will be positioned in such a manner as to get the best facial image of anyone present within the building and within twenty (20) feet of the exterior walls. The front entrance door to the facility as well as the exterior emergency exit door will have cameras documenting the face of anybody going in or out of the building. All restricted access doors and the check-in area will have coverage to clearly identify the face of anybody present. All exterior entrances and restricted access rooms will have video coverage documenting the face of the individual entering the room. All exterior corners of the space will have cameras installed to facilitate monitoring of all activity on each side of the building. The parking lot and entrance will have video coverage. Footage from security cameras will be accessible remotely, allowing Ownership to view operation from anywhere. A failure notification system will be installed to provide audible and visual notification of any failure in the electronic monitoring system. During a power outage all video cameras and recording equipment will be run on emergency power with a battery backup system to ensure that they will continue to operate for at least one (1) hour.

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:

The surveillance recording equipment and records will be stored in our most secure room. This room will have an advanced, reinforced security door and will be locked at all times. The door will be equipped with a smart lock (only accessible by authorized personnel) and spring loaded hinge to ensure closing. The security system will only be accessible with a password (given to only authorized individuals), so no tampering with data will be possible. Data will be stored on site on the security systems DVR for a minimum of forty (40) days. Data has the ability to be uploaded to a separate hard drive to maintain records for longer than forty (40) days if there is a pending criminal, civil, or administrative investigation. These recordings will include the time and date stamp, and will be archived in a format that does not permit alteration of the recorded image. Recordings will be available to AMCO and local law enforcement upon request.

Location of Surveillance Equipment and Video Surveillance Records:			
Surveillance room or area is clearly defined on the premises diagram			
Surveillance recording equipment and video surveillance records are housed in a designated, locke and secure area or in a lock box, cabinet, closet or other secure area	d,		
Surveillance recording equipment access is limited to a marijuana establishment licensee or authorisemployee, and to law enforcement personnel including an agent of the board	ized		
Video surveillance records are stored off-site			

Describe the locked and secure area where video surveillance recording equipment 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.

The surveillance recording equipment will be located above the offices, elevated, out of reach as well as site in a locked secured cabinet. Security monitors will be our IT closet, equipped with a smart lock (only accessible by authorized personnel) and spring loaded hinge to ensure closing. The security system will only be accessible with a password (given to only authorized individuals), so no tampering with data will be possible. Data will be stored on site on the security systems DVR for a minimum of forty (40) days. Data has the ability to be uploaded to a separate hard drive to maintain records for longer than forty (40) days if there is a pending criminal, civil, or administrative investigation. These recordings will include the time and date stamp, and will be archived in a format that does not permit alteration of the recorded image. Recordings will be available to AMCO and local law enforcement upon request.





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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)		



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Form MJ-01: Marijuana Establishment Operating Plan

A marijuana establishment is required to exercise due diligence in preserving and maintained all required records.

Describe how you will prevent records and data, including electronically maintained records, from being lost or destroyed:

All business and regulatory documents, recordings, surveillance, logs, and communications will be stored at the facility and backed up on an on-site server. Records within the facility will be stored in the office and safe room in a secure safe, separate from all storage of marijuana products and currency. Only Ownership, Management, and authorized agents will have access to the office and safe room, and all safes inside. Reinforced security walls will be used to separate the office and safe room from the rest of the facility. The office and safe room will feature a solid core with a minimum fire rating of ninety (90) minutes, a steel door frame with self-closing and self-locking mechanism, a commercial grade dead bolt lock, and a commercial grade slide card entry lock. Employees managing facility records will be trained in standard retention policies to ensure that all records are maintained and filed in a consistent and search-able fashion until they may be destroyed.

Form MJ-OI: Marijuana Establishment Operating Plan

Page 9 of 19

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

All business and regulatory documents, recordings, surveillance, logs, and communications will be stored at the facility and backed up on an on-site server. Records within the facility will be stored in the office, separate from all storage of marijuana products and currency. Only Ownership, Management, and authorized agents will have access to the office, and all safes inside. Reinforced security walls will be used to separate the office and safe room from the rest of the facility. The office will feature a solid core with a minimum fire rating of ninety (90) minutes, a steel door frame with self-closing and self-locking mechanism, a commercial grade dead bolt lock, and a commercial grade slide card entry lock. Employees managing facility records will be trained in standard retention policies to ensure that all records are maintained and filed in a consistent and search-able fashion until they may be destroyed.





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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.

Marij	uana 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:

R.C. Tinderbox, LLC will use the electronic marijuana inventory tracking and control system named MJ Freeway which should interface with Metrc. R.C. Tinderbox will use MJ Freeway to increase product security, track the cultivation and movement of all marijuana products, and minimize diversion and illegal practices. The Owners have already connected high speed internet to the facility and will ensure Internet remains connected to the facility. The facility will install Metrc and fully integrate the system into its standard business practices and shall attend necessary Metrc trainings and educational seminars. All employees will be trained in using the tracking system to ensure that; (1) all marijuana propagated, grown, or cultivated on the premises is identified and tracked from the time the marijuana is propagated through either its transfer to another licensed marijuana establishment, or its destruction; (2) all establishments transacting to purchase or otherwise receive marijuana or marijuana products from the facility are licensed facilities; and (3) any loss or theft of marijuana products is promptly reported. Employees will record data at several stages of the cultivation process, including: (1) during cultivation; (2) during sale, sample, and transport; (3) during disposal, destruction, and theft. The facility will assign a tracking number to each plant over eight (8) inches tall and enter all inventory into Metrc. Each harvest batch will be given an inventory tracking number and entered into Metrc. All clones or cuttings will be limited to fifty (50) or fewer plants and identified by a batch tracking number. After harvest and processing, employees will record all sales in Metrc as they are processed. All marijuana used to prepare and package samples for the purpose of testing or for negotiating sales will also be recorded, including: (1) the amount of each sample; (2) the facility that received the sample; and (3) the disposal of any expired or outdated promotional sample returned to the facility. For each batch, employees will record all transportation arrangements and will generate a transport manifest to accompany the batch in transit. Employees will use Metrc to verify each prospective sale or sample shipment is being delivered to a licensed marijuana establishment, and the identity and handling permit of all individuals who arrive at the facility to conduct business. In the event that marijuana or marijuana products are flagged for disposal, the facility will record the disposal in Metrc at least three (3) days prior to taking any disposal action. In addition to notifying the appropriate local and/or state authorities, any destruction, loss, or theft of marijuana will be promptly recorded in Metrc to give notice to AMCO.



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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.

M	arijuana Hander 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:		
	Each employee shall complete R.C. Tinderbox's training course, review the Company and employee handbook, and receive an educational packet. The packet will consist of job training, review and lectures covering the full set of regulations, Alaska Medical M Use Law, Alaska Personal Use Laws, Regulations promulgated by the MCB board (as updated from time to time as the regulations evolve), training in proper protocols for constandards, cleanliness, transport policies and requirements, identification of third particular visitor protocals, and the R.C. Tinderbox Operating Plan and Emergency Management Employees will be required to obtain a valid Marijuana Handler Card.	of on the arijuana nd ultivatio ies and	e

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Form MJ-01: Marijuana Establishment Operating Plan

Section 5 - Waste Disposal

Section 5 - Waste Disposal	
deview the requirements under 3 AAC 306.740, and identify how the proposed establishment will meet the listed requirements should be able to answer "Yes" to the statement below.	ents.
Marijuana Waste Disposal:	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 m cultivation, production, process, testing, or retail sales, in compliance with applicable federal, state, and local laws and re	
After giving the AMCO at least three (3) day notice in the Metrc tracking system, the marijual waste will be ground up with other compostable materials such as food waste, yard waste, vegetable oils, or non-food waste such as paper waste or cardboard and rendered unusable. Thereafter, it will be transported to the waste disposal station or used in the facility as complete for additional growing medium.	e.
Describe what material or materials you will mix with the ground marijuana waste to make it unusable:	
To render marijuana unusable, R.C. Tinderbox will grind and incorporate the marijuana was with either non-compostable or compostable solid wastes so that the resulting mixture is at least fifty percent (50%) non-marijuana waste. The facility will use paper waste, plastic waste cardboard waste, soil, food waste, yard waste, and/or vegetable-based grease or oils. Management will ensure that the resulting mixture is composed of no more than fifty percent (50%) marijuana by volume, and will log the composition of the mixture, available to AMCO upon request.	te,

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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:

To render marijuana unusable, R.C. Tinderbox will grind and incorporate the marijuana waste with either non-compostable or compostable solid wastes so that the resulting mixture is at least fifty percent (50%) non-marijuana waste. The facility will use paper waste, plastic waste, cardboard waste, soil, food waste, yard waste, and/or vegetable-based grease or oils. Management will ensure that the resulting mixture is composed of no more than fifty percent (50%) marijuana by volume, and will log the composition of the mixture, available to AMCO upon request. All marijuana waste will be secured in waste storage within the facility, separate from all other marijuana products, storage, and waste, until such time it is picked up by the waste disposal company under a manager's supervision.



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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		



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Form MJ-01: Marijuana Establishment Operating Plan

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

For all transports of products, RC Tinderbox employees will utilize a Trip Manifest report to ensure compliance with the regulations. Trip Manifests will be filed and stored on premises as official business records. The Trip Manifest documents will include the strain name(s) of MJ transported, type of product(s) (i.e. concentrate, edible type, flower, trim, etc.), batch number of product(s), amount / weight of product(s), the name of the transporter (whether this will be Valkyrie SAP or RC Tinderbox agent, Owners of RC Tinderbox will ensure that any and all persons performing transports will have Marijuana Handler's Card on them during entire transport), the time of departure and expected delivery, and the make, model, and license plate number of the transporting vehicle. Marijuana flower and products will be in a sealed package / container (up to 5 lb each) in a locked storage compartment within the transport vehicle. No products will be directly visible to the public. The transport vehicle will travel directly between destinations without making any unnecessary stops and a printed Trip Manifest will be on board with the transporter at all times. All marijuana packaging will be uniform with labels secure and prominently displayed. No packaging products or materials can be used in the storage and/or sale process unless accepted into the facility by a member of the staff will be designated as the main person in charge of determining the following requirements are meet – this person will be referred to as the Quality Control Unit ("QCU"). All packaging deliveries will be inspected, accepted or rejected, and recorded in QCU log, said QCU log will be part of the regular business records kept by the company. All packaging materials that will be sold to marijuana establishments for sale to consumers will be child-proof and not be appealing to children. The QCU will check all packages to make sure that they will keep all marijuana from contamination and will check to make sure that the packages will not impart any toxic or deleterious substance to the marijuana. Only usable marijuana will be packaged at the facility, and all packaging will not be tampered with. Any packaging done at the facility will be performed in an area specifically set aside for packaging. After all usable marijuana has been placed in bins and labeled, it will be moved to the secure storage area. The facility will use certified scales in compliance with the Alaska Weights and Measures Act, and will maintain registration and inspection reports at the facility. Upon request by the MC Board, ownership will provide a copy of the registration and inspection reports of the certified scales for review. Labeling materials purchased for resale will be labels that are at least 2 ¾" high by 4" wide and all text printed on the label will be at least 10-point, non-italicized and will be in English. All usable marijuana sold to any marijuana establishment will be labeled with the following information: (1) the name and license number of the cultivation facility; (2) the date the marijuana was harvested; (3) the harvest batch number assigned to the marijuana; (4) the date the marijuana was packaged; (5) the net weight and the quantity of usable marijuana packaged in a standard of measure compatible with the inventory tracking system; (6) a complete list of all pesticides, fungicides, and herbicides used in the cultivation and preparation of the marijuana; and (7) the date of expiration, if perishable. A label must be affixed to all shipping containers showing that a licensed marijuana testing facility has tested each harvest batch in the shipment. The label will list: (1) the date of final testing; (2) the cannabinoid potency profile, expressed as a range of percentages that extends from the lowest percentage to highest percentage of concentration for each cannabinoid listed from every test conducted on that strain of marijuana from the same marijuana cultivation facility within the last three months; (3) a statement listing the results of microbial testing; (4) a statement listing the results of residual solvent testing, as applicable; and (5) a statement listing the contaminants for which the product was tested, including molds, mildew, filth, herbicides, pesticides, fungicides, and harmful chemicals.

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

Any vehicle transporting marijuana products will be unmarked and inconspicuous. Vehicles that will be used for transportation of marijuana products will contain a secure and sanitary area secured inside of the transportation vehicle that will lock and will ensure the products cannot be seen by anyone from outside of the transportation vehicle and to ensure no unauthorized person can access the marijuana and marijuana products. The secure storage area within the transportation vehicle will be sanitized before and after each use. Prior to departure, a manager will ensure all marijuana is in sealed packages, and locked in the safe and secure storage compartment in the transport vehicle. All employees will be trained and will understand that under no circumstances (absent instruction from a duly authorized law enforcement officer) shall a sealed package containing marijuana be opened during transportation. The vehicle storage box will be a large rectangular industrial container, primarily a Uline Lockable Tote, secured by a tamper resistant zip tie lock.

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

For all transports of products. RC Tinderbox employees will utilize a Trip Manifest report to ensure compliance with the regulations. Trip Manifests will be filed and stored on premises as official business records. The Trip Manifest documents will include the strain name(s) of marijuana transported, type of product(s) (i.e. concentrate, edible type, flower, trim, etc.). batch number of product(s), amount / weight of product(s), the name of the transporter (whether this will be Valkyrie SAP or RC Tinderbox agent, owners of RC Tinderbox will ensure that any and all persons performing transports will have marijuana card on them during entire transport at the time of departure and expected delivery, and the make, model, and license plate of the transporting vehicle. Marijuana flower and products will be in a sealed package /container (up to 5 1b each) in a locked storage compartment within the transport vehicle. No products will be directly visible to the public. The transport vehicle will travel directly between destinations without making any unnecessary stops and a printed Trip Manifest will be on board with the at all times. All marijuana packaging will be uniform with labels secure and prominently displayed. No packaging products or materials can be used in the storage and/or sale process unless accepted into the facility by a member of the staff will be designated as the main person in charge of determining the following requirements are meet — this person will be referred to as the Quality Control Unit (QCU). All packaging deliveries Will be inspected, accepted or rejected, and recorded in (QCU) log, said QCU log will be part of the regular business records kept by the company. All packaging materials that will be sold to marijuana establishments for sale to consumers will be child-proof and not be appealing to children. The QCU will check all packages to make sure that they will keep all marijuana from contamination and will (check to make sure that the packages will not impart any toxic or deleterious substance to the marijuana. Only usable marijuana will be packaged at the facility, and all packaging will not be tampered with. Any packaging done at the facility will be performed in an area specifically set aside for packaging. After all usable marijuana has been placed in bins and labeled, it will be moved to the secure storage area. The facility will use certified scales in compliance with the Alaska and Measures Act, and will maintain registration and inspection reports at the facility. upon request by the MC Board, ownership will provide a copy of the registration and inspection reports of the certified scales for review. Labeling materials purchased for resale will be labels that are at least 2 and 3/4" high by 4" wide and all text printed on the label will be at least 10-point, non-italicized and will be in English. All usable marijuana sold to any marijuana establishment will be labeled with the following information: (1) the name and license number of the cultivation facility: (2) the date the marijuana was harvested; (3) the harvest batch assigned to the marijuana: (4) the date the marijuana was packaged: (5) the net weight and the quantity of usable marijuana packaged in a standard of measure compatible with the inventory tracking system; (6) a complete list of all pesticides, fungicides, and herbicides used in the cultivation and preparation of the marijuana; and (7) the date of expiration, if perishable. A label will be affixed to all shipping containers showing that a licensed marijuana testing facility has tested each harvest batch in the shipment. The label will list: (1) the date of final testing; (2) the cannabinoid potency profile. expressed as a range percentages that extends from the lowest percentage to highest percentage of concentration for each cannabinoid listed from every test conducted on that strain of marijuana

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ALCOHOL MARIJUANA CONTROL OFFICE STATE OF ALASKA from the same marijuana cultivation facility within the last three months; (3) a statement listing the results of microbial testing; (4) a statement listing the results Of residual solvent testing, as applicable: and (5) a statement listing the contaminants for which the product was tested, including molds, mildew, firth, herbicides, pesticides, fungicides, and harmful chemicals.





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Alaska Marijuana Control Board

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

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:

The facility will affix and display all required postings on, around, and within the facility, and maintain the visibility and quality of such postings, with up to date information, including: (1) operating hours, (2) certificate of occupancy from the city, (3) the State of Alaska marijuana establishment license certificate (to be displayed prominently), (4) approval to operate the facility, (5) "No Loitering" sign on the front door, (6) "Surveillance Cameras In Use" signs, (7) "Restricted Access" signs, and (8) any required postings by the local jurisdiction such as Exit and Fire Extinguisher signs. The operating hours are from 9:00 AM until 5:00 PM every day, except on nationally recognized holidays when the facility and property will be closed. The operating hours will be posted on the front door of the facility and the name of the business, but, name of the business will not be in an advertisement manner as RC Tinderbox is not a retail location and does not wish to attract public attention. At no times will R.C. Tinderbox utilize any signs, postings, or advertisements that are not approved.

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.

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



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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)		



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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:

RC Tinderbox will refuse entrance to any person who, is not an expected Visitor, does not comply with RC Tinderbox's visitor policies, and does not produce a form of valid and current photo identification showing that person is twenty one (21) years of age or older. A valid form of identification includes: (1) an unexpired, unaltered passport; (2) an unexpired, unaltered driver's license; instruction permit, or identification card of any state or territory of the United States, the District of Columbia, or a province of Canada; and (3) an identification card issued by a federal or state agency authorized to issue a driver's license or identification card. At no time will a person under the age of twenty one (21) be permitted to remain on the premises. If at any time an employee suspects that a person is a minor, the employee will refuse access and have the individual escorted off the premises. In addition to passing the Marijuana Handler's Card course, employees in this position will be trained to spot the inconsistencies of forged identifications, and they will be given an ID guide to help them recognize IDs from other states and countries. Signage will be posted at the main entry door entry door stating "No one under 21 years of age allowed". The sign will be twelve (12) inches long and twelve (12) inches wide, and the letters will be one half inch in height in high contrast to the background of the sign.

declare under penalty of perjury that I have examined this form, including all according my knowledge and belief find it to be true, correct, and complete.	mpanying schedules and statements, and to the best
Mrsh- Mclischer	
Signature of licensee	
PHEISTINA M TUSCHER	
Printed name	
Printed name Subscribed and sworn to before me this 15	5 day of $\frac{10}{10}$.
e a	
SEA RAMMINE	Notary Public in and for the State of Alaska.
NOTAR	My commission expires: 24FEB 2019



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Alaska Marijuana Control Board

Form MJ-01: Marijuana Establishment Operating Plan

ditional Space as Needed):			

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R.C.Tinderbox Visitor Log

First Name	Last Name	Time In	Time Out	DL#	Reason for Visit	Assigned Escort
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EXHIBIT A



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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:	R.C. Tinderbox, LLC	License Number: 10299			
License Type:	Standard Cultivation				
Doing Business As:	R.C. Tinderbox, LLC				
Premises Address:	7801 King Street				
City:	Anchorage	State: ALASKA	ZIP:	99518	



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Operating Plan Supplemental

Form MJ-04: Marijuana Cultivation Facility

Section 2 - Prohibitions

Section 2 - Frombitions				
ants should review 3 AAC 306.405 – 3 AAC 306.410 and be able to answer "Agree" to all items below.				
narijuana cultivation facility will not:	Agree	Disagree		
Sell, distribute, or transfer any marijuana or marijuana product to a consumer, with or without compensation				
Allow any person, including a licensee, employee, or agent, to consume marijuana or marijuana product on its licenses premises or within 20 feet of the exterior of any building or outdoor cultivation facility				
Treat or otherwise adulterate marijuna with any organic or nonorganic chemical or compound to alter the color, appearance, weight, or odor of the marijuana				
Section 3 – Cultivation Plan				
the requirements under 3 AAC 306.420, and identify how the proposed premises will meet the listed require	ements.			
scribe the size of the space(s) the marijuana cultivation facility intends to be under cultivation, including dime eare footage. Provide your calculations below:	ensions a	nd overall		
otage, with the veg and flower cultivation areas measuring approximately in 6521 to	otal	y		
	ants should review 3 AAC 306.405 – 3 AAC 306.410 and be able to answer "Agree" to all items below. Sell, distribute, or transfer any marijuana or marijuana product to a consumer, with or without compensation Allow any person, including a licensee, employee, or agent, to consume marijuana or marijuana product on its licenses premises or within 20 feet of the exterior of any building or outdoor cultivation facility Treat or otherwise adulterate marijuna with any organic or nonorganic chemical or compound to alter the color, appearance, weight, or odor of the marijuana Section 3 – Cultivation Plan The requirements under 3 AAC 306.420, and identify how the proposed premises will meet the listed requires the size of the space(s) the marijuana cultivation facility intends to be under cultivation, including dimerare footage. Provide your calculations below: The proposed under cultivation area in the facility will be approximately 7456 total so otage, with the veg and flower cultivation areas measuring approximately in 6521 to quare footage, not including mother room and nursery room. The mother room and services are serviced to a service of the service of the services and flower cultivation areas measuring approximately in 6521 to quare footage, not including mother room and nursery room. The mother room and services are services as a service of the services are services as a service of the services are services as a services are services as a services are services.	Agree Sell, distribute, or transfer any marijuana or marijuana product to a consumer, with or without compensation Allow any person, including a licensee, employee, or agent, to consume marijuana or marijuana product on its licenses premises or within 20 feet of the exterior of any building or outdoor cultivation facility Treat or otherwise adulterate marijuana with any organic or nonorganic chemical or compound to alter the color, appearance, weight, or odor of the marijuana Section 3 – Cultivation Plan At the requirements under 3 AAC 306.420, and identify how the proposed premises will meet the listed requirements. Scribe the size of the space(s) the marijuana cultivation facility intends to be under cultivation, including dimensions a lare footage. Provide your calculations below: The proposed under cultivation area in the facility will be approximately 7456 total square otage, with the veg and flower cultivation areas measuring approximately in 6521 total quare footage, not including mother room and nursery room. The mother room and nursery		



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Operating Plan Supplemental Form MJ-04: Marijuana Cultivation Facility

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

RC Tinderbox will use organic super soil nutrient solution as a growing medium with a combination of materials and substances - using Big Roots Soil as our base, dry ingredients, to be mixed with the Soil, will be purchased from Alaska Mill and Feed, and includes worm castings, fish bone meal, high phosphorus Bat Guano, Blood Meal, Bone Meal, oyster shell, kelp meal, alfalfa meal, Epsom salt, dolomite lime, azomite, dried molasses, and humic acid.

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

RC Tinderbox will use the following plant nutrients as possible fertilizers and nutrients added to the growing medium: (1) Botanicare - including the brand's Pure Blend Pro Bloom and Pure Blend Pro Grow; (2) Xtreme Gardening - including the brand's line of Mykos, Azos, Tea, Cal Carb; (3) Vegamatrix - including the brand's line of Grow, Bloom Boost, Prime Zyme, Amp it, Big N Sticky, Hard N Quick.

Carbon Dioxide - utilizing CO2 tank delivery system that will be controlled by a computerized system that will monitor each room and give real time reports regarding the PPM levels of CO2 in the room, remote access will be available to Owners and designated employees to control the PPM levels per room. Carbon dioxide levels will be maintained at 600 to 800 ppm. Monitors will also report alarm conditions at concentrations above 5000 ppm. Additionally, the system will allow for remote shut on and off function prior to employees entering the room. Each employee entering a CO2 enhanced room will be wearing a Draeger PAC 7000 CO2 Gas Monitor 0-5 PCT VOL 8318975 (or its equivalent) to ensure no person is in an area that has unsafe CO2 levels. Additionally, each CO2 enhanced room shall have a HA-20 CO2 monitor (or its equivalent) hardwired into the CO2 enhanced rooms.

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

The facility will use hand watering techniques and potentially drip irrigation for the nursery methods for plants growing in individual containers. There will be little to no water run-off from these watering systems. The facility will also use a closed system and any runoff water will be captured by the treys and reused if possible (i.e. if there is enough water to be captured and reused - if there is not enough water it will evaporate into the atmosphere).



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Operating Plan Supplemental Form MJ-04: Marijuana Cultivation Facility

Describe the marijuana cultivation facility's waste disposal arrangements:

RC Tinderbox will utilize a as a disposal plan, in compliance with state and local laws and regulations, for all marijuana that does not meet state testing requirements or the company's internal quality standards due to disease, infestation, mishandling, or improper practices. All marijuana marked for disposal will be stored in a secured bin, separated from all other products, until it can be disposed of. Marijuana waste must be rendered unusable before disposal to ensure that marijuana and marijuana products are safely kept away from the public. RC Tinderbox will ensure that all marijuana is rendered unusable prior to leaving the facility by grinding and incorporating the marijuana waste with either non-compostable or compostable solid wastes so that the resulting mixture is at least fifty percent (50%) non-marijuana waste. Non-compostable solid wastes include paper waste, plastic waste, cardboard waste, and soil. Compostable solid wastes include food waste, yard waste, and vegetable-based grease or oils. Management will ensure that the resulting mixture is composed of no more than fifty percent (50%) marijuana by volume, and will log the composition of the mixture in the disposal log, which will be made available to the MC Board upon request. Management will maintain the log on the status of all marijuana waste, tracking the type, date of disposal, date it was rendered unusable, and date that it was picked up by the disposal company. The company will be disposing of: (1) waste from manijuana flowers, trim, and solid plant materials; (2) manijuana that is identified as infected or fails to meet quality testing; (3) manijuana plant waste; (4) run off water from the plants during cultivation; and (5) medium used for cultivation and root matter. Marijuana waste will be rendered unusable a minimum of once per day, before the facility closes. Once rendered unusable, marijuana will be securely stored in locked containers located on the premise. All locks will comply with UL standards, and the disposed marijuana will not be stored outside the facility at any time. RC Tinderbox, after giving the AMCO three (3) day prior notice, will have a dumpster (capable of movement) inside the facility, which will have wheels on the bottom and will be wheeled to front of facility through one of the bay doors by an authorized employee which will move the dumpster out to the curb on trash pick up day and monitor the dumpster until pick up is complete. To ensure accurate tracking and that no diversion occurs, the daily manager will meet with the waste truck driver and collect a signature and name, the date, time, and the type of marijuana waste being collected. This information will be entered into a disposal log by the manager, which will be securely stored and made available to the MCB upon request.

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:

Odor control method shall be the utilization of Odor Reduction Air Carbon Filters (specific model to be determined prior to commencement of business operations). The air will be "scrubbed" in the cultivation rooms by the filters every 15 mins, and then the air will be released from the cultivation rooms to the main open space in the warehouse, and then will be re-filter via a air exchanger to re-filter the air to ensure when the air escapes the warehouse it has been scrubbed twice for odor and should not leave the warehouse without any smell of marijuana to the public.

Describe the marijuana cultivation facility's waste disposal arrangements:

RC Tinderbox will utilize a disposal plan, in compliance with state and local laws and regulations, for all marijuana that does not meet state testing requirements or the company's internal quality standards due to disease, infestation, mishandling, or improper practices. All marijuana marked for disposal will be stored in a secured bin, separated from all other products, until it can be disposed of. Marijuana waste must be rendered unusable before disposal to ensure that marijuana and marijuana products are safely kept away from the public. RC Tinderbox will ensure that all marijuana is rendered unusable prior to leaving the facility by grinding and incorporating the marijuana waste with either non-compostable or compostable solid wastes so that the resulting mixture is at least fifty percent (50%) non-marijuana waste. Non-compostable solid wastes include paper waste, plastic waste, cardboard waste, and soil. Compostable solid wastes include food waste, yard waste, and vegetable-based grease or oils. Management will ensure that the resulting mixture is composed of no more than fifty percent (50%) marijuana by volume. and will log the composition of the mixture in the disposal log, which will be made available to the MC Board upon request management will maintain the log on the status of all marijuana waste, tracking the type, date of disposal, date it was rendered unusable, and date that it was picked up by the disposal company. The company will be disposing of: (1) waste from marijuana flowers, trim, and solid plant materials; (2) marijuana that is identified as infected or fails to meet quality testing; (3) marijuana plant waste; (4) run off water from the plants during cultivation; and (5) medium used for cultivation and root matter. Marijuana waste will be rendered unusable a minimum of once per day, before the facility closes. Once rendered unusable, marijuana will be securely stored in locked containers located on the premise. All locks will comply with UL standards, and the disposed marijuana will not be stored outside the facility at any time. RC Tinderbox, after giving the AMCO three (3) day prior notice, will have a dumpster (capable of movement) inside the facility, which will have wheels on the bottom and will be wheeled to front of facility through one of the bay doors by an authorized employee which will move the dumpster out to the curb on trash pick-up day and monitor the dumpster until pick up is complete. To ensure accurate tracking and that no diversion occurs, the daily manager will meet with the waste truck driver and collect a signature and name, the date, time, and the type of marijuana waste being collected. This information will be entered into a disposal log by the manager. which will be securely stored and made available to the MCB upon request.





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Operating Plan Supplemental Form MJ-04: Marijuana Cultivation Facility

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:

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:

RC Tinderbox understands and will comply with all testing regulations to ensure the marijuana propagated at the facility exceeds the testing requirements for the state. The facility will track each plant's life cycle through Metrc with an assigned record number. All flower bud harvested from the numbered plants will be processed into batches of not more than five (5) pounds. The company will package a sample of each batch produced to a licensed testing facility, and will not sell or transport any marijuana from that batch until the testing has been completed. An agent from the QCU will collect a testing sample by segregating harvested marijuana into homogeneous batches of bud and flower, and selecting a random sample from each batch. The individual responsible for collection will prepare a signed statement attesting that each sample was randomly selected, provide a signed statement to the testing facility, and maintain a copy as a business record. The facility will transport all samples to a licensed testing facility in compliance with the state regulations and the company's transportation policies. While awaiting the testing reports, the remainder of the batch will be segregated in secure, cool, and dry storage to protect from contamination. The facility will maintain all testing results as part of its business books and records, and enter the results in Metrc. RC Tinderbox will fully comply with any request from the MCB for a random sample from any growing medium, soil amendment, fertilizer, crop production aid, pesticide, or water, and shall bear the expense for all such requests.



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Operating Plan Supplemental Form MJ-04: Marijuana Cultivation Facility

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:



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Operating Plan Supplemental

Form MJ-04: Marijuana Cultivation Facility

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:

No signs or advertisements will be placed on the building or its surrounding property which would indicate to the public that marijuana is being grown within the facility. RC Tinderbox will only display signs indicating the physical address of the building and "No Trespassing". The facility will cover and/or board over all existing windows. The building will be outfitted with reinforced walls to separate public areas from the cultivation, processing, storage, and other restricted access areas. All movement, transport, or otherwise ingress or egress of marijuana products will be discrete, utilizing the designated loading platform. All vehicles owned and used by company agents will be discrete and unmarked, giving no indication that they are traveling to and from a cultivation facility. When being transported, all marijuana products will be securely packaged, labeled, and organized in a discrete manner within the facility before being moved out of the building to be loaded on the transport vehicle. No individuals will be permitted on the premises without checking in with and being escorted by an authorized employee.

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

LHLS+WAN ZUSCHER

Printed name

Subscribed and sworn to before me this 15 day of June, 20 10.

Notary Public in and for the State of Alaska.



My commission expires: 24 FEB 2010

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Alaska Marijuana Control Board



(Additional Space as Needed):

Operating Plan Supplemental Form MJ-04: Marijuana Cultivation Facility



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Form MJ-07: Public Notice Posting Affidavit

What is this form?

[Form MJ-07] (rev 02/02/2016)

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 In	formatio	n		
Enter information for the b	usiness seeking to be licensed, as identified on the licen	se application			
Licensee:	R.C. Tinderbox LC	License Nu		100	199
License Type:	STANDARD MARILLANA	Cultiv	ation	FA	ality.
Doing Business As:	R.C. TindER box, U	C			
Premises Address:	7801 KING SHISET				
City:	AncholaGE	State: A	LASKA	ZIP:	99518
	Section 2 – Certificati	on			
following 10-day period at to proposed premises: Start Date: Other conspicuous location:	: Fred Meyer 2000 W Diamar	ne following co Date: 5,	inspicuous 191 Awcl	location i	n the area of the
of my knowledge and belief	erjury that I have examined this form, including all acco find it to be true, correct, and complete.	impanying sch	edules and	l statemen	ts, and to the best
Signature of licensee	Subscribed and sworn to before me this	day of	June	1999300	20_ <u>\\o</u>
	NOTARY PUBLIC ARBNORA DELOLLI STATE OF ALASKA My Commission Expires July 29, 2019				e State of Alaska.



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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 I	nformati	ion		
Enter information for the bu	usiness seeking to be licensed, as identified on the lice	ense application	on.		
Licensee:	[C. C. Tinderbox, LCC	License	Number:	103	199
License Type:	STANDARD MARINIANA	- Certin	lation	Far	11.4.1
Doing Business As:	R.C. Tinderbot 1/16	,	7,5000 1	1 /	THE Y
Premises Address:	7801 King Stesst	<u> </u>			
City:	Archoracose	State:	ALASKA	ZIP:	99518
	Section 2 – Certifica	tion			
I declare under penalty of pe	Date Substance Substance Subscribed and sworn to before me this	mitted:			ents, and to the besi
	NOTARY PUBLIC ARBNORA DELOLLI STATE OF ALASKA My Commission Expires July 29, 2019		cary Public in	4 .	he State of Alaska.
[Form MJ-08] (rev 02/02/2016)					Page 1 of 1



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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:	CRC Tinderbox 11C	License	Number:	102	99
License Type:	STANDAZD MARIJILANA C	iettiva	ation	TAC	lity
Doing Business As:	R.C. Tinderbox, LLC				1
Premises Address:	7801 King Street				
City:	Anchorage	State:	ALASKA	ZIP:	99518

Section 2 - Individual Information

Enter information for the individual licensee or affiliate.

Name:	(HRISTINA M EUSCHER "CHEIS"
Title:	C.E. 0
SSN:	



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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.

Subscribed and sworn to before me this 8 day of _______

NOTARY PUBLIC ARBNORA DELOLLI STATE OF ALASKA My Commission Expires July 29, 2019

My commission expires:

Notary Public in and for the State of Alaska.

[Form MJ-09] (rev 02/12/2016)



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Form MJ-09: Statement of Financial Interest

What is this form?

Licensee:

License Type:

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

STANDARD MARIJUANA Cultivation

License Number:

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

Doing Business As:	K.C. Tinderbox, LLC	/			
Premises Address:	7801 KING Stesst				
City:	Anchor Mar	State:	ALASKA	ZIP:	99518
					•
		236.5-10.254	The state of the s		
	Section 2 – Individual Info	rmation			
Enter information for the	individual licensee or affiliate.				
					W-100-1200-1000-1000-1000-1000-1000-1000
Name:	Richard TeschER	" Ric	k"		
Title:	$C \supset C$				
CCN.					



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Section 3 - Certifications

Form MJ-09: Statement of Financial Interest

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 \(\frac{\dagger}{2} \) day of \(\frac{\dagger}{2} \)

NOTARY PUBLIC ARBNORA DELOLLI STATE OF ALASKA

My Commission Expires July 29, 2019

Notary Public in and for the State of Alaska.

My commission expires: July 29, 2019



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

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:	Ric. Tunderbox, C	LC License	Number:	102	199
License Type:	STANDARD MARILLAN	~ Cultiva	ition	Fac	witer
Doing Business As:	R.C. Tinderbox, L	lC			1
Premises Address:	7801 King Strzzt				
City:	Archoe ASE	State:	ALASKA	ZIP:	99518
ter information for the in	Section 2 – Individual dividual licensee or affiliate.	ii information			
Name:	Matthew Lindem	AUN			
Title:	C.F.D.	1/2 // 1/2000			
SSN.					



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

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Phone: 907.269.0350

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 10 day of 100e , 2016

NOTARY PUBLIC

Notary Public in and for the State of Alaska

My commission expires: 2/24/2019

Alcohol & Marijuana Control Office

License Number: 10299 License Status: New

License Type: Standard Marijuana Cultivation Facility

Doing Business As: R.C. TINDERBOX, LLC

Business License Number: 1031643

Designated Owner: Christina Euscher

Email Address: elway331999@hotmail.com

Latitude, Longitude: 61.090000, -149.523800

Physical Address: 7801 King St.

Anchorage, AK 99518 **UNITED STATES**

Owner #1

Owner Type: Entity

Alaska Entity Number: 10035400

Alaska Entity Name: R.C. Tinderbox, LLC

Phone Number: 907-306-1572

Email Address: elway331999@hotmail.com

Mailing Address: 3601 Raspberry Road

Unit 1A

Anchorage , AK 99502 **UNITED STATES**

Affiliate #1

Owner Type: Individual

Name: Rick Euscher

SSN:

Date of Birth:

Phone Number: 907-306-1573

Email Address: reuscher1970@gmail.com

Mailing Address: 3601 Raspberry Road

Unit 1A

Anchorage, AK 95902 **UNITED STATES**

Affiliate #2

Owner Type: Individual

Name: Christina Euscher

SSN:

Date of Birth:

Phone Number: 907-306-1572

Email Address: elway331999@hotmail.com

Mailing Address: 3601 Raspberry Road

Unit 1A

Anchorage, AK 99502 **UNITED STATES**

Affiliate #3

Owner Type: Individual

Name: Matthew Lindemann

SSN:

Date of Birth:

Phone Number: 907-330-4422

Email Address: malindem@yahoo.com

Mailing Address: 2550 Curlew Circle

Anchorage, AK 99502 **UNITED STATES**



ALASKA REAL ESTATE COMMISSION CONSUMER DISCLOSURE

This Consumer Disclosure, as required by law, provides you with an outline of the duties of a real estate licensee (licensee). This document is not a contract. By signing this document you are simply acknowledging that you have read the information herein provided and understand the relationship between you, as a consumer, and a licensee. (AS 08.88.600 – 08.88.695)

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

Specific Assistance

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

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

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

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

Representation

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

Duties owed by a licensee when representing a consumer include:

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

Neutral Licensee

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

Duties **owed** by a neutral licensee include:

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

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

Designated Licensee

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

08-4145 (Rev. 02/2015)

ACKNOWLEDGEMENT:						
(print consumers name(s))	e read the information provided in this Alaska Real Estate					
Consumer Disclosure and understand the different types of rela						
understand that Barb Huntley / Linguist Parties	Keller Williams Realty Alaska Group					
(licensee name)	(brokerage name)					
will be working with me/us under the relationship(s) selected below.						
(Initial)						
Specific assistance without representation.						
Representing the Seller/Lessor only. (may provide s	specific assistance to Buyer/Lessee)					
Representing the Buyer/Lessee only. (may provide specific assistance to Seller/Lessor)						
Neutral Licensee. (must attach Waiver of Right to be Represented, form 08-4212)						
Date: 4/18/16 Signature: (Licensed) Cart (Licensed) Cart (Licensed) (Consum	Loch .					
THIS CONSUMER DISCLOSURE IS NOT A CONTRACT						
	Docusigned by: LEUNA BEZCC47A Docusigned by: Leunau Ofee 6EC6384D34B0474					
Docusigned by: Shahnan Steger E52D8143139A454	Joslyn Blanchard 3004715F66B04D5					

COMMERCIAL LEASE

THIS LEASE is made the date indicated below by and between E B H Investments, an Alaska partnership, ("Landlord") and RC Tinderbox, LLC, an Alaska limited liability company ("Tenant").

1. <u>Premises.</u> Landlord hereby leases to Tenant and Tenant hereby leases from Landlord the "Premises" commonly known 7801 King Street Anchorage 99518, which consists of land and a building containing approximately 16,000 square feet. The premises are legally described as:

Lot Ten (10), Block Six (6), DIMOND INDUSTRIAL CENTER,

ADDITION NO. 1, according to the official plat thereof, filed under Plat Number 80-49, Records of the Anchorage Recording District, third judicial District, State of Alaska; and

SUBJECT TO covenants, conditions, restrictions, reservations, easements, rights-of-way and agreements of record.

The Premises include, without limitation, the building and all improvements situated thereon.

2. <u>Term</u>.

- 2.1 Term. The term of this Lease shall be sixty one (61) months from May 1, 2016 (the "Lease Commencement Date") through May 1, 2021, with an option to renew as provided below. Provided that Tenant is in compliance with its obligations arising pursuant to the terms of this Lease, possession of the Premises shall be provided to Tenant on the Lease Commencement Date.
- 2.2 Option to Renew. If Tenant is not in default hereunder, Tenant, at its option, may obtain three (3) renewals "Extension Term" of this Lease each for a further term of five (5) years each and upon the terms and conditions herein stated, except for the amount of the Base Monthly Rent. Tenant shall exercise this option to renew by giving Landlord written notice of intention to renew not less than 180 days prior to the expiration of the original

E B H Investments
Lease of 7801 King Street, Anchorage, Alaska to RC
Tinderbox, LLC Page 5 of 19

term. The Base Monthly Rent for the renewal period shall be the fair rental value of the Premises at the time the renewal period is to commence If the parties cannot agree upon the fair rental value at such time, then it shall be determined by binding arbitration in accordance with this agreement. However, in no event shall the renewal term Base Monthly Rent be less than the Base Monthly Rent in effect immediately preceding the commencement of the renewal period or 10% more than the Base Monthly Rent of the proceeding term.

2.3 Early Termination. In the event Tenant, despite best efforts and at no fault of its own, is unable to obtain an Alaska state license and municipal use permit approvals for a marijuana establishment [or there are changes in Alaska state or municipal law that make the business of Tenant illegal], Tenant may, at Tenant's election, be released from the terms of the Lease. In such event Landlord shall retain, as liquidated damages all payments and deposits paid by or on behalf of Tenant. Landlord and Tenant acknowledge that Landlord's damages in such an event are difficult to precisely measure, but that said sum is a reasonable approximation of those damages. This release and liquidated damages prov1s1on 1s not applicable m any circumstances other than those expressly set forth in this paragraph.

3. Rent.

Base Monthly Rent. The Tenant shall pay to the Landlord at Landlord's 3.1 address specified below, or at such other place as the Landlord may hereinafter designate, on or before the twenty-fifth (25th) day of each month preceding the month for which such rent is paid, commencing on the twenty-fifth (25th) day of month preceding the Lease Commencement Date. without offset or deduction the following amounts as Base Monthly Rent for the Premises:

March 1, 2016 to March 31, 2016: None. April 1, 2016 to July 31, 2016: \$5,000 per month.

-may 1st August 1, 2016 to December 31, 2016: \$12,800.00 per month. January 1,

2017 to December 31, 2017: \$17,600.00 per month. January 1, 2018 to

December 31, 2018: \$18,400.00 per month.

January 1,2019 to December 31, 2019: \$19,200.00 per month.

January 1, 2020 to December 31, 2020: \$20,000.00 per month.

January 1,2021 to March 31,2021: \$20,800.00 per month.

Percentage Rent. During the term and any Extension Term of this Lease, in addition to Base Monthly Rental, Tenant shall pay to the Landlord's address specified below, or at such other place as the Landlord may hereinafter designate, within 30 days the end of each calendar quarter percentage rent as follows:

> March 1, 2016 to December 31, 2016: two percent (2%) of Tenant's net profits for the preceding calendrer quarter computed according to federal income tax principles.

> > EBH Investments Lease of 7801 King Street, Anchorage, Alaska to RC Tinderbox, LLC Page 5 of 19

- January 1, 2017 through the end of the Lease term: two percent (2%) of Tenant's gross revenue for the preceding calendar quarter. For purposes of this Section 3.2, "gross revenue" shall mean revenue derived from operations of activities in the building, after all taxes and tax liabilities have been removed from the calculation of all revenue the remainder of which shall be deemed "gross revenue" from which 2% of that remaining revenue shall be paid to Landlord in addition to the Base Monthly Rent.
- 3.3 Guarantors; Financial Statements. Contemporaneously with the execution of this Lease by Tenant, all three (3) members of RC Tinderbox, LLC (Christina Euscher, Rick Euscher, Matt Lindemann) have executed unconditional personal guaranties of Tenant's obligations arising pursuant to the terms of this Lease. Tenant represents and warrants that it has no Members other than those who have executed these personal guaranties.

Within five (5) days after mutual execution of this Lease, Tenant and all Guarantors shall deliver to Landlord written statements certified by Tenant and Guarantors to be correct, showing Tenant 's and each Guarantor's current financial statements, including a balance sheets and profit and loss statements. Should Landlord be dissatisfied with said financial statements and should Landlord determine that Tenant and Guarantors are not capitalized sufficiently to perform all Lease obligations, Landlord may terminate this agreement at any time upon written notice to Tenant at any time within 25 days of receipt of the financial statements. In the event Landlord exercises this right of termination, Landlord shall return any and all funds paid by Tenant to Landlord.

- 3.4 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 10th day following the date upon which such amount is due and payable, a late charge of \$75.00 per day shall 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.
 - 4. Security Deposit. Contemporaneously with the Tenant's execution of this Lease, Tenant has deposited with Landlord a security deposit in the amount of Thirty Two Thousand Eight Hundred Dollars (\$32,800.00). On September 25, 2016 Landlord shall apply \$12,800 of this security deposit to rent due for August 2016 and the security deposit amount shall then be reduced to \$20,000. If Tenant fails to pay rent or other charges due hereunder, or otherwise defaults with respect to any provision of this Lease, Landlord may use, apply or retain all or any portion of said deposit for the payment of any rent or other charge in default or for the payment of any other sum to which Landlord may become obligated by reason of Tenant's default, or to compensate Landlord for any loss or damage which

Landlord may suffer thereby.

5. <u>Landlord's Title -Quiet En ioyment.</u>

- 5.1 <u>Landlord's Authority</u>. Landlord represents and warrants to Tenant that it has the power and authority to execute and deliver this Lease and to carry out and perform all covenants to be performed by it hereunder.
- 5.2 <u>Quiet Enioyment</u>. Landlord covenants that Tenant, upon paying the 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, shall quietly have and enjoy the Premises during the term of this Lease.
- 5.3 <u>Memorandum Lease</u>. Landlord and Tenant shall, upon request by either, simultaneously with execution of this Lease, execute a Memorandum of this Lease which may be recorded by either party immediately after execution at the expense of the party requesting the recording. Tenant may not record this Lease.
- 5.4 Covenant of Use. Landlord makes no representations or warranties to Tenant as to the suitability of the Premises for Tenant's intended purposes. Tenant is responsible for confirming that Tenant's intended use is authorized by applicable law; covenants, conditions, restrictions and easements affecting title, which may appear in the public record, including those shown on any recorded plat or survey; and the Municipality of Anchorage Municipal Code. With regard to all such matters, Tenant is relying on its own investigations and such inspections and studies as it chooses to conduct.
- 6. <u>Utilities</u>. Tenant shall 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 or security charges, furnished to or consumed upon the leased Premises. Landlord shall not be liable for any failure or interruption of utilities or other services to the Premises, unless such failure caused by the sole negligence of Landlord, or Landlord's agents or employees.

7. Taxes and Assessments.

7.1 Real Estate Taxes and Assessments. Tenant shall pay all real estate taxes and assessments on the Premises prior to their due date starting after the month of August, 2016. Until August, 2916, the Property Tax shall be Landlord's full and sole responsibility. If Tenant late pays such real estate taxes or assessments, Tenant shall also pay any interest, fees and penalties arising as a result of the late payment. Real property taxes for the first and last calendar year of this Lease shall be not be prorated, but rather paid in their entirety by Tenant. Landlord agrees to ensure than Tenant receives all invoices or statements for taxes due at least fourteen (14) days prior to such taxes being due. Upon demand by

Landlord, Tenant shall provide proof of payment of such taxes and assessments.

If Tenant fails to pay real property taxes and assessments when due, Landlord may, at its option, pay the same, and the amount paid by Landlord, including any interest and penalties thereon, shall immediately be due and payable, with interest at 1.5% per month, or the maximum legal rate if applicable. Such payment by Landlord shall be in addition to all other remedies which may be available to Landlord for the default by Tenent.

Landlord shall provide to Tenant, upon receipt, all documents and notices concerning change in value (for real estate tax purposes) of the Premises. Tenant, at Tenant's expense, may contest any such real property taxes or assessments in any manner permitted by law, in Tenant's name, and, whenever necessary and required by law, in Landlord's name. Landlord shall cooperate with Tenant and execute any documents or pleadings required for such purposes, provided that Landlord shall be satisfied that the facts set forth in such documents or pleadings are accurate, and that such execution or cooperation does not impose any obligations, expense or liability on Landlord.

7.2 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 shall reimburse Landlord monthly, as additional rent, at the same time as minimum rental payments are due hereunder, for the actual amount of all such taxes paid.

8. Repairs, Maintenance and Condition of Premises.

8.1 <u>Condition of Premises</u>. Tenant acknowledges that it has inspected the leased Premises and that the leased Premises are in good condition and suitable for Tenant's intended use. 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. Landlord will provide the Premises to Tenant "broom clean" and free of debris.

8.2 <u>Maintenance and Repair</u>. Landlord shall be responsible for maintaining the structural integrity of the building, the roof, and the existing heating system. Landlord has no other maintenance or repair obligations.

Tenant shall, at its own expense, at all times keep all other aspects of the Premises and all other systems in good order and repair, maintained, and, upon termination of this Lease, Tenant shall deliver the leased Premises to Landlord in as good a condition as when delivered to Tenant. Tenant shall be responsible for snow and ice removal, sanding, and maintaining landscaping. If the Tenant does not make such repairs promptly and adequately, or fails to maintain the Premises in good repair, Landlord may (but is not required to) make repairs on ten (10) days' notice to the Tenant, and Tenant shall pay promptly the cost thereof, as additional rent, on the next rent date thereafter. The right of Landlord to make such repairs shall be without prejudice to any rights it may have because of Tenant's failure to make such repairs.

8.4 <u>Alterations</u>. ***All alterations, Landlord Improvements, Tenant Improvements will be addressed in a Addendum "A" to this lease, which is attached to this lease and incorporated by reference on . Without both parties agreement to Addendum A, and attachment of the same, this lease shall be null and void.

Tenants Initial

8.5 Entry and Inspection. Upon no less than twenty-four hours notice, Tenant will permit Landlord or its agents to enter the Premises during business hours, hereinafter defined as from 7:00 a.m. to 6:00 p.m. on weekdays and from 8:00 a.m. to 1:00 p.m. on Saturdays, excluding legal holidays to inspect, clean, repair, alter, or improve the Premises, or to show the Premises to prospective Purchasers or tenants. In exercising its rights under this section, Landlord will not unreasonably interfere with the conduct of Tenant's business. Landlord's agent or employee shall be over the age of 21 and shall comply with Tenant's vistor policy log in sheet pursuant to MCB regulations.

9. Use of Premises.

9.1 Nature of Use. Tenant shall use the Premises for production and processing of Cannabis and other directly related products and purposes performed in accordance with Alaska State law and the Municipality of Anchorage Municipal Code, and for no other uses except as Landlord may approve in writing. Tenant shall not make or permit any use of the Premises which may be dangerous to persons or property, or which may increase the premium costs or invalidate any policy of insurance covering the Premises or its contents. In case of any such increase in premium resulting from Tenant making or permitting any such use, Tenant shall pay the amount thereof, without prejudice to any other right or remedy of Landlord.

9.2 <u>Hazardous Substances</u>.

9.2.1 Presence and Use of Hazardous Substances. Unless otherwise set forth in this Section 9.2, Tenant shall not, without Landlord's prior written consent, keep on or around the Premises or Common Areas, for use, handling, disposal, treatment, generation, storage or sale, any "Hazardous Substance" hereinafter defined as any "Permitted Hazardous Substances" as defined below, which are hazardous or toxic substance, or waste, regulated pursuant to any federal, state or local environmental law, including without limitation, the Clean Air Act, the Clean Water Act, the Toxic Substances Control Act, the Comprehensive Environmental Response Compensation and Liability Act, the Resource Conservation and Recovery Act, the Federal Insecticide, Fungicide, Rodenticide Act, the Safe Drinking Water Act, and the Occupational Safety and Health Act due to its potential harm to health, safety or welfare of humans or the environment.). With respect to any such Hazardous Substance, Tenant shall;

9.2.1.1Comply promptly, timely, and completely with all governmental requirements for reporting, keeping and submitting manifests, and obtaining and keeping current identification numbers;

9.2.1.2 Submit to Landlord true and correct copies of all reports, manifests and identification numbers at the same time as they are required to be and/or are submitted to the appropriate governmental authorities;

9.2.1.3 Within five (5) days of Landlord's request, submit written reports to Landlord regarding Tenant's use, handling, storage, treatment, transportation, generation, disposal or sale of Hazardous Substances and provide evidence satisfactory to Landlord of Tenant's compliance with the applicable government regulations;

9.2.1.4 Allow Landlord or Landlord's agent or representative to come on the Premises during business hours and upon reasonable notice to check Tenant's compliance with all applicable governmental regulations regarding Hazardous Substances;

9.2.1.5 Comply with minimum levels, standards or other performance standards or requirements which may be set forth or established for certain Hazardous Substances (if minimum standards or levels are applicable to Hazardous Substances present on the Premises, such levels or standards shall be established by an on-site inspection by the appropriate governmental authorities and shall be set forth in an addendum to this Lease); and

9.2.1.6 Comply with all applicable governmental statutes, ordinances, rules, regulations, management plans and requirements regarding the proper and lawful use, handling, sale, transportation, generation, treatment, and disposal of Hazardous Substances.

9.2.1.7 Tenant may store and use any hazardous, toxic, infectious or dangerous substances lawfully permitted and generally recognized as necessary and appropriate for the Permitted Use as (i) such storage and use is in the ordinary course of operating a Permitted Use; and (ii) such storage and use is performed in compliance with all applicable laws, rules, or regulations, and in compliance with commercially reasonable standards prevailing in the industry for storage and use of such substances ("Permitted Hazardous Substances"). In addition to the foregoing, Tenant will comply with any inspection requirement required by any federal, state or local regulatory agencies because of the Tenant's use of such Permitted Hazardous Substances. Tenant acknowledges the use of the following "Permitted Hazardous Substances" as part of Tenant's Permitted Use include: fertilizers and other nutrients for the production and growing of marijuana and Co2 for use in growing and processing cannabis. Tenant hereby agrees not to add to or materially alter the type or quality of the items on the list for Permitted Hazardous Substances, without notifying Landlord of such additions or material alterations.

9.2.2 <u>Clean up Costs, Default and Indemnification</u>

- 9.2.2.1 Tenant shall be fully and completely liable to Landlord for any and all cleanup costs, and any and all other charges, fees, penalties (civil and criminal) imposed by any governmental authority with respect to Tenant's use, handling, disposal, transportation, generation and/or sale of Hazardous Substances, in or about the Premises, Common Areas, or the building of which the premises are a part.
- 9.2.2.2 Tenant shall indemnify, defend and save Landlord harmless from any and all of the costs, fees, penalties and charges assessed against or imposed upon Landlord (as well as Landlord's attorneys' fees and costs) as a result of Tenant's use, handling, disposal, transportation, generation and/or sale of Hazardous Substances.
- 9.2.2.3 Upon Tenant's default under this Section, in addition to the rights and remedies set forth elsewhere in this Lease, Landlord shall be entitled to the following rights and remedies:
 - (i) At Landlord's option, to terminate this Lease immediately;
- (ii) To recover any and all damages associated with the default, including, but not limited to cleanup costs and charges, civil and criminal penalties and fees, loss of business and sales by Landlord, any and all damages and claims asserted by third parties and Landlord's attorneys' fees and costs.
- 9.2.3 <u>Landlord Indemnification</u>. Landlord shall indemnify, defend and hold harmless the Tenant, 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) in connection

with the presence or suspected presence of Hazardous Substances in or on the Premises, to the extent that the Hazardous Substances were present on the Premises prior to the commencement of the Lease term.

- 9.3 <u>Disposal of Non-Hazardous Waste Materials</u>. All non-hazardous waste materials shall be disposed of by Tenant properly and in accordance with all applicable laws and regulations.
- 9.4 <u>Compliance With Law.</u> Tenant shall not use the Premises or permit anything to be done in or about the Premises which will in any way conflict with any state 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 shall at its sole cost and expense promptly comply with all state 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. Notwithstanding the foregoing, Landlord understands and agrees that Tenant intends to use the property for the production and processing of cannabis and cannabis related products as allowed by Alaska State law and the regulations promulgated thereunder.

10. <u>Insurance</u>; <u>Indemnity</u>.

- 10.1 <u>Public Liability Insurance</u>. Tenant, at its own expense, shall procure and maintain in effect comprehensive public liability insurance coverage with limits of not less than One Million Dollars (\$1,000,000.00) for bodily and personal injury or death to any one-person; with minimum of not less than Two Million Dollars (\$2,000,000.00) for bodily and personal injury a death to more than one1Jerson; and with limits of not less than Three Hundred Fifty Thousand Dollars (\$350,000.00) with respect to damage to property. In no event shall the limits of said policies be considered as limiting the liabilities of Tenant under this Lease. The above-stated minimum policy limits shall be subject to periodic review by the Landlord.
- 10.2 <u>Casualty Insurance</u>. Tenant, at its expense, shall maintain in effect policies of insurance covering (a) the Premises, leasehold improvements, fixtures and equipment located on the Premises, for the full replacement value, and providing protection against any peril included within the classification "Fire and Extended Coverage," together with insurance against sprinkler damage (if the building has a sprinkler system installed), vandalism and malicious mischief; and (b) all plate glass on the Premises. The proceeds of such insurance, so long as this Lease remains in effect, shall be used to repair or replace the Premises, leasehold improvements, fixtures, equipment and plate glass so insured.
- 10.3 <u>Insurance Policies</u>. All insurance policies (except the fire and extended coverage insurance on Tenant's personal property) shall name

Landlord as additional insured and shall be with companies and with loss-payable clauses satisfactory to Landlord, and copies of policies or certificates evidencing such insurance shall be delivered to Landlord by Tenant. No such policy shall be cancelable or amendable except after thirty (30) days' written notice to Landlord.

Whenever In Landlord's reasonable business judgment, good practice and changing conditions indicate a need for additional and /or different types of insurance coverage, Tenant shall obtain such insurance at its expense upon request from 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, the parties agree that this waiver applies only to losses covered by valid and collectible insurance, and only to the extent that such insurance applies, and not in excess of the amount collectible from such insurance. The waiver shall not apply to damages in excess of the amount collectible from such insurance. 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 <u>Indemnification of Landlord</u>. Landlord shall not be liable for any loss, injury or death 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 caused by the sole negligence or willful misconduct of Landlord, its employees, agents and contractors. The Tenant agrees to indemnify, defend, and save Landlord, its employees and its agents, harmless from any and all claims and expenses, including reasonable attorney's fees and costs, and litigation-related expenses arising out of such injury, death, or damage, however occurring, on or about the Premises.
- 10.6 Waiver. THE LANDLORD AND TENANT SPECIFICALLY AGREE THAT THE PROVISIONS OF THIS SECTION 10 ALSO APPLY TO ANY CLAIM OF INJURY OR DAMAGE TO THE PERSONS OR PROPERTY OF THE TENANT'S EMPLOYEES, AND TENANT ACKNOWLEDGES AND AGREES THAT AS TO SUCH CLAIMS, TENANT, WITH RESPECT TO LANDLORD, DOES HEREBY WAIVE ANY RIGHT OF IMMUNITY WHICH TENANT MAY HAVE UNDER INDUSTRIAL INSURANCE AND UNDER ANY SUBSTITUTE OR REPLACEMENT STATUTE). THIS WAIVER AND AGREEMENT WAS SPECIFICALLY NEGOTIATED BY LANDLORD AND TENANT AND IS SOLELY FOR THE BENEFIT OF LANDLORD AND TENANT AND THEIR SUCCESSORS AND ASSIGNS AND IS NOT INTENDED AS A WAIYER OF TENANT'S RIGHTS OF IMMUNITY UNDER SAID INDUSTRIAL INSURANCE OF

ANY OTHER PURPOSE.

Date:

1/18,2016

Date: 4/28,2010

l'énant

Landlor

11. Reconstruction and Restoration

by fire or other perils covered by the fire and extended coverage insurance on the Premises, and such damage is not "substantial," Landlord shall promptly repair such damage at Landlord's expense after the application of all insurance proceeds, and this Lease shall continue in full force and effect.

11.2 <u>Substantial Damage</u>. 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," Landlord may at its option either (a) promptly repair such damage at Landlord's expense after the application of all insurance proceeds, in which event this Lease shall 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.

Notwithstanding any other provision in this Section, if damage to the Premises is caused by Tenant, and such damage is not subject to waiver of subrogation under Section 10, then Tenant shall be responsible for repair and rent shall not abate during the repair period.

11.3 Abatement of Rent.

11.3.1 If the Premises are destroyed or damaged and Landlord repairs or restores them under this section, Tenant shall 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 shall be abated in proportion to the proportion of usable Premises space compared to the total Premises space.

11.3.2 If Landlord shall be obligated and use best efforts to repair or restore the Premises under this Section and shall not commence such repair or restoration within ninety (90) days after such obligation shall accrue, of if the estimated repair time is greater than 180 days, Tenant may at its option cancel this Lease as of the date of occurrence of such damage by giving landlord notice of its election to do so at any time prior to the commencement of such repair or restoration and/or sue for damages caused Tenant by Landlord's breach, and/or obtain an order specifically enforcing Landlord's obligations to repair and restore. All of said remedies shall be cumulative.

- 11.4 <u>Definition of "Substantial."</u> For the purpose of this Section 11, "substantial" damage to the Premises shall mean damage to the Premises the estimated cost of repair of which exceeds fifty percent (50%) of the then estimated replacement cost of the improvements to the Premises, or uninsured or underinsured damage exceeds six (6) months monthly rent in effect.
- 12. Assignment and Subletting. Tenant shall not either voluntarily or by operation of law assign, sell, or otherwise transfer this Lease or any of Tenant's rights hereunder, or sublet the Premises or any portion thereof without Landlord's written consent in each instance, which shall not be unreasonably denied or delayed. The sale or assignment of any stock or interest in Tenant (for other than security purposes) in the aggregate in excess of forty-five percent (45%) in any two-year period, shall 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, subletting or other transfer of this Lease or Tenant's interest in and to the Premises.

13. Condemnation.

- 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) shall be taken under the power of eminent domain, this Lease shall automatically terminate on the date the condemning authority takes possession.
- of eminent domain which does not so result in a termination of this Lease, the monthly rental payable hereunder shall 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 shall 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 shall continue in full force and effect.
- Premises under the power of eminent domain shall be the property of the Landlord, whether such award shall be made as compensation for diminution in value of the leasehold or for taking of the fee. Nothing herein, however, shall 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,

4 <u>Surrender of Premises</u>.

- 41 <u>Surrender of Premises</u>. Tenant shall promptly surrender possession of the Premises to Landlord upon the expiration or prior termination of the Lease. The Premises shall 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 or the elements excepted.
- Holding Over. Any holding over by Tenant after the expiration or termination of the Lease shall be construed to be a tenancy for a month-to-month, on all of the terms and conditions set forth herein, to the extent not inconsistent with a month-to-month tenancy. During such tenancy, the Tenant agrees to pay the Monthly Rental m effect immediately prior to commencement of the holding over, times 125%.
 - 15.3 Sub-Tenancies. The voluntary or other surrender of this Lease by Tenant, or a mutual cancellation thereof, 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 <u>Default</u>. The occurrence of any one or more of the following events shall constitute breach of this Lease by Tenant.
- 16.1.1 Failure to Pay Rent. The failure by Tenant to make any payment of Rent or any other payment required to be made by Tenant hereunder, as and when due, where such failure shall continue for a period of five (5) business days after written notice thereof by Landlord is received by Tenant.
- 16.1.2 <u>Failure to Perform</u>. 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 shall continue for a period of thirty (30) days after written notice thereof by Landlord is received by Tenant; provided, however, that if the nature of Tenant's default is such that more than thirty (30) days are reasonably required for its cure, then Tenant shall not be deemed to be in default if Tenant commences such cure within said thirty (30) day period and thereafter diligently prosecutes such cure to completion.
- 16.1.3 <u>Bankru ptcy</u>. 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 shall first occur.

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 a right or remedy which Landlord may have by reason of such default or breach:

16.2.1 <u>Terminate Lease</u>. Terminate Tenant's right to possession of the Premises by any lawful means, in which case this Lease shall terminate and Tenant shall immediately surrender possession of the Premises to Landlord. In such event Landlord shall be entitled to recover from the Tenant all past due rents and other charges; the expenses of reletting the Premises, including necessary renovation and alteration of the Premises, reasonable attorneys' fees and costs; the worth at the time of award by the court having jurisdiction thereof

of the amount by which the unpaid rent and other charges called for herein for the balance of the Lease Term after the time of such award exceeds the amount of such loss for the same period that Tenant proves could be reasonably avoided; and that portion of any leasing commission paid by Landlord and applicable to the unexpired Lease Term of this Lease. Unpaid installments of rent or other sums shall bear interest from the date due at the rate of ten percent (10%) per annum; or

Continue the Lease. Maintain Tenant's right to possession, in which case this Lease shall continue in effect whether or not Tenant shall have abandoned or vacated the Premises. In such event Landlord shall be entitled to enforce all Landlord's right and remedies under this Lease, including the right to recover past due rents and other charges, the rent and any other charges as may become due hereunder, and at Landlord's option, to recover the worth at the time of the award by the court having jurisdiction thereof of the amount by which the unpaid rent and other charges called for herein for the balance of the Lease Term after the time of such award exceeds the amount of such loss for the same period that Tenant proves could be reasonably avoided.

- Reletting for Tenant's Account. Landlord may reenter and attempt to relet without terminating this Lease and remove all persons and property from the Premises (which property may be removed and stored in a public warehouse or elsewhere at the cost and risk of, and for the account of, Tenant), all without service of notice or resort to legal process and without being deemed guilty of trespass, or any liability of Landlord for any loss or damage which may be occasioned thereby. If Landlord, without terminating this Lease, either
- (1) elects to reenter the Premises and attempt to relet, or (2) takes possession of the Premises pursuant to legal proceedings, or (3) takes possession of the Premises pursuant to any notice provided by law, then Landlord may, from time to time, make such alterations and repairs

as may be reasonably necessary in order to relet the Premises or any part thereof for such term or terms (which may be for a term extending beyond the term of this Lease) and at such rent and other terms as Landlord in its reasonable discretion deems advisable. Upon such reletting, all rents received by Landlord from such reletting shall be applied, first, to the payment of any indebtedness of Tenant (other than any rents due hereunder) to Landlord; second, to the payment of any costs and expenses of obtaining possession and any such reletting, including expense of reasonable alterations and repairs, brokerage fees and attorneys' fees; third, to the payment of any rents due and unpaid hereunder. If such rents and any other amounts received from such reletting during any month be less than that to be paid during that month by Tenant, Tenant shall immediately pay such deficiency to Landlord. No such reentry or taking possession of the Premises by Landlord shall be construed as an election by Landlord to terminate this Lease unless a notice of such intention be given to Tenant. Notwithstanding any such reletting without termination, Landlord may at any time thereafter elect to terminate this Lease for such previous breach. Should Landlord at any time terminate this Lease for any breach, in addition to any other remedies it may have, Landlord may recover from Tenant all damages it may incur by reason of such breach, including the cost of recovering the Premises, reimbursement of any brokerage fees incurred by Landlord in connection with Tenant's Lease and all rent (accrued or to accrue during the term of the Lease) which, at Landlord's election, shall be accelerated and be due in full on demand.

Other Remedies. 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, including but not limited to the right to assess against Tenant an amount equal to the reasonable attorneys' fees incurred by Landlord in collecting any rent or other payment due hereunder, which amount shall be due in full within ten (10) days of Tenant's receipt of the assessment by Landlord.

than thirty (30) days after receipt of Tenant's notice specifying such default, Tenant may incur any expense necessary to perform any obligation of Landlord specified in such notice and deduct such expense from any sums payable by Tenant under this Lease thereafter to become due or pursue any other remedy available at law, equity or by statute, including, but not limited to, damages and/or the right to terminate said Lease. Provided, however, if Landlord's obligation is such that more than thirty (30) days are required for its performance, Landlord shall not be deemed in default if it commences such performance within such thirty (30) day period and uses best efforts to diligently prosecutes the same to completion.

Irrespective of anything contained in this Section 17, Tenant may not deduct any expenses against any sums payable by Tenant to landlord under this Lease unless Tenant gave Landlord at least thirty (30) days' notice in writing of the default and Tenant's intention to incur expense to cure said default. In any

event, Tenant may only deduct the reasonable cost of curing said default. Provided, further, Tenant's inability to deduct said expense against any sums payable by Tenant to Landlord under this Lease shall not affect any other right or remedy of Tenant. In no event shall Tenant have the right to terminate this Lease as a result of Landlord's default.

18 <u>Landlord's Financing</u>.

<u>Cure by Tenant</u>. If Landlord shall default in the payment of any such mortgage or otherwise fails to comply therewith, and notice of such default has been given Landlord by lender, Landlord shall have the obligation to immediately notify the Tenant of such default or failure and Tenant shall have the right and privilege of paying to the mortgagee any amount so in default, but shall have no obligation to do so. Upon tenant making any such

payment, it shall be entitled to deduct the amount so paid from the rent due, until the amount of such payment shall have been fully repaid to the Tenant.

Signage. Prior to opening for business, Tenant may install a permanent exterior sign on the building in conformance with all local ordinances and rules. The design and plan for installation of all signs on or exposed to the exterior of the building shall be subject to prior written approval of Landlord which approval shall not be unreasonably withheld or delayed. In the event Tenant shall install any sign in violation of this Paragraph, Landlord shall have the right, upon five (5) days prior written notice to Tenant, to enter upon the Premises, remove and store the subject sign and repair all damage caused by the removal of the sign all at Tenant's cost and expense, all without liability to Landlord. Tenant shall remove immediately any interior or exterior signage, advertisement, decoration or similar thing which Landlord reasonably deems objectionable or offensive. If Tenant fails to do so, Landlord may enter upon the Premises and remove same at Tenant's cost and expense.

20 <u>Miscellaneous</u>.

Waivers. No waiver by either party of any provision of this Lease shall be deemed to be a waiver of any other provision hereof or of any subsequent breach by the breaching party of the same or any other provision. Landlord's consent to or approval of any act by Tenant requiring Landlord's consent or approval shall 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.

Notices. All notices under this Lease shall be in writing and delivered in person or deposited in the United States mail, certified and postage prepaid and addressed to the address of Tenant or Landlord shown below or at such other address as may be designated by either party inwriting.

LANDLORD'S ADDRESS:

EBH Investments 2125 East₁ 79 ₽

Avenue

Anchorage, Alaska 99507

TENANT'S
ADDRESS: RC
Tinderbox, LLC
7801 King Street
Anchorage, Alaska 99518

2B <u>Interest on Past Due Obligations</u>. Any amount due from Tenant to Landlord hereunder which is not paid when due shall bear interest at the rate of ten percent (10%) per annum from the date due until paid, but the payment of such interest shall not excuse or cure any default by Tenant.

204 <u>Construction</u>.

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

Grany # >

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

20.4.3 The 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, the Parties acknowledge and agree that Addendum A is incorporated to this Lease;

20.4.5 Time is of the essence of this Lease in each and every provisions

thereof; and

20.4.6 Nothing contained herein shall create the relationship of principal and agent or of partnership or of joint venture between the parties hereto and no provisions contained herein shall be deemed to create any relationship other than that of landlord and tenant.

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 shall be made with respect to this document based on which

party drafted the document.

- Successor. Subject to any limitations on assignments herein, all of the provisions of this Lease shall inure to the benefit of and be binding upon the successors and assigns of the parties hereto.
- 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 shall 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 shall be entitled to recover reasonable actual attorneys' fees and costs and expenses, as provided above, regardless of whether litigation is actually commenced.
- 207 <u>Jurisdiction and Venue</u>. The parties hereto do hereby consent to jurisdiction and venue of the Superior Court in Anchorage, Alaska.

208 Dispute Resolution.

- 20.8.1 Occasions for Arbitration. In the event of disputes between the parties, related to this agreement or the transactions or relationships contemplated hereby, such disputes shall be resolved by arbitration in accordance with the provisions of this Article, and the parties waive the right to proceed in courts of law or equity as to these matters.
- 20.8.2 Procedure. In the event of such dispute as described in the preceding section, the dispute shall be settled by arbitration administered by the American Arbitration Association under its Commercial Arbitration Rules, and judgment on the award rendered by the arbitrator(s) may be entered in any court having jurisdiction thereof. All arbitration hearings shall be conducted in Anchorage, Alaska. Prior to instituting an arbitration proceeding, the parties agree to attempt to settle such dispute or claim through non-binding mediation presided over by a mutually-agreeable mediator. The decision of said arbitrator shall be final and binding, and no appeal may be taken therefrom. Arbitration shall be conducted under the laws of the State of Alaska. Said decision may be confirmed by a court of law, if necessary, in accordance with the provisions of Alaska law.
- 20.8.3 <u>Unlawful Detainer</u>. Notwithstanding the above arbitration clause, in the event of a failure to pay rent or other failure to perform hereunder by Tenant, Landlord shall be entitled to commence eviction proceedings under the unlawful detainer statute.
- 20.9 <u>Authority</u>. Each individual executing this Lease on behalf of Tenant represents and warrants that he is duly authorized to execute and deliver this Lease on behalf of Tenant, in accordance with a duly adopted resolution of the Manager and Members of Tenant authorizing and consenting to this Lease; authorizing the specific individuals signing

this Lease to execute, acknowledge and deliver the same without the consent of any other Member of Manager; resolving that such action and execution is in accordance with the Operating Agreement of Tenant; and resolving that this Lease is binding upon Tenant in accordance with its terms.

20.10 <u>Counterparts</u>; <u>Electronically Transmitted Signatures</u>. This Lease may be executed in any number of counterparts, each of which shall be deemed to be an original, but all of which together shall constitute one and the same instrument. Each party agrees to promptly deliver an executed original of this Lease with its actual signature to the other party, but a failure to do so shall not affect the enforceability of this Lease, it being expressly agreed that each party to this Lease shall be bound by its own electronically transmitted signature and shall accept the electronically transmitted signature of the other party to this Lease.

20.11 Entire Agreement. This Lease constitutes and embodies the entire understanding and agreement of the parties hereto relating to the subject matter hereof and there are no other agreements or understandings, written or oral, in effect between the parties relating to such subject matter except as expressly referred to herein.

DATED this

day of April, 2016.

LANDLORD:

E B H INVESTMENTS, an Alaska Partnership

By: Gary Bucy

Title: Partner and Authorized Representative

TENANT:

RC TINDERBOX, a Alaska limited liability company

By: Christina Euscher

Title: Managing Member

By: Rick Euscher

Title Managing Member

By: Matt Lindemann

Title: Managing Member

Addendum "A" for Lease Dated And Son Property Located at 7801 King Street Anchorage 99518 ("Premises") by and between E B H Investments, an Alaska partnership, ("Landlord") and RC Tinderbox, LLC, an Alaska limited liability company ("Tenant").

The purpose of this Addendum "A" is to memorialize the agreements for improvements to the Premises and cost allocation of the same between Tenants and Landlord (collectively the "Parties").

Tenants and Landlord hereby agree to the following cost allocations:

- (1) The Parties agree that Landlord shall pay all costs associated with the necessary upgrade of power to the Premises.
- (2) The Parties agree that Tenant shall pay all other costs associated with any other improvements.

(3) Property taxes will be prorated to April 1 2016.

The Parties agree to the forgoing and it is the intention that this Addendum "A" be fully incorporated by reference to and become a part of the Lease dated ADL 18 7010.

DATED this 25 day of April, 2016.

LANDLORD:

EBHINVESTMENTS, an Alaska Partnership

By: Gary Bucy

Title: Pattner and Authorized Representative

TENANT:

RC TINDERFOX, a Alaska limited liability company

By: Christina Euscher

Title: Managing Member

By: Rick Euscher

Title: Managing Member

By: Matt Lindemann

Title: Managing Member

AbAH to Septuero inc. Customerson is Bloodto.com Taxes amorrized from April 1
Any Rebate from Chugaeh is given to Gay Bug
term. The Base Monthly Rent for the renewal period shall be the fair rental value

Building Inswarp Dark Adams 250-7333

term. The Base Monthly Rent for the renewal period shall be the fair rental value of the Premises at the time the renewal period is to commence If the parties cannot agree upon the fair rental value at such time, then it shall be determined by binding arbitration in accordance with this agreement. However, in no event shall the renewal term Base Monthly Rent be less than the Base Monthly Rent in effect immediately preceding the commencement of the renewal period or 10% more than the Base Monthly Rent of the proceeding term.

efforts and at no fault of its own, is unable to obtain an Alaska state license and municipal use permit approvals for a marijuana establishment [or there are changes in Alaska state or municipal law that make the business of Tenant illegal], Tenant may, at Tenant's election, be released from the terms of the Lease. In such event Landlord shall retain, as liquidated damages all payments and deposits paid by or on behalf of Tenant. Landlord and Tenant acknowledge that Landlord's damages in such an event are difficult to precisely measure, but that said sum is a reasonable approximation of those damages. This release and liquidated damages prov1s1on 1s not applicable m any circumstances other than those expressly set forth in this paragraph.

3. Rent.

3.1 <u>Base Monthly Rent</u>. The Tenant shall pay to the Landlord at Landlord's address specified below, or at such other place as the Landlord may hereinafter designate, on or before the twenty-fifth (25th) day of each month preceding the month for which such rent is Commencement Date, without offset or deduction the following amounts as Base Monthly Rent for the Premises:

March 1, 2016 to March 31, 2016: None.

April 1, 2016 to July 31, 2016: \$5,000 per month.

August 1, 2016 to December 31, 2016: \$12,800.00 per month. January 1, 2017 to December 31, 2017: \$17,600.00 per month. January 1, 2018 to December 31, 2018: \$18,400.00 per month.

January 1,2019 to December 31, 2019: \$19,200.00 per month.

January 1, 2020 to December 31, 2020: \$20,000.00 per month.

January 1,2021 to March 31,2021: \$20,800.00 per month.

2.2 Percentage Rent. During the term and any Extension Term of this Lease, in addition to Base Monthly Rental, Tenant shall pay to the Landlord at Landlord's address specified below, or at such other place as the Landlord may hereinafter designate, within 30 days the end of each calendar quarter percentage rent as follows:

March 1, 2016 to December 31, 2016: two percent (2%) of Tenant's net profits for the preceding calendrer quarter computed according to federal income tax principles.

Journal of Commerce

Alaska's Paper of Record • Established 1977

Affidavit of Publication

Account No. 1000718666

ATTACH PROOF OF PUB HERE

EUSCHER 7801 KING STREET ANCHORAGE AK 99518 USA

UNITED STATES OF AMERICA, STATE OF ALASKA, THIRD DISTRICT BEFORE ME, THE UNDERSIGNED, A NOTARY PUBLIC THIS DAY PERSONALLY APPEARED Andrew Jensen WHO, BEING FIRST DULY SWORN, ACCORDING TO THE LAW, SAYS THAT HE/SHE IS AN AUTHORIZED REPRESENTATIVE OF THE ALASKA JOURNAL OF COMMERCE PUBLISHED AT 301 ARCTIC SLOPE, SUITE 350, IN SAID THIRD DISTRICT AND STATE OF ALASKA AND THAT ADVERTISEMENT, OF WHICH THE ANNEXED IS A TRUE COPY, WHICH HAS PUBLISHED IN SAID PUBLICATION ON THE DATES LISTED BELOW:

R.C. Tinderbox, LLC is applying under 3 AAC 306.400(a)(1) for a new Standard Marijuana Cultivation Facility license, license #10299, doing business as R.C. TINDERBOX, LLC, located at 7801 King St., Anchorage, AK, 99518, 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.

Pub: 5/22, 29 & 6/5, 2016.

Ad#700005663

Section / Ad #	Run Date	Page Placement
LEGAL NOTICES		
7000056631-01		
	5/22/2016	
	5/29/2016	
	6/5/2016	
STATE OF THE STATE	3	

Andrew Jensen

AUTHORIZED REPRESENTATIVE

SUBSCRIBED AND SWORN BEFORE ME

THIS ON DAY OF

NOTARY PUBLIC STATE OF ALASKA

MY COMMISSION EXPIRES 12/19/19

PUBLIC ON LARS HAMING LARA BIOGRAPHICAL LARA BIOGRAPHICA BIO



Department of Commerce, Community, and Economic Development

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

MEMORANDUM

TO: Chair and Members of the Board DATE: July 18, 2016

FROM: Cynthia Franklin RE: R. C. Tinderbox, LLC #10299

Director, Marijuana Control Board

This is an application for a new standard cultivation facility in the Municipality of Anchorage by R.C. Tinderbox, LLC DBA R.C. Tinderbox, LLC

Date Application Initiated: 05/05/2016

Date Under Review: 06/17/2016

Incomplete Letter(s) Date: 06/30/2016

Date Final Corrections Submitted: 06/30/2016

Determined Complete/Notices Sent: 07/06/2016

Local Government Response/Date: Protest – 07/15/16

DEC Response/Date: N/A (deferred)

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

Objection(s) Received/Date: No

Staff questions for Board: No

Alaska Marijuana Control Board

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

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:	R.C. Tinderbox, LLC	License	License Number:		
License Type:	Standard Marijuana Cultivation Facility				
Doing Business As:	R.C. TINDERBOX, LLC				
Physical Address:	7801 King St.				
City:	Anchorage	State:	AK	Zip Code:	99518
Designated Owner:	Christina Euscher	·			
Email Address:	elway331999@hotmail.com				

Section 2 - Attached Items

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

Attached Items:	-MJ00 – from all three owners -MJ01 – Operating Plan -MJ02 – Premise Diagram -MJ04 - Supp Cultivating Plan	

OFFICE USE ONLY					
Received Date:		Payment Submitted Y/N:		Transaction #:	

Alaska Marijuana Control Board

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

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Section 1 - Establishment Information

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

Licensee:	R.C. Tinderbox, LLC	Lic	License Number:		10299	
License Type:	Standard Marijuana Cultivation Facility					
Doing Business As:	R.C. TINDERBOX, LLC					
Physical Address:	7801 King St.					
City:	Anchorage	Sta	ate:	AK	Zip Code:	99518
Designated Owner:	Christina Euscher					
Email Address:	elway331999@hotmail.com					

Section 2 - Attached Items

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

Attached Items:		
	-MJ07 – Public Notice Posting Affidavit -MJ08 – Local Government Notice Affidavit -Publisher's affidavit -MJ09 – all three owners financial interest form	

OFFICE USE ONLY					
Received Date:		Payment Submitted Y/N:		Transaction #:	

From: <u>Marijuana Licensing (CED sponsored)</u>

To: jefflandfield@hotmail.com
Cc: info@communitycouncils.org

Subject:CC Notification-R. C. Tinderbox, LLC #10299Date:Wednesday, July 06, 2016 10:04:00 AMAttachments:10299 CC Notice R. C. Tinderbox, LLC.pdf

Good morning;

Please see attached correspondence regarding a marijuana establishment license.

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

Thank you

AMCO Staff

From: Marijuana Licensing (CED sponsored)
To: "elway331999@hotmail.com"
Cc: Marijuana Licensing (CED sponsored)

Subject: Complete Letter-R. C. Tinderbox, LLC # 10299

Date: Wednesday, July 06, 2016 10:06:00 AM

Attachments: 10299 Complete Letter.pdf

Good afternoon,

Please see attached correspondence regarding your marijuana establishment license.

Thank you AMCO Staff

From: AMCO Local Government Only (CED sponsored)

To: Miranda Honest (honestml@muni.org); moserak@muni.org; McConnell, Erika B. (McConnellEB@ci.anchorage.ak.us);

"mclaughlinfd@muni.org"; odellsm@muni.org; schoenthaltn@muni.org

Subject: LG Notification-10299 R.C. Tinderbox, LLC

Date: Wednesday, July 06, 2016 9:55:00 AM

Attachments: 10299 LG Notice R. C. Tinderbox, LLC.pdf

Dear local government officials,

Please find the attached notification for a new marijuana establishment license. Direct all responses 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.

Using the ZendTo drop box. 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=GvUTVM NQMb2yjSvp&claimPasscode=bHA9fU6g89H2uK6f&emailAddr=calderjp% 40amail.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. GvUTVMNQMb2viSvp Claim ID: 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) Files

Click the link that is circled in red in the image above. You should be redirected to a page with something 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.

File	ename	Туре	Size	Description
D	ABCAgenda.pdf	application/pdf	472.3 KB	
	Tabl.pdf	application/pdf	416.6 KB	
13	Tab10.pdf	application/pdf	259.1 KB	
0	Tab11.pdf	application/pdf	1.9 MB	
D	Tab12.pdf	application/pdf	1.7 MB	
13	Tab13.pdf	application/pdf	10.0 MB	
D	Tab14.pdf	application/pdf	3.5 MB	
10	Tab15.pdf	application/pdf	1.4 MB	
D	Tab16.pdf	application/pdf	513.9 KB	
13	Tab17.pdf	application/pdf	812.2 KB	
17%	2.492	and the street and the str	CEO E IVO	

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

Thank you

AMCO Staff

amco.localgovernmentonly@alaska.gov

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

Office of the Municipal Clerk Licensing

July 15, 2016

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

RE:

Local Governing Body Action on State Marijuana License

R.C. Tinderbox, LLC #10299

Dear Ms. Franklin:

In accordance with Anchorage Municipal Code 10.80.061A., the Municipal Clerk is **protesting** the state marijuana establishment license #10299 for a standard marijuana cultivation facility, doing business as R.C. Tinderbox, LLC.

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

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

Cordially,

Mandy Honest

Business License Official

Concur,

Amanda K. Moser Deputy Municipal Clerk

C: Erika McConnell, Special Assistant to the OECD Director R.C. Tinderbox, LLC – via email