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

Alaska Marijuana Control Board

Cover Sheet for Marijuana Establishment Applications

What is this form?

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

Section 1 – Establishment Information

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

Licensee:	Alaska Green Glacier Gardens LLC	**License Number:**	10154		
License Type:	Retail Marijuana Store				
Doing Business As:	ALASKA GREEN CROSS				
Physical Address:	211 E, Dimond unit A				
City:	Anchorage	**State:**	AK	**Zip Code:**	99515
Designated Licensee:					
Email Address:	greencross@alaska.net				

Section 2 – Attached Items

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

Attached Items:	UPDATED ENTITY DOCUMENTS

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

Department of Commerce, Community, and Economic Development

Division of Corporations, Business and Professional Licensing

State of Alaska > Commerce > Corporations, Business, & Professional Licensing > Corporations Search

NAME(S)

Type	Name
Legal Name	Alaska Green Glacier Gardens LLC

ENTITY DETAILS

Entity Type: Limited Liability Company
Entity #: 10023992
Status: Good Standing
AK Formed Date: 10/6/2014
Duration/Expiration: Perpetual
Home State: ALASKA
Next Biennial Report Due: 1/2/2018
Entity Mailing Address: BOX 528, ANCHORAGE, AK 99516
Entity Physical Address: 211 E DIMOND BLVD #A, ANCHORAGE, AK 99515

REGISTERED AGENT

Agent Name: Adele Tara
Registered Mailing Address: 17045 NICKLEEN ST., ANCHORAGE, AK 99516
Registered Physical Address: 1021 TURPIN ST. #1231, ANCHORAGE, AK 99504

OFFICIALS

AK Entity#	Name	Titles	Percent Owned
	ADELE DAVIS	Member	77
	Cody Davis	Member	5
	DANTAE LLOYD	Member	5
	EDWARD MCVEAUGH	Member	3
	WEST BENNETT	Member	3

FILED DOCUMENTS

Date Filed	Type	Filing	Certificate
10/6/2014	Creation Filing		
7/8/2015	Initial Report		
11/17/2015	Biennial Report		
8/3/2016	Change of Officials		

Juneau Mailing Address
P.O. Box 110806
Juneau, AK 99811-0806
Physical Address
333 Willoughby Avenue
9th Floor
Juneau, AK 99801-1770
Phone Numbers
Main Phone: (907) 465-2550
FAX: (907) 465-2974

Anchorage Mailing/Physical Address
550 West Seventh Avenue
Suite 1500
Anchorage, AK 99501-3567
Phone Numbers
Main Phone: (907) 269-8160
FAX: (907) 269-8156

OPERATING AGREEMENT
OF
ALASKA GREEN GLACIER GARDENS, LLC

THIS OPERATING AGREEMENT (the "Agreement") of ALASKA GREEN GLACIER GARDENS, LLC, an Alaska limited liability company (the "Company"), is made and adopted effective as of the __ day of August, 2016 (the "Agreement Date"), by the initial Members of the Company, whose names are set forth on Exhibit A attached hereto.

In consideration of the mutual covenants contained in this Agreement, and other good and valuable consideration, the receipt and sufficiency of which are acknowledged by the current Members, the Agreement of the Company is as follows:

ARTICLE I
ORGANIZATIONAL MATTERS

1.1 Organization.

(a) The Company is a limited liability company organized and existing under the laws of the State of Alaska pursuant to the Articles of Organization filed on behalf of the Company with the Alaska Department of Commerce, Community, and Economic Development ("Department"). A true copy of the Company's Articles of Organization is attached hereto as Exhibit B.

(b) This Agreement shall govern the business and affairs of the Company and the rights, obligations and liabilities of the Members to the extent permitted by the Act.

1.2 Term. The term of the Company shall be perpetual unless terminated in accordance with this Agreement.

1.3 Counsel. The Members ratify the Company's retention of Harry B. Carawan III in connection with the formation and organization of the Company and the preparation of this Agreement. The Members have been given the opportunity to retain other counsel to represent their separate individual interests in connection with such matters.

1.4 Annex I. Except as otherwise defined in the text of this Agreement, all capitalized terms used herein shall have the meanings given to them, respectively, in Annex 1to this Agreement, which is hereby incorporated herein by this reference.

ARTICLE II
NAME, OFFICE OF THE COMPANY, AND REGISTERED AGENT

2.1 Name. The name of the Company is ALASKA GREEN GLACIER GARDENS, LLC. The Business may be conducted under such trade or fictitious names as the Board of Managers may determine.

2.2 Office of the Company. The principal place of business of the Company and the specified office of the Company at which shall be kept the records required to be maintained by the Company under the Act shall be 17945 Nickleen Street, Anchorage, AK 99516 or such other place or places as the Manager shall designate. The Articles of Organization shall be amended and/or restated to the extent necessary to reflect the accurate address of such principal place of business from time to time.

2.3 Registered Agent. The Company's initial agent in the State of Alaska for service of process shall be Adele T. Davis, whose physical address is 17945 Nickleen Street, Anchorage, AK 99516 and mailing address is 1120 Huffman Road, Suite 24, Box 528, Anchorage, AK 99515.

ARTICLE III
PURPOSE OF THE COMPANY

The purpose of the Company shall be to engage in the Business.

ARTICLE IV
MEMBERS, INTERESTS, AND CAPITAL

4.1 Economic Units and Member Contributions.

(a) The respective economic ownership interests of the Members in the Company and their rights to share in the Company's capital, equity/capital appreciation and/or profits, or any combination or any one of the foregoing, or the voting rights, tax allocations, rights to distributions, rights upon dissolution or liquidation, preference, limitations, and other terms, conditions, relative rights and restrictions of such Members in respect of their economic ownership interests, shall be expressed as Economic Units. The number and class of Economic Units held by the Members as of the Agreement Date are as set forth on Exhibit A attached hereto. Except as otherwise set in this Agreement or in an applicable Class Resolution, Economic Units of each class shall have identical rights to share in the capital, equity/capital appreciation and profits of the Company and shall have identical voting rights, tax allocations, rights to distributions, rights upon dissolution or liquidation, preferences, limitations and other terms, conditions, relative rights or restrictions as any other class of Economic Units.

(b) Economic Units may be issued or re-issued from time to time in one or more classes, having such designations, rights to share in the capital, equity/capital appreciation and/or profits of the Company, or any combination or any one of the foregoing, voting rights (if any), tax allocations, rights to distributions, rights upon dissolution or liquidation, preferences, limitations and other terms, conditions, relative rights or restrictions as shall be set forth in this Agreement, as amended, or in an applicable Class Resolution. A Class Resolution establishing the designation(s), rights to share in the capital, equity/capital appreciation and/or profits, or any combination or any one of the foregoing, or the voting

rights (if any), tax allocations, rights to distributions, rights upon dissolution or liquidation, preferences, limitations, and other terms, conditions, relative rights or restrictions of any class or series of Economic Units shall be deemed to amend, and shall be incorporated into, this Agreement as an essential part of this Agreement.

(c) The classes of Economic Units established as of the Agreement Date are described in Exhibit C attached hereto, which is incorporated by this reference herein. The adoption of a Class Resolution establishing Economic Units of any other class shall be subject to the requirements of Section 7.07 hereof. The Economic Units issued within any single class shall have rights identical with each other and, accordingly, except as otherwise provided in this Agreement, Members holding Economic Units of the same class shall share in the capital, equity/capital appreciation and profits of the Company, and shall share voting rights (if any), rights to distributions and rights upon dissolution or liquidation of the Company in proportion to their respective holdings of Economic Units of such class.

(d) The Members shall take and hold their respective Economic Units of any class subject to the condition that the Company may issue Economic Units of another class having greater, senior, identical, lesser or junior rights to share in the capital, equity/capital appreciation and/or profits of the Company, or any combination or any one of the foregoing, or voting rights, tax allocations, rights to distributions, rights upon dissolution or liquidation, preferences, limitations and other terms, conditions, relative rights or restrictions as shall be set forth in this Agreement, as amended, or in an applicable Class Resolution.

(e) In no event may a Resolution change the designation(s), rights to share in the capital, equity/capital appreciation and/or profits of the Company, or any combination of any one of the foregoing, or the voting rights, tax allocations, rights to distributions, rights upon dissolution or liquidation, preferences, limitations and other terms, conditions, relative rights or restrictions of any class of Economic Units then currently issued and outstanding unless such Resolution shall be approved in accordance with the provisions of Section 12.02 hereof.

(f) In consideration of the Economic Units issued to each of them hereunder, the initial Members shall, as their respective initial Capital Contributions to the Company, contribute the cash, promissory note, property, services and/or contract for services

set forth opposite such Member's name on Exhibit A attached hereto. Only the Members holding Class B Common Economic Units shall be required to contribute cash or property as their initial Capital Contributions.

4.2 Additional Contributions.

(a) The Manager may, from time to time, in her discretion, call for additional Capital Contributions from the Members holding Class B Common Economic Units, in proportion to their respective Class B Common Economic Units, in an aggregate amount from all such Members not to exceed $, for purposes of funding a Reasonable Reserve, Operating Expenses, Debt Service, and other Company obligations. No additional Capital Contributions may be required in respect of any Member's Class A Common Economic Units. Within twenty (20) days of the notice of the Manager's capital call, each Member holding Class B Common Economic Units shall contribute his/its pro rata share of the capital call. Except as otherwise required in an applicable Class Resolution, no Member shall be required to make any Capital Contributions in excess of that required pursuant to the foregoing provisions of Section 4.01 and this Section 4.02.

(b) If any Member holding Class B Common Economic Units fails to pay any amount he/it is required to contribute to the Company under Section 4.02(a) above by the due date thereof, such Member shall be deemed a Defaulting Member. The amount in default shall bear interest at an annual rate of three percent (3%) plus the Prime Rate in effect from time to time (but not higher than the maximum rate legally permitted). All distributions otherwise payable to the Defaulting Member shall be retained by the Company and applied first to the payment of interest and then to the principal amount in default.

(c) The Contributing Member(s), or any of them, may make a curative Capital Contribution in the amount that the Defaulting Member is in default, exclusive of accrued interest. A Contributing Member need not own any Class B Common Economic Units prior to the date of such curative Capital Contribution. If any Contributing Member desires to make a curative Capital Contribution as provided in this Section 4.02(c), that Contributing Member shall give ten (10) days' advance notice of the proposed curative Capital Contribution to the Defaulting Member (the "Default Notice") and to the other Members. If a Defaulting Member does not cure the default within such ten (10) day period, the Contributing Member may make a curative Capital Contribution to the Company as herein described. Should more than one Contributing Member desire to make such a curative Capital Contribution, they may do so in proportion to their respective Economic Units (of any class) or as they shall otherwise agree. Any such curative Capital Contribution shall be made within twenty (20) days after the date of the Default Notice. The curative Capital Contribution(s) shall be deemed to cure the default of the Defaulting Member; provided, however, a Defaulting Member shall remain liable for any accrued but unpaid interest in respect of the default due to the Company, and all distributions otherwise payable to the Defaulting Member shall continue to be retained by the Company and applied to the payment of such interest until such interest has been paid.

(d) Upon the contribution of a curative Capital Contribution, the number of Class B Common Economic Units held by each Member shall be recalculated and adjusted to equal to the product of (i) the number of Class B Common Economic Units held by all Members prior to the default multiplied by (ii) a fraction, the numerator of which shall be the sum of Capital Contributions made by such Member (or any predecessor in interest) to the Company (including curative Capital Contributions made by such Member under Section 4.02(c) above) and the denominator of which shall be the total Capital Contributions made by all of the Members (and predecessors in interest) to the Company (including curative Capital Contributions made under Section 4.02(c) above).

(e) The remedies provided in this Section 4.02 shall be in addition to any other remedies set forth in this Agreement, including without limitation the provisions of Section 10.03 hereof.

4.3 Guaranty of Company Indebtedness. The Company's lender(s) or surety(ies) may require the personal guaranty or indemnity of certain of the Members in respect of indebtedness or other obligations incurred by the Company in furtherance of the Business. Each of the Members holding Class B Common Economic Units (each a "Guarantor-Member" and, collectively, the "Guarantor-Members") agrees from time to time to enter into and deliver a personal guaranty, indemnification agreement or similar undertaking for the benefit of the Company's lender(s) or surety(ies) in an aggregate amount from all Guarantor-Members not to exceed $ outstanding at any one time. Any indebtedness of the Company guaranteed by the Guarantor-Member(s) or any amount for which the Guarantor-Member(s) may be required to indemnify the Company's lender(s) or surety(ies) is individually herein referred to as a "Guaranteed Obligation" and collectively herein referred to as "Guaranteed Obligations." If any Guarantor-Member is required to pay any of the Guaranteed Obligations out of his/its individual assets (each such Guarantor-Member shall be referred to herein below as a "Paying Member"), in whole or in part, the Paying Member shall be entitled to indemnification from the other Guarantor-Member(s) (each, an "Indemnifying Member") for the amount by which the portion of the Guaranteed Obligations that the Paying Member actually pays exceeds his/its pro rata share of the Guaranteed Obligations then being paid out of the individual assets of all of the Guarantor-Members ("Discharged Guaranteed Obligations"). Each Guarantor-Member's pro rata share of the Discharged Guaranteed Obligations shall equal (a) the amount of Discharged Obligations multiplied by (b) the percentage of the outstanding Class B Common Economic Units held by such Guarantor-Member. The Indemnifying Member(s) shall indemnify and reimburse each Paying Member for any amount of Guaranteed Obligations that such Paying Member has paid to the Company's lender(s) or surety(ies) in excess of the Paying Member's pro rata share of the Discharged Guaranteed Obligations (up to a maximum amount in each case not to exceed any Indemnifying Member's pro rata share of the Discharged Guaranteed Obligations) within thirty (30) days after receipt of a written demand therefor from the Paying Member. Any amount which an Indemnifying Member is required to pay pursuant to the foregoing provisions of this

Section 4.03 to a Paying Member which is not paid in a timely manner shall bear interest at an annual rate of three percent (3%) plus the Prime Rate in effect from time to time (but not higher than the maximum rate legally permitted). All distributions otherwise payable to an Indemnifying Member shall be paid over the Company to the Paying Member(s) and applied first to the payment of interest and then to the principal amount in default under this Section 4.03.

4.4 No Third-Party Beneficiaries. The provisions of this Article IV are not intended to be for the benefit of any creditor or other Person to whom any debts, liabilities or obligations are owed by (or who otherwise has any claim against) the Company or any of the Members; and no creditor or other Person shall obtain any right under any of such provisions or shall by reason of any of such provisions make any claim in respect of any debt, liability or obligation (or otherwise) against the Company or any of the Members.

4.5 Allocations. The outstanding Economic Units shall be allocated Profits, Net Income, Losses, Net Loss, Gain from Sale and Loss from Sale and shall be subject to certain tax allocations, in the manner set forth in Annex II attached hereto, which is incorporated by this reference herein.

4.6 Distributions. Except as otherwise provided in Section 11.02 hereof or in any applicable Class Resolution, Cash Available for Distribution shall be distributed periodically to the Members, upon authorization by the Manager, in accordance with the provisions of Exhibit C, which is incorporated by this reference herein.

ARTICLE V
MANAGER

5.1 Power and Authority of the Manager.

(a) Except as otherwise provided in this Agreement or an applicable Class Resolution, the Manager shall have the exclusive right, power and authority on behalf of the Company, and in its name, to exercise all of the rights, powers and authorities of the Company under the Act. The Manager shall discharge his or its duties as a manager in accordance with the standards of conduct set forth in section 10.50.135 of the Act. Except as otherwise provided in this Agreement or an applicable Class Resolution, the Manager may approve and execute Contracts in the name and behalf of the Company. An action taken by the Manager in accordance with the requirements of this Article V shall not be considered "inconsistent with this Agreement" if such action does not conflict with an express provision of this Agreement.

(b) Except as otherwise provided in Section 7.07 below or in an applicable Class Resolution, the Members shall not be permitted or required to vote on, or otherwise

participate in the approval or determination of, any action involving the business and affairs of the Company other than the election, removal or replacement of the Manager as set forth in this Article V below.

(c) Without limitation of the authority and powers hereinabove conferred upon the Manager, but subject to the provisions of this Agreement and any applicable Class Resolution, the Manager is hereby granted the specific right, power and authority to do, in the name of, and on behalf of, the Company all things that, in his or its sole judgment, are necessary, proper or desirable to carry out the Business of the Company, including but not limited to the right, power and authority:

(i) To own, acquire by lease or purchase, develop, maintain, improve, grant options with respect to, sell, convey, finance, assign, mortgage, or lease real estate and/or personal property and to cause to have constructed improvements upon any real estate necessary, convenient or incidental to the accomplishment of the purposes of the Company.

(ii) To execute any and all Contracts, documents, certifications and instruments necessary or convenient in connection with the development, management, maintenance and operation of any properties in which the Company has an interest, including without limitation, necessary easements to public or quasi-public bodies or public utilities;

(iii) To borrow money and issue evidences of indebtedness in furtherance of any or all of the purposes of the Company, and to secure the repayment by deed of trust, mortgage, security interest, pledge or other lien or encumbrance on Company properties or any other assets of the Company;

(iv) To prepay in whole or in part, negotiate, refinance, recast, increase, renew, modify or extend any secured or other indebtedness affecting Company properties and in connection therewith to execute any extensions, renewals or modifications of any evidences of indebtedness secured by deeds of trust, mortgages, security interests, pledges or other encumbrances covering such properties;

(v) To enter into any kind of Contract or activity and to perform and carry out Contracts of any kind necessary to, or in connection with, or incidental to the accomplishment of the purposes of the Company, so long as those activities and Contracts may be lawfully carried on or performed by a limited liability company under applicable laws and regulations;

(vi) To lend money to the Company, as a creditor of the Company and not as an additional capital contribution to the Company; provided that the terms of any such loan, including the interest rate, shall be at least as favorable to the Company as those that could have been obtained by it on the same type of loan in the same locality from a lending institution; and

(vii) To make a capital contribution, including all or any part of the property of the Company, to another entity in exchange for an ownership interest.

(d) (i) Any Contract may be executed and delivered on behalf of the Company by the Manager, including any deed, deed of trust, note or other evidence of indebtedness, lease agreement, security agreement, financing statement, contract of sale, or other instrument purporting to convey or encumber, in whole or in part, any or all of the assets of the Company, at any time held in its name, or any receipt or compromise or settlement agreement with respect to the accounts receivable and claims of the Company; and no other signature shall be required for any such instrument to be valid, binding and enforceable against the Company in accordance with its terms. All persons may rely thereon and shall be exonerated from any and all liability if they deal with the Manager on the basis of documents approved and executed on behalf of the Company by the Manager.

(ii) Any person dealing with the Company or its Manager or Members may rely upon the certificate signed by a Manager as to:

(A) the identity of the Members or Manager;

(B) acts by the Members or Manager; or

(C) any act or failure to act by the Company or as to any other matter whatsoever involving the Company, the Manager or any Member.

5.2 Election and Term. Adele T. Davis is hereby designated and elected as the sole Manager of the Company. Except as otherwise set forth in an applicable Class Resolution, the term of the Manager shall continue until she or it is removed from such capacity by or as a result of (i) removal by the affirmative vote of Members holding not less than three-fourths of the outstanding Economic Units entitled to be voted, or (ii) the Manager's death or voluntary resignation.

5.3 Election and Removal of the Manager.

(a) Except as otherwise set forth in an applicable Class Resolution, any vacancy in the position of Manager shall be filled by the affirmative vote of the Members holding not less than a majority of the outstanding Economic Units entitled to be voted.

(b) Except as otherwise set forth in an applicable Class Resolution, the Manager may be removed from office, with or without cause, at any time, by the affirmative vote of Members holding not less than three-fourths of the outstanding Economic Units entitled to be voted.

5.4 Reimbursement of Expenses. The Manager shall be entitled to reimbursement of reasonable expenses incurred in connection with the Business and/or the performance of his or its duties and responsibilities hereunder. Compensation of the Manager for his/its

services in such capacity beyond the reimbursement expenses shall be subject to approval by the Members pursuant to Section 7.07 hereof.

5.5 Transactions with the Manager and Affiliates. Subject to any approval by the Members required pursuant to Section 7.07 hereof, the Manager may cause the Company to transact business and/or enter into Contracts with herself or any Affiliate thereof in furtherance of the Business on reasonable terms. The Members hereby ratify and approve all prior Contracts and transactions entered into between the Manager and the Company on the terms and conditions previously disclosed to the Members in writing.

5.6 Third Party Reliance; Agency Authority. Persons dealing with the Company shall be entitled to rely conclusively upon the power and authority of the Manager as set forth herein, subject only to the express limitations set forth in this Agreement or in an applicable Class Resolution.

5.7 Duties of the Manager. The Manager will devote such time, effort and skill in the management of the Company's business and affairs as he or it deems necessary and proper for the Company's welfare and success. The Members expressly recognize that the Manager has substantial other business activities and agree that the Manager shall not be bound to devote all of her or its business time to the affairs of the Company, and that the Manager or her or its Affiliates may engage for their own account and for the account of others in other businesses or activities. Without limitation of the foregoing, the Manager may engage in and/or possess an interest in other business ventures of any nature and description, independently or with others, including but not limited to the ownership, financing, operation, management and development of businesses which are similar in nature to the Business; and neither the Company nor any of the Members shall have any right by virtue of this Agreement to enter into any such independent venture or to share in any income or profits derived therefrom. Neither the Manager nor any Affiliate thereof shall be obligated to present any particular investment opportunity to the Company even if such opportunity is of a character that, if presented to the Company, could be taken by the Company, and the Manager shall have the right to take for her or its own account or to recommend to others any such particular investment opportunity.

ARTICLE VI
LIMITATION OF LIABILITY; INDEMNIFICATION

6.1 Limitation of Liability of Manager. The Manager shall not be liable, responsible or accountable in damages or otherwise to the Company or to any Member, or to any successor, assignee or transferee of the Company or of any Member, for any losses, claims, damages or liabilities arising from (a) any act performed, or the omission to perform any act, within the scope of the authority conferred on the Manager by this Agreement, except by reason of acts or omissions of the Manager found by a court of competent jurisdiction upon entry of a final judgment to be due to bad faith, fraud, willful misconduct, gross negligence or a knowing violation of the criminal law; (b) the performance by the Manager of, or the omission to perform, any acts on advice of legal counsel, accountants or other professional consultants to the Company; or (c) the negligence, dishonesty or bad faith of any consultant, employee, agent or contractor of the Company selected or engaged by the Manager in good faith.

6.2 Indemnification.

(a) The Company shall indemnify, defend and hold the Manager and its Affiliates harmless from and against, and their respective agents, employees, advisors, consultants and other independent contractors harmless from and against, any loss, liability, damage, fine, judgment, penalty, attachment, cost or expense, including reasonable attorneys' fees, arising from any demands, claims or lawsuits against the Manager, any of its Affiliates, or any of their respective agents, employees, advisors, consultants or other independent contractors, in or as a result of or relating to its capacity, actions or omissions as Manager, or as such an Affiliate, agent, employee, advisor, consultant or other independent contractor, arising from or relating to the business or activities undertaken on behalf of the Company, including, without limitation, any demands, claims or lawsuits initiated by a Member, provided that the acts or omissions of the Manager or any such Affiliate, agent, employee, advisor, consultant or other independent contractor giving rise to the claim for indemnification do not constitute bad faith, fraud, willful misconduct, gross negligence or a knowing violation of the criminal law by the person seeking indemnification.

(b) The Manager shall be entitled to receive, upon application therefor, and the Manager's Affiliates and their respective agents, employees, advisors, consultants or other independent contractors shall be entitled to receive, advances from the Company to cover the costs of defending any claim or action against them relating to their acts or omissions as Manager, or as such an Affiliate, agent, employee, advisor, consultant or other independent contractor or otherwise relating to the Company; provided, however, that such advances shall be repaid to the Company (with interest thereon at an annual rate equal to the Prime Rate in effect from time to time but not to exceed the maximum permitted by applicable law), if the Manager or the such Affiliate, agent, employee, advisor, consultant or other independent contractor who receives such advance is found by a court of competent jurisdiction upon entry of a final judgment to have violated any of the standards set forth in Section 6.02(a) above as conduct which precludes indemnification hereunder. All rights of the Manager or any Affiliates, agents, employees, advisors, consultants or other independent contractors to indemnification as herein provided shall survive the dissolution of the Company and any Withdrawal Event as to the Manager in her/its capacity as a Member.

ARTICLE VII
ACTION BY THE MEMBERS

7.1 Voting.

(a) Except as otherwise provided in this Agreement or in an applicable Class Resolution, each Member shall be entitled to one vote for each whole Economic Unit of a class entitled to be voted that is held by such Member (a fractional Economic Unit entitled to be voted shall have a corresponding fractional vote). Any reference in this Agreement to "outstanding Economic Units entitled to be voted" or any similar phrase shall mean those issued and outstanding Economic Units of the class or classes entitled to be voted on a matter then held by any Member or Members (thereby excluding a Withdrawing Member but including any New Member or Substituted Member who/which has been duly admitted to membership in the Company pursuant to provisions of Article IX or X of this Agreement).

(b) Except as otherwise provided in this Agreement (including Exhibit C attached hereto) or in an applicable Class Resolution: (i) Economic Units of any and all classes that are entitled to be voted shall be voted together as a single voting group on all matters coming before the Members and (ii) each Economic Unit of any class shall have one vote on each such matter.

(c) Except for the election, removal or replacement of the Manager, the matters set forth in Section 7.07 hereof, the matters set forth in Article XII hereof and the matters required to be voted on by Members under any applicable Class Resolution, the Members shall not be permitted or required to vote on, or otherwise participate in, the approval or determination of any action involving the business and affairs of the Company, which matters may and shall be decided exclusively by the Manager pursuant to the provisions of the Agreement.

(d) The Company may issue Economic Units of one or more additional classes, having such relative voting rights among them as shall be set forth in an applicable Class Resolution adopted by the Manager and the Members pursuant to Section 7.07 hereof. Such Class Resolutions(s) may establish separate voting groups for specified matters involving the business and affairs of the Company as may be described in such Class Resolution.

7.2 Meetings. Subject to the provisions of Section 7.06 hereof, the Members shall decide issues properly submitted to their vote at meetings of the Members. Meetings of the Members shall be held on call of the Manager or any Member(s) holding not less than a majority of the outstanding Economic Units entitled to be voted. Members may participate in a meeting and be deemed present for all purposes if such meeting makes use of any means of communication by which all Members participating may simultaneously hear each other during the meeting. At any meeting of the Members, each outstanding Economic Unit which is entitled to be voted may be voted in person or by Proxy. No Member shall be disqualified from voting on any issue notwithstanding any interest he or it may have in such matters which differs from the interests of the Company or of the other Members.

7.3 Notice of Meetings. Written notice stating the place, day and hour of every meeting of the Members shall be given not less than ten (10) days before the time of the meeting to each Member entitled to vote on the matters coming before the Members at such meeting, at his or its address which appears on the records of the Company. Written notice is deemed given when delivered in accordance with the provisions of Section 13.10 hereof.

Meetings may be held at any time without notice if all of the Members entitled to vote on the matters coming before the meeting are present, or those not present waive notice as provided in Section 7.05 hereof. Notice of meetings of the Members need not state the purpose of the meeting.

7.4 Voting Procedures.

(a) Economic Units standing in the name of a corporation or limited liability company, domestic or foreign, may be voted by such officer, manager or agent as the bylaws of such corporation or the operating agreement of such limited liability company may prescribe, or, in the absence of any such provision, as the board of directors of such corporation or the managers or members of such limited liability company may determine.

(b) Economic Units standing in the name of a partnership may be voted by any partner.

(c) Economic Units held by two or more Persons as joint tenants, tenants in common or tenants by the entirety may be voted by any of such tenants. If more than one of such tenants vote such Economic Units, the vote shall be divided among them in proportion to the number of such tenants voting.

(d) Economic Units held by an administrator, executor, guardian, committee or other personal representative of another Person may be voted by such personal representative, and Economic Units standing in the name of a trust may be voted by the trustee.

(e) Where any particular Economic Units are held by more than one fiduciary, the Economic Units shall be voted as determined by a majority of such fiduciaries, except that (i) if they are equally divided as to a vote, the vote of the Economic Units shall be divided equally and (ii) if only one of such fiduciaries is present in person or by Proxy at a meeting, the fiduciary shall be entitled to vote all such Economic Units. A Proxy apparently executed by one of several fiduciaries shall be presumed to be valid until challenged, and the burden of proving invalidity shall rest on the challenger.

7.5 Waiver of Notice. A Member may waive any notice required hereunder for a meeting before or after the date and time of such meeting that is the subject of such notice. The waiver shall be in writing, signed by the Member entitled to the notice, and be delivered to the Manager for inclusion in the minutes or filing with the Company's records at its principal office. A Member's attendance at a meeting: (a) waives objection to lack of notice or defective notice of the meeting, unless the Member at the beginning of the meeting objects to holding the meeting or transacting business at the meeting; and (b) waives objection to consideration of a particular matter at the meeting that is not within the purpose or purposes described in the meeting notice, unless the Member objects to considering the matter when it is presented.

7.6 Action Without Meeting. Any action required or permitted to be taken at a meeting of the Members may be taken without a meeting if the action is taken by Members holding such class and number of the outstanding Economic Units that would be sufficient to approve and take such action at a meeting if all of the Economic Units entitled to be voted were represented in person or by Proxy. Such action without meeting shall be evidenced by one or more written consents to be filed with the Company's records. Action taken under this Section 7.06 is effective when the last consenting Member signs the consent unless such consent specifies a different effective date, in which event the action taken is effective as of the date specified therein provided the consent states the date of execution for each consenting Member. Notice of any action taken pursuant to this Section 7.06 shall be given to the other Member(s) holding Economic Units otherwise entitled to be voted thereon within a reasonable time after such action has been taken.

7.7 Extraordinary Matters. Notwithstanding any provision in this Agreement or any Resolution to the contrary, the written approval of the Manager and the affirmative vote or written consent of Members holding not less than three-fourths of the outstanding Economic Units entitled to be voted, with all voting classes of Economic Units voting together as a single voting group, shall be necessary and sufficient for the adoption of a Resolution with respect to the following matters:

(a) the establishment or authorization of any class of Economic Units not previously established or authorized under the provisions of this Agreement, including the determination of any designation therefor and the determination of the rights of such new class to share in the capital, equity/capital appreciation and/or profits of the Company, or any combination of or any one of the foregoing, and the voting rights (if any), tax allocations, rights to distributions, rights upon dissolution or liquidation, preferences, limitations and other terms, conditions and other relative rights or restrictions applicable to such new class of Economic Units;

(b) the admission of a New Member and the terms and conditions of such New Member's

Subscription Agreement;

(c) the issuance of Economic Units of any class to an existing Member or a New Member and the terms and conditions of the Subscription Agreement pertaining thereto;

(d) compensation payable to the Manager for her/its services in such capacity in excess of the reimbursement of the Manager's reasonable expenses plus one hundred and fifteen thousand dollars per year (or pro rata portion thereof). Amounts payable hereunder are due on a semimonthly basis and no amounts are due hereunder before services are rendered.

(e) the entry into Contracts or other transactions with the Manager or any of her/its Affiliates to furnish labor, supervision or materials as a third-party contractor or supplier on any project performed by the Company;

(t) the dissolution or termination of the Company pursuant to the provisions of section 10.50.400 of the Act;

(g) the merger of the Company with one or more domestic or foreign limited liability companies, limited partnerships, or corporations under the applicable provisions of the Act;

(h) the sale or other disposition of all or substantially all of the assets of the Company other than in the ordinary course of business; or

(i) any amendment or restatement of this Agreement or the articles of organization of the Company.

ARTICLE VIII
ACCOUNTS, BOOKS, RECORDS, ACCOUNTING, REPORTS, AND TAX MATTERS

8.1 Bank Accounts. The funds of the Company shall be deposited in the name of the Company in such bank or money market accounts as may be designated by the Manager from time to time, and the Manager shall arrange for the appropriate conduct of such accounts, including the signatures to be required.

8.2 Books and Records.

(a) The Manager shall keep or cause to be kept (i) complete and accurate books of account, in which shall be entered fully and accurately the transactions of the Company and (ii) the records required to be maintained by the Company pursuant to the Act. The Company's books and records shall be maintained at the principal office of the Company or at such other place as the Company may from time to time designate.

(b) Each Member, after giving notice of his or its request in writing, has the right of access to, and/or the right to inspect at the principal office of the Company, at such reasonable times as the Manager may determine, the following records required to be maintained by the Company pursuant to the Act: (i) a current list of the full name and last known business address of each Member, in alphabetical order; (ii) a copy of the Articles of Organization and the Certificate of Organization, and all Articles of Amendment and Certificates of Amendment thereto; (iii) copies of the Company's federal, state and local income tax returns and reports, if any, for the three most recent years; (iv) copies of this Agreement and of any financial statements of the Company for the three most recent years; or (v) copies of each Class Resolution establishing the designation(s), rights to share in the capital, equity/capital appreciation and/or profits of the Company, or any combination or any one of the foregoing, or the voting rights, tax allocations,

rights to distributions, rights upon dissolution or liquidation, or other terms, conditions, relative rights or restrictions of any class of Economic Units. Within a reasonable time after giving written notice of his or its request to the Company, each Member shall have the right, after making pre-payment to the Company of the Company's reasonable expenses incurred or to be incurred in responding to the Member's request, to obtain copies of any records described in this Section 8.02(b) that such Member has the right to inspect.

8.3 Tax Information. The Company shall deliver to each Member as soon as possible after the end of each taxable year the information relating to the Company necessary for the preparation of the Members' federal income tax returns.

8.4 Tax Matters Partner. If the Company becomes subject to taxation as a partnership for purposes of the Code and the Regulations, Adele T. Davis is hereby designated as the "Tax Matters Partner" for purposes of the Code to the extent such designation is necessary thereunder or under the Regulations. The Manager may name a substitute or successor at any time. The Tax Matters Partner shall be entitled to reimbursement of reasonable expenses incurred in the performance of her or its duties. All decisions with respect to tax matters materially affecting the Company shall require the concurrence of the Manager.

ARTICLE IX
TRANSFER OF OWNERSHIP INTERESTS

9.1 Restrictions on Transfer.

(a) No Member may make or permit a Disposition of all or any part of his or its Economic Units except as expressly and specifically authorized in writing by the Manager, this Agreement or by an applicable Class Resolution. Any attempted Disposition or transfer not specifically authorized herein or therein shall be invalid, null and void ab initio.

(b) Without limitation of the foregoing, a Member may not pledge, grant a security interest in, or otherwise encumber all or any portion of his or its Economic Units except as otherwise approved in writing by the Manager, this Agreement or an applicable Class Resolution.

(c) Except as otherwise authorized in writing by the Manager, this Agreement or an applicable Class Resolution, a Member shall not make or permit a Disposition of all or any portion of his or its Economic Units (or make or permit any filing, election or other action which could result in a deemed Disposition) unless all of the following conditions shall be satisfied:

(i) the Disposition (either considered alone or in the aggregate with prior transfers by Members) will not result in the termination of the Company for federal income tax purposes;

(ii) if there is a deed of trust, mortgage, security agreement or other material Contract to which the Company is a party or by which the Company or the Property is bound or subject, the Disposition shall not entitle the holder of the indebtedness secured thereby or other contractual party to accelerate the indebtedness or terminate or otherwise materially alter the terms of the Contract;

(iii) if the Member has furnished a personal guaranty or indemnity in respect of any of the debts, obligations or Contracts of the Member, the Disposition shall not be prohibited under the terms of such instrument and the Disposition shall not entitle the holder of the indebtedness, the obligee or the other contractual party to accelerate the Company's indebtedness or otherwise take any adverse action against the Company; and

(iv) unless waived by the Manager in writing, the Company shall have received an opinion of counsel, satisfactory to the Manager, that the registration of the Economic Units, or the

Disposition thereof, is not required under the Securities Act of 1933, as amended, or any applicable state securities laws.

(d) A Member who/that has transferred all or any portion of his or its Economic Units to a Successor in Interest in accordance with the provisions of this Article IX shall cease to have any further right or interest therein, including but not limited to any entitlement to (i) share in the distributions (if any) of the Company in respect of such transferred Economic Units, (ii) vote the transferred Economic Units (to the extent same are entitled to be voted), or (iii) share in the tax allocations in respect of such transferred Economic Units; provided, however, no such Disposition shall relieve or exculpate the transferring Member from any liabilities or obligations set forth in this Agreement, any applicable Class Resolution or his or its Subscription Agreement unless and until his or its Successor in Interest is admitted as a Substituted Member pursuant to Section 9.02 hereof.

(e) A Successor in Interest shall be bound by, shall benefit from, and shall take the applicable transferred Economic Units subject to, the terms and conditions of this Agreement as same applies to Members and their respective Economic Units, but a Successor in Interest such not have any right to vote any Economic Units (to the extent same are entitled to be voted) or otherwise to participate in the management or affairs of the Company unless and until such Successor in Interest is admitted as a Substituted Member in accordance with the provisions of Section 9.02 hereof.

(f) No Disposition of Economic Units by a Successor in Interest shall entitle the transferee(s) to become a Member or to vote any transferred Economic Units (to the extent same are entitled to be voted) unless and until such transferee(s) is/are admitted as a Substituted Member in accordance with the provisions of Section 9.02 hereof.

(g) Upon the death, adjudicated incapacity, bankruptcy or dissolution of a Member, the personal or legal representative or other legal successor of such Withdrawing Member, as determined under applicable law, may succeed to the Withdrawing Member's Economic Units (and thereupon become his or its immediate Successor(s) in Interest in respect thereof but otherwise subject to the terms, conditions and restrictions of this Agreement). Such Successor(s) in Interest shall not be entitled to become a member, or to vote any of the Withdrawing Member's Economic Units (to the extent same are otherwise entitled to be voted) or otherwise to participate in the management and affairs of the Company unless and until such Successor(s) in Interest is admitted as a Substituted Member in accordance with the provisions of Section 9.02 hereof.

(h) Notwithstanding any provision to the contrary herein, a Member shall be entitled to make or permit a Disposition that is (i) expressly and specifically authorized in writing by the Manager or (ii) expressly permitted by an applicable Class Resolution.

(i) During the term of the Agreement, before a Member may sell Economic Units to a third party, selling Member shall first offer the Economic Units to remaining members on the same terms and conditions as are offered by the third party. Remaining members shall have 30 days during which to accept said offer. If Remaining members do not accept said offer within said period, selling member shall be free to accept the third-party offer. If selling member does not enter into an agreement with the third party on said terms and conditions and close the transaction within 90 days, selling member’s right to sell the Economic Units to the third party shall expire and the procedure described in this subsection shall again be applicable.

9.1 Substituted Members.

(a) Unless named in Exhibit A to this Agreement or admitted as a Substituted Member under this Section 9.02 or as a New Member under Section 10.01 (and who or which in each case continues in the capacity of a Member), no Person shall be considered a Member nor be entitled to vote any Economic Units that otherwise would be entitled to be voted.

(b) After a Disposition of all or any portion of a Member's Economic Units, the Successor in Interest may become a Substituted Member and obtain the right to vote such Economic Units (if and to the extent such Economic Units are entitled to be voted): (i) in full substitution for the transferor Member if the transferor Member has transferred all of his or its Economic Units to the Successor in Interest or (ii) in partial substitution for the transferor Member in accordance with their respective Economic Units after such Disposition if the transferor Member has not transferred all of his or its Economic Units, but in either case only if all of the following conditions are satisfied:

(i) The requirements of Section 9.01 and 9.03 shall have been satisfied if and to the extent applicable under the circumstances;

(ii) The transferor Member and Successor in Interest shall execute and deliver such other documents as the Manager may reasonably require to evidence the acceptance and assumption by the Successor in Interest of the terms, conditions, restrictions and obligations of this Agreement, including the agreement of such Successor in Interest to take and hold his or its Economic Units subject to and governed by the provisions of this Agreement and any applicable Class Resolution as same have applied to the transferor Member and his or its Economic Units;

(iii) The Successor in Interest shall have paid all reasonable costs charged by the Company (if any) to effectuate the transfer in the Members transfer record; and

(iv) If the Disposition is permitted solely by the provisions of Section 9.0l(g) above, then the Manager shall have approved the admission of the Successor(s) in Interest in writing.

9.3 Right of First Refusal.

(a) Except as otherwise authorized in writing by the Manager, this Agreement or an applicable Class Resolution, no Member may make a Disposition of all or any part of his or its Economic Units to any Person (other than as provided in Section 9.0l(g) above) without receipt of an Outside Offer (as defined below) and compliance with Section 9.03(b) below. An "Outside Offer" shall mean a bona fide, signed, written offer to purchase all or part of a Member's Economic Units made by any Person having sufficient financial ability to consummate the purchase according to the terms and conditions of the Outside Offer, in a form legally enforceable against the offeror, accompanied by a good faith deposit and obligating the offeror to furnish sufficient information on which a reasonable judgment may be made as to his ability to perform the offer.

(b) Except as otherwise authorized in writing by the Manager, this Agreement or an applicable Class Resolution, if a Member receives an Outside Offer that such Member desires to accept, such Member (the "Selling Member") shall give the Company and the other Members a written notice ("Selling Notice") accompanied by a true and complete copy of the Outside Offer. The Selling Notice shall set forth the Selling Member's willingness to make a Disposition in accordance with the terms of the Outside Offer and shall include the name and address of the proposed transferee. The Company and each of the other Members shall then have the option to purchase all of the offered Economic Units at the price and upon the terms and conditions set forth in the Outside Offer; provided, however, for purposes hereof any terms in the Outside Offer other than price and payment terms shall be disregarded. The option may be exercised by giving notice to the Selling Member within thirty (30) days from the date the Selling Notice is given. If the Company elects to exercise its option, then any election by the other Member(s) shall be disregarded. If the Company does not elect to purchase and more than one Member desires to purchase, they may purchase the offered Economic Units in proportion to their respective Percentage Economic Interests, unless they otherwise agree. The closing on the purchase shall not be more than ninety (90) days from the date of the Selling Notice. If neither the Company nor the other Member(s) elects to purchase, the Selling Member may make a Disposition of the offered Economic Units to the Person named in the Selling Notice at a price not below nor upon terms or conditions more advantageous to the purchaser than those contained in the Selling Notice. If the Disposition is not made and consummated within ninety (90) days after the date of the Selling Notice, the Selling Member may not thereafter dispose of the offered Economic Units without again complying with this Section 9.03.

9.4 Further Rights and Restrictions. By Class Resolution, the Company may, in connection with the establishment of any new class of Economic Units, establish terms, conditions, preferences, restrictions and limitations applicable to the Disposition of such particular class of Economic Units, including but not limited to rights of first refusal in favor of the Company and/or other Members; restrictions or prohibitions on transfer; or "put," "call" or redemption rights or obligations triggered upon the occurrence of certain events. A Member may not make or permit any Disposition of all or any portion of his or its Economic Units unless such Disposition complies with and satisfies the terms, conditions, restrictions and/or limitations applicable to such Economic Units (or the Disposition thereof) set forth in any such applicable Class Resolution.

ARTICLE X
ISSUANCE OF ECONOMIC UNITS AND DISSOCIATION OF MEMBERS

10.1 Admission of New Members.

(a) A New Member may be admitted to membership in the Company through the issuance by the Company of a specified number and class of Economic Units directly to such New Member upon the approval of the Manager and the Members pursuant to Section 7.07 hereof. The class of Economic Units to be issued shall have been established in this Agreement or in an applicable Class Resolution adopted by the Members in accordance with Section 7.07 hereof. The issuance of Economic Units to a New Member may be authorized by the Manager upon a good faith determination that the consideration to be received for the Economic Units is adequate; provided, however, as a condition precedent to such issue the Members must approve the admission of the New Member pursuant to Section 7.07 hereof. Economic Units may be issued in return for the New Member's contribution of

cash, property, services rendered or a promissory note or other binding obligation to contribute cash, property or to perform services. If the cash or property is not received, the services are not performed or the promissory note is not paid, the Economic Units may be canceled in whole or in part, subject to the provisions of the New Member's Subscription Agreement. Without limitation of the foregoing, the Company may grant to Persons options, warrants and other rights to acquire Economic Units (and to become a New Member upon the exercise thereof) on such terms and conditions as the Manager may approve subject to approval by the Members pursuant to Section 7.07 hereof.

(b) The admission of a New Member to membership in the Company shall be evidenced by a Subscription Agreement signed by the Manager, on the one hand, and the New Member, on the other hand, and such Subscription Agreement shall set forth (i) the number and class of the Economic Units to be acquired by such New Member, (ii) the Capital Contribution or other consideration to be furnished by such New Member, (iii) the New Member's agreement to be bound by, and to take his or its Economic Units subject to, the terms and conditions of this Agreement as same applies to Members and their respective Economic Units, and (iv) if applicable, such New Member's agreement to be bound by, and to take his or its Economic Units subject to, the rights to share in the Company's capital, equity/capital appreciation and/or profits, or any combination or any one of the foregoing, or the voting rights, tax allocations, rights to distributions, rights upon dissolution or liquidation, preferences, limitations and other terms, conditions, relative rights or restrictions set forth in any Class Resolution applicable to his or its class of Economic Units. Any such Subscription Agreement shall be deemed to amend, and shall be incorporated into, this Agreement as an essential part hereof.

10.02 Subscription to Additional Economic Units. An existing Member may subscribe to additional or re-issued Economic Units (or options, warrants and other rights to acquire same), and the Company may issue or re-issue to such existing Member additional or re-issued Economic Units (or options, warrants and other rights to acquire same), in the same manner, and subject to the same terms and conditions, as prescribed for the issuance of Economic Units (or options, warrants and other rights to acquire same) to New Members in Section 10.01 above, including but not limited to the requirement for a Subscription Agreement.

10.3 Expulsion. Except as otherwise provided in an applicable Class Resolution, a Member may be expelled from the Company, and the entire Membership Interest of such Member shall thereupon be cancelled and surrendered, in the sole and absolute discretion of the Manager, if, following such Member's breach or default of any obligation of such Member under the provisions of this Agreement or any applicable Class Resolution, such Member fails to cure the breach or default within thirty (30) days following receipt of written notice from the Manager specifying the breach or default in question. In full satisfaction and retirement of the expelled Member's Membership Interest, the Company shall deliver to the expelled Member the Company's promissory note, in the principal amount of the Member's Capital Account as of the effective date of expulsion. Such promissory note shall be payable in equal monthly installments over a term not to exceed sixty (60) months, without interest. The Company shall have the right to prepay the promissory note in full or in part at any time. The fact that any other right or remedy of the Company is provided in this Agreement in respect of any breach or default by a Member shall not preclude the Company's enforcement of the remedy of expulsion set forth in this Section 10.03 (unless such remedy is prohibited or restricted under the provisions of an applicable Class Resolution).

10.4 Dissociation of Member. On and as of the effective date of a Withdrawal Event, the Withdrawing Member shall cease to have any right to vote his or its Economic Units (to the extent same otherwise would have a right to be voted) or otherwise to participate in the management and affairs of the Company. If applicable law does not provide for a Successor in Interest in respect of the Withdrawing Member, then the Withdrawing Member shall be deemed to have the status of a Successor in Interest for purposes of this Agreement.

10.5 Additional Rights and Restrictions. The Manager and the Members, by adopting a Class Resolution pursuant to Section 7.07(a) hereof establishing the preferences, limitations, or other terms, conditions, relative rights or restrictions applicable to any class of Economic Units not already established under the provisions of this Agreement, may require that Economic Units of such designated class be subject to a right or option in favor of the Company and/or other Members to redeem or purchase the Economic Units of such designated class upon the occurrence of a Withdrawal Event with respect to a Member holding such class of Economic Units. Such redemption or purchase right or option shall be at such price and on such other terms and conditions as are established in or pursuant to the applicable Class Resolution. Upon the occurrence of an applicable Withdrawal Event, the Withdrawing Member or his or its Successor in Interest shall comply with and satisfy any such requirements or obligations established by any such Class Resolution.

ARTICLE XI
TERMINATION OR CONTINUATION

11.1 Events of Dissolution.

(a) The Company shall be dissolved and its affairs wound up only upon (i) the affirmative vote (or written consent) of the Members approving such dissolution and winding up in accordance with Section 7.07 hereof or (ii) the entry of a decree of judicial dissolution under section 10.50.405 of the Act.

(b) A Withdrawal Event with respect to a Member shall not cause the dissolution or winding up of the Company unless so authorized pursuant to Section 11.0l(a) above.

11.2 Winding Up Company Affairs.

(a) Upon any dissolution of the Company, the Manager shall proceed with the winding up of the Company in accordance with the authority, powers, duties and responsibilities delegated to his/it under this Agreement or by Resolution. The assets of the Company (or the net proceeds of the sale thereof) shall first be applied to the payment of liabilities owed to creditors of the Company, including creditors who/which are Members.

(b) In connection with the dissolution and winding-up of the Company, all items of Profits and Losses, Net Income, Net Loss, Gain from Sale, Loss from Sale, and tax credits shall be allocated among the outstanding Economic Units in accordance with the allocations thereof set forth in Annex II to this Agreement or in any applicable Class Resolution(s).

(c) In connection with the dissolution and winding-up of the Company, the Company's assets (or the net proceeds of the sale thereof) available for distribution to the Members shall be distributed to the Members in accordance with, and in proportion to, their

respective Capital Accounts.

(d) If any assets are distributed in kind, they shall be distributed on the basis of a fair market value thereof as determined in the same manner described in Section 4.04(c) above and shall be deemed to have been sold at such fair market value for purposes of the allocations under Annex II.

(e) If the Company is "liquidated" within the meaning of Treas. Reg. § 1.704-1(b)(2)(ii)(g), then the liquidating distributions shall be made by the later of (i) the end of the Company taxable year in which liquidation occurs, or (ii) ninety (90) days after the date of liquidation.

(f) The Company shall be terminated when all assets of the Company have been sold and/or distributed and all affairs of the Company have been wound up. The Manager(s) and/or Members shall execute and file any certificate or other document which may be appropriate to indicate such termination.

ARTICLE XII
AMENDMENTS

12.1 Agreement. Subject to the provisions of Sections 4.0l(b) and 10.0l(b) above, this Agreement may be amended, modified, restated or terminated only upon (a) the written consent of the Manager and (b) the written consent of Members holding not less than three-fourths of the outstanding Economic Units entitled to be voted.

12.2 Class Resolutions. Notwithstanding any provision to the contrary herein, a Class Resolution duly adopted in accordance with Section 7.07(a) hereof may be subsequently amended, modified, restated or terminated only with the written consent of the Manager and the written consent of Members (i) sufficient to amend, modify, restate or terminate this Agreement pursuant to Section 12.01 above and (ii) holding not less than a majority of the outstanding Economic Units of the class established pursuant to such Class Resolution.

12.3 Subscription Agreement. Notwithstanding any provision to the contrary herein, a Subscription Agreement that has been entered into by the Company and a New Member or existing Member may be subsequently amended, modified, restated or terminated only with the written consent of such Member and such written consent of the Manager and Members as is sufficient to amend, modify, restate or terminate this Agreement pursuant to Section 12.01 above. Any Contract purporting to effect any such amendment, modification, restatement or termination shall be submitted to the Manager and the Members in accordance with the provisions of this Section 12.03.

ARTICLE XIII
MISCELLANEOUS PROVISIONS

13.1 Governing Law. This Agreement and the rights and liabilities of the parties shall be determined in accordance with the laws of the State of Alaska.

13.2 Captions. Captions contained in this Agreement are inserted only as a matter of convenience and in no way define, limit, extend or describe the scope of this Agreement or the intent of any provision hereof.

13.3 Construction. Whenever the context may require, any pronouns used herein shall include the corresponding masculine, feminine or neuter forms, and the singular form of nouns and pronouns shall include the plural and vice versa.

13.4 Severability. Every provision of this Agreement is intended to be severable. If any term or provision hereof is illegal or invalid for any reason whatsoever, such illegality or invalidity shall not affect the validity of the remainder of the terms or provisions within this Agreement.

13.5 Successors. Subject to the limits on transferability contained herein, each and all of the covenants, terms, provisions and agreements herein contained shall be binding upon and inure to the benefit of the successors, heirs, and assigns of the respective parties, including but not limited to all transferees and successors in interest who become substituted Members.

13.6 Execution and Counterparts. This Agreement and any amendments may be executed in multiple counterparts, each of which shall be deemed an original and all of which together shall constitute one agreement. In addition, this Agreement and any amendments may be executed through the use of counterpart signature pages. The signature of any party on any counterpart agreement or counterpart signature page shall be deemed to be a signature to, and may be appended to, one document.

13.7 Entire Agreement. This Agreement embodies the entire agreement and understanding between the Members with respect to the subject matter hereof, and supersedes all prior agreements and understandings between such Members relating to the subject matter hereof. No amendment, modification, termination or waiver of any provision of this Agreement shall be effected unless the same shall be set forth in a writing or writings signed by the Manager and by Members holding the required percentage of the outstanding Economic Units that are entitled to be voted, as set forth in Section 12.01 above.

13.8 Attorney Fees. Any party seeking to enforce his or its rights hereunder shall be entitled, if successful, to recover reasonable attorney fees and expenses incurred in such enforcement against any party or parties who shall have necessitated such enforcement because (a) such party or parties have breached, or attempted to breach, any obligations owing to the enforcing party under the provisions of this Agreement or (b) such party or parties have initiated or joined any claim, demand, arbitration or action against the enforcing party in contravention of, or inconsistent with, the provisions of this Agreement.

13.9 Addresses. Each Member shall keep the Company informed of his or its current address. The Members shall have the addresses furnished by the Members on file at the Company office.

13.10 Notices. Any notice permitted or required hereunder shall be in writing and shall be deemed given when delivered if transmitted by hand delivery; by pre-paid registered or certified mail; by fax (provided that confirmation of successful transmission is available); or by pre-paid Federal Express, DHL Worldwide Express, Airborne Express or a similar

nationally-recognized courier service, and in any event shall be sent to the intended recipient's address and/or fax number maintained in the Company's records. Notice sent to a Member's address and/or fax number as maintained in the Company's records shall be effective with respect to such Member or any Successor in Interest of such Member. Notice sent to the Company shall be effective with respect to the Company if delivered to the principal office of the Company, addressed to the attention of any Manager, with a copy thereof contemporaneously delivered to the office of the Company's registered agent.

IN WITNESS WHEREOF, the undersigned Members have executed this Agreement as of the day and year first above written.

MEMBERS:

_____
Adele T. Davis

_____
Dantae Lloyd

_____
Cody Davis

_____
Ed McVeagh

_____
Wes Bennett

_____
John Troutman

_____
Debbie Bennett

_____
Darby Andrews

_____
Nancy Eyraud

_____
Ted Eyraud

_____
Diane Yocum

_____
Clifton Yocum

EXHIBIT A

Economic Units and Contributions as of the Agreement Date

	Addresses	Vote %	Economic Units	Capital Contributed
Adele T. Davis	3705 Arctic Blvd, #1231, Anchorage, AK 99503	72	Class A Common	
Dantae Lloyd	1021 Turpin Steet, Apartment #3, Anchorage, AK 99504	5	Class A Common	$ -
Cody Davis	1021 Turpin Steet, Apartment #2, Anchorage, AK 99504	5	Class A Common	
Ed McVeagh	17045 Nickleen Street, Anchorage, AK 99516	3	Class A Common	$ -
Wes Bennett	7237 Duben Ave, Unit D, Anchorage, AK 99504	3	Class A Common	
John Troutman	3650 E. 64th Ave, Anchorage, AK 99507	3	Class B Common	$ 15,000.00
Debbie Bennett	1001 Boniface Parkway, Unit # 10J, Anchorage, AK 99504	1	Class B Common	$ 3,000.00
Darby Andrews	351 Cortina Road, Girdwood, AK 99587	1	Class A Common	$ -
Nancy Eyraud	P.O. Box 877914, Wasilla, AK 99687	1	Class B Common	$ 15,000.00
Ted Eyraud	P.O. Box 877914, Wasilla, AK 99687	1	Class B Common	$ 15,000.00
Diane & Clifton Yocum	6151 N Talgach View Dr. Wasilla AK 99654	5	Class B Common	$ 132,000.00
		100		$ 180,000.00

EXHIBIT B

STATE OF ALASKA
DEPARTMENT OF COMMERCE, COMMUNITY, AND ECONOMIC DEVELOPMENT
ARTICLES OF ORGANIZATION

EXHIBIT C

Classes of Economic Units Authorized as of the Agreement Date:

1. Class A Common:

(a) Voting Rights: Subject to the terms, limitations and provisions of this Agreement, Class A Economic Units are entitled to be voted.

(b) Economic Rights: Except as otherwise provided in this Agreement or required by the Regulations: Class A Common Economic Units shall share proportionately in the Company's Profits, Losses, Gain from Sale, Loss from Sale, distributions and other relative rights; provided, however, the Class A Economic Units shall not have an interest in, and shall not be allocated, any portion of the capital of the Company contributed by Members in respect of their Class B Common Economic Units to the extent reflected in the respective Capital Accounts of such Member(s).

2. Class B Common:

(a) Voting Rights: Subject to the terms, limitations and provisions of this Agreement, the Class B Common Economic Units are entitled to be voted.

(b) Economic Rights: Identical to, and proportionate with, Class A Common Economic Units; provided, however, the Class B Common Economic Units shall also have an interest in that portion of the capital of the Company contributed by Members in respect of their Class B Economic Units to the extent reflected in their respective Capital Accounts.

Note: In the case of a Manager who/that is also a Member, distributions paid to such Member in respect of his/its Economic Units of any class shall not be considered "compensation" within the meaning of Sections 5.04 and 7.07(d) of the Agreement.

ANNEX I

Definitions

The following terms used in this Agreement shall (unless otherwise expressly provided herein or unless the context otherwise requires) have the following respective meanings:

A.l. Act. The Alaska Revised Limited Liability Company Act, as set forth in Alaska Statutes 10.50, as it may be amended or superseded from time to time.

A.2. Adiusted Capital Account Deficit. With respect to any Member, the deficit balance, if any, in such Member's Capital Account as of the end of a fiscal year, after giving effect to the following adjustments:

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

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

The foregoing definition of Adjusted Capital Account Deficit is intended to comply with the provisions of section l.704-l(b)(2)(ii)(d) of the Regulations and shall be interpreted consistently therewith.

A.3. Affiliate. Any Person that directly, or indirectly through one or more intermediaries, controls, or is controlled by, or under common control with, the Person specified. The term "control" (including the terms "controlling," "controlled by" and "under common control with") means the possession, directly or indirectly, of the power to direct or cause the direction of the management or the policies of a Person, whether through the ownership of greater than fifty percent (50%) of the voting securities, by contract or otherwise.

A.4. Agreement. This Operating Agreement of ALASKA GREEN GLACIER GARDENS, LLC, as originally executed and as amended from time to time, as the context requires.

A.5. Bankruptcy.

(a) The filing of an application by a Person for, or a Person's consent to, the appointment of a trustee, receiver, or custodian of a Person's assets;

(b) The entry of an order for relief with respect to a Person in proceedings under the United States Bankruptcy Code, as amended or superseded from time to time;

(c) The making by a Person of a general assignment for the benefit of creditors;

(d) The entry of an order, judgment, or decree by any court of competent jurisdiction appointing a trustee, receiver, or custodian of the assets of a Person unless the proceedings and the trustee, receiver, or custodian appointed are dismissed within ninety (90) days;

(e) The failure by a Person generally to pay his or its debts as they become due within the meaning of section 303(h)(l) of the United States Bankruptcy Code, or the admission in writing of the inability to pay his or its debts as they become due; or

(t) In the case of a Member, suffering or permitting any of his or its Economic Units to become subject to the enforcement of any rights of a creditor, whether arising out of an attempt to charge upon that Member's Economic Units by judicial process or otherwise, if such Member fails to effectuate the release of those enforcement rights, whether by legal process, bonding or otherwise, within ninety (90) days after the actual notice of such creditor's action.

A.6. Business. The business is formed for the purpose of engaging the business of marijuana cultivation, testing, distribution and retail sales and and all lawful business activities incidental thereto, including without limitation the entry into Contracts in furtherance of such business activities.

A.7. Capital Account. As of any date the capital account maintained for each Member in accordance with the provisions of Annex II hereto.

A.8. Capital Contribution. The amount of money and/or the agreed-upon fair market value of property or services contributed to the Company by a Member or his or its predecessor in interest on the date of contribution (net of liabilities secured by contributed property that the Company is considered to assume or to be subject to under section 752 of the Code).

A.9. Cash Available for Distribution. All monies (whether such monies arise from operations, refinancings or a sale of all or any portion of the Property) which are available for distribution to the Members after the Company has paid, or made due provision by providing reasonable reserves established by the Manager with respect to, Operating Expenses, Debt Service and other Company obligations.

A.l0. Class Resolution. A Resolution establishing a new class of Economic Units approved by the Manager in writing and adopted by the Members in accordance with Section 7.07(a) hereof.

A.11. Code. The 1986 Internal Revenue Code, as amended from time to time.

A.12. Company ALASKA GREEN GLACIER GARDENS, LLC, an Alaska limited liability company.

A.13. Company Minimum Gain. As of any date, the amount determined under the Regulations under section 704(b) of the Code by computing with respect to each Nonrecourse Liability of the Company, the amount of gain (of whatever character), if any, that would be realized by the Company if it disposed of the Company assets subject to that liability for no consideration other than full satisfaction of the liability and by then aggregating the separately computed minimum gains.

A.14. Contract. Any contract, indenture, mortgage, lease, deed, option, memorandum of understanding, warrant, bond, instrument, agreement or other legally binding understanding.

A.15. Contributing Member. A Member who/that has paid all Capital Contributions then due from that Member under this Agreement.

A.16. Debt Service. The total of all payments, including principal and interest, due with respect to any loans to the Company or to which the property or assets of the Company are subject.

A.17. Defaulting Member. A Member who/that fails to make a Capital Contribution to the Company by the date due.

A.18. Depreciation. For each fiscal year of the Company, an amount equal to the depreciation, amortization or other cost recovery deduction allowable with respect to an asset for such fiscal year, except that if the Gross Asset Value of an asset differs from its adjusted basis for federal income tax purposes at the beginning of such fiscal year, Depreciation shall be an amount which bears the same ratio to such beginning Gross Asset Value as the federal income tax depreciation, amortization or other cost recovery deduction for such fiscal year bears to such beginning adjusted tax basis; provided, however, that if the adjusted basis for federal income tax purposes of an asset at the beginning of such fiscal year is zero, Depreciation shall be determined with reference to such beginning Gross Asset Value using any reasonable method selected by the Manager.

A.19. Disposition. The sale, assignment, transfer, exchange, bequest, gift, pledge, encumbrance or other disposition from a Member of all or any portion of such Member's Economic Units in any manner, whether voluntary or involuntary, or by operation of law (such as upon death, adjudicated incapacity, dissolution, or Bankruptcy or in connection with a decree of divorce) or otherwise.

A.20. Economic Unit(s). With respect to any Member, the measure of his or its economic ownership interest in the Company at any time, including his or its rights to share in the Company's capital, equity/capital appreciation and/or profits, or any combination or any one of the foregoing, and the voting rights, tax allocations, rights to distributions, rights upon dissolution or liquidation, preferences, limitations, and other terms, conditions, relative rights or restrictions of such Member in respect of his or its economic ownership interest in the Company. Economic Units may be issued and/or re-issued from time to time in one or more classes, with such designations, rights to share in the capital, equity/capital appreciation and/or

profits of the Company, or any combination or any one of the foregoing, or the voting rights, tax allocations, rights to distributions, rights upon dissolution or liquidation, preferences, limitations and other terms, conditions, relative rights or restrictions as shall be set forth in this Agreement or in an applicable Class Resolution.

A.21. Gain from Sale. A gain resulting from the sale or other disposition of the assets of the Company not in the ordinary course of the Company's business. In the event the Gross Asset Value of any Company asset is adjusted upward pursuant to subsection (ii), (iii) or (iv) of the definition of Gross Asset Value herein, the amount of such positive adjustment shall be taken into account as Gain from Sale of such asset. Gain from Sale resulting from any disposition of a Company asset with respect to which Gain from Sale is recognized for federal income-tax purposes shall be computed by reference to the Gross Asset Value of the asset disposed of, notwithstanding that the adjusted tax basis of such asset differs from its Gross Asset Value. To the extent an adjustment to the adjusted tax basis of any Company asset pursuant to section 734(b) or section 743(b) of the Code is required pursuant to section 1.704-l(b)(2)(iv)(m)(4) of the Regulations to be taken into account in determining Capital Accounts as a result of a distribution other than in liquidation of a Member's Membership Interest in the Company, the amount of any such positive adjustment shall be treated as an item of gain arising from the disposition of the asset and shall be taken into account for purposes of computing Gain from Sale.

A.22. Gross Asset Value. With respect to any asset, the asset's adjusted basis for federal income tax purposes, except as follows:

(a) The initial Gross Asset Value of any asset contributed by a Member to the Company shall be the gross fair market value of such asset, as determined by agreement of the contributing Member and the Manager;

(b) The Gross Asset Values of all Company assets shall be adjusted to equal their respective gross fair market values, as determined by the Manager, as of the following times: (i) the acquisition of additional Economic Units in the Company (other than upon the initial formation of the Agreement) by any existing Member or New Member in exchange for more than a de minimis Capital Contribution; (ii) the distribution by the Company to a Member of more than a de minimis amount of the Company's assets as consideration for Economic Units in the Company; and (iii) the liquidation of the Company within the meaning of section 1.704-l(b)(2)(ii)(g) of the Regulations; provided, however, that the adjustments pursuant to clauses (i) and (ii) above shall be made only if the Manager reasonably determines that such adjustments are necessary or appropriate to reflect the relative Membership Interests of the Members in the Company;

(c) The Gross Asset Value of any Company asset distributed to any Member shall be adjusted to equal the gross fair market value of such asset on the date of distribution as determined by the distributee and the Manager; and

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

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

A.23. Loss from Sale. A loss resulting from the sale or other disposition of the assets of the Company not in the ordinary course of the Company's business. In the event the Gross Asset Value of any Company asset is adjusted downward pursuant to subsection (b), (c) or (d) of the definition of Gross Asset Value herein, the amount of such negative adjustment shall be taken into account as Loss from Sale from the disposition of such asset. Loss from Sale resulting from any disposition of a Company asset with respect to which Loss from Sale is recognized for federal income-tax purposes shall be computed by reference to the Gross Asset Value of the asset disposed of, notwithstanding that the adjusted tax basis of such asset differs from its Gross Asset Value. To the extent an adjustment to the adjusted tax basis of any Company asset pursuant to section 734(b) or section 743(b) of the Code is required pursuant to section 1.704-l(b)(2)(iv)(m)(4) of the Regulations to be taken into account in determining Capital Accounts as a result of a distribution other than in liquidation of a Member's Membership Interest in the Company, the amount of any such negative adjustment shall be treated as an item of loss arising from the disposition of such asset and shall be taken into account for purposes of computing Loss from Sale.

A.24. Manager. Adele T. Davis, or the Person or Persons who succeed(s) her under the provisions of this Agreement, in each such Person's capacity as the Manager of the Company.

A.25. Member(s). Each Person whose name is set forth on Exhibit A and any Person admitted as a New Member or a Substituted Member under the provisions of this Agreement, in each such Person's capacity as a Member of the Company.

A.26. Member Minimum Gain. An amount, with respect to each Member Nonrecourse Debt, equal to the Company Minimum Gain that would result if such Member Nonrecourse Debt were treated as a Nonrecourse Liability, determined in accordance with section 1.704-2(i) of the Regulations.

A.27. Member Nonrecourse Debt. Any nonrecourse debt (for the purposes of section 1.1001-2 of the Regulations) of the Company for which any Member bears the "economic risk of loss," within the meaning of section 1.752-2 of the Regulations.

A.28. Member Nonrecourse Deductions. Deductions as described in section l.704-2(i) of the Regulations. The amount of Member Nonrecourse Deductions with respect to Member Nonrecourse Debt for any fiscal year equals the excess, if any, of (a) the net increase, if any, in the amount of Member Minimum Gain attributable to such Member Nonrecourse Debt during such fiscal year, over (b) the aggregate amount of any distributions during that fiscal year to the Member that bears the economic risk of loss for such Member Nonrecourse Debt to the extent such distributions are from the proceeds of such Member Nonrecourse Debt and are allocable to an increase in Member Minimum Gain attributable to such Member Nonrecourse Debt, determined in accordance with section 1.704-2(i) of the Regulations.

A.29. Membership Interest. A Member's entire interest as a Member of the Company, including such Member's (a) Economic Units and (b) the right (if any) to vote such Economic Units as provided in this Agreement or in any applicable Class Resolution.

A.30. Modified Negative Capital Account. The deficit balance of a Capital Account in excess of the portion of the deficit the Member or his Successor in Interest is deemed obligated to restore pursuant to the Regulations under section 704(b) of the Code; provided, however such "deemed" obligation shall not be interpreted to mean that there is any deficit capital account restoration obligation under the provisions of this Agreement.

A.31. Net Gain. Gain from Sale net of Loss from Sale in any fiscal year of the Company.

A.32. Net Income or Net Loss. The income or loss, as the case may be, of the Company for a period as determined in accordance with section 703(a)(l) of the Code, including each item of income, gain, loss or deduction required to be separately stated, but excluding Gain from Sale or Loss from Sale and items specifically allocated under Annex II hereof.

A.33. New Member. A Person who or which is admitted as a new Member of the Company pursuant to the provisions of Section 10.01 of this Agreement, in such Person's capacity as a Member of the Company.

A.34. Nonrecourse Deductions. Deductions as set forth in section 1.704-2(b)(l) of the Regulations. The amount of Nonrecourse Deductions for a given fiscal year of the Company equals the excess, if any, of (a) the net increase, if any, in the amount of Member Minimum Gain during such fiscal year, over (b) the aggregate amount of any distributions during such fiscal year of proceeds of Nonrecourse Liability that are allocable to an increase in Company Minimum Gain, determined in accordance with section l.704-2(h) of the Regulations.

A.35. Nonrecourse Liability. Any Company liability (or portion thereof) for which no Member bears the "economic risk of loss" within the meaning of section 1.752-2 of the Regulations.

A.36. Operating Expenses. All costs and expenses of the Company incurred in the ordinary course of operating the Business.

A.37. Person. An individual, proprietorship, trust, estate, personal representative, partnership, joint venture, association, limited liability company, corporation, business trust, not-for-profit unincorporated association, a state, the United States, a foreign government, joint tenants, tenants in common, tenants by the entirety or other entity.

A.38. Prime Rate. The prime rate (or base rate) reported in the "Money Rates" column or section of The Wall Street Journal as being the base rate on corporate loans at larger U.S. Money Center banks on the first date on which The Wall Street Journal is published in each month. In the event The Wall Street Journal ceases publication of the Prime Rate, then the "Prime Rate" shall mean the "prime rate" or "base rate" announced by the bank with which the Company has its principal banking relationship (whether or not such rate has actually been charged by that bank) or as otherwise designated by the Manager. In the event that bank discontinues the practice of announcing that rate, Prime Rate shall mean the highest rate charged by that bank on short-term, unsecured loans to its most credit-worthy large corporate borrowers, unless otherwise designated by the Manager.

A.39. Profits and Losses. For each fiscal year of the Company or other period, an amount equal to the Company's Net Income or Net Loss for such year or period (excluding Gain from Sale or Loss from Sale), with the following adjustments:

(a) Any income of the Company that is exempt from federal income tax and not otherwise taken into account in computing Profits and Losses pursuant to this definition (excluding Gain from Sale) shall be added to such Net Income or Net Loss;

(b) Any expenditures of the Company described in section 705(a)(2)(B) of the Code or treated as section 705(a)(2)(B) expenditures pursuant to sectiop. 1.704-l(b)(2)(iv)(i) of the Regulations, and not otherwise taken into account in computing Profits or Losses shall be subtracted from such Net Income or Net Loss;

(c) In lieu of the depreciation, amortization, and other cost recovery deductions taken into account in computing such Net Income or Net Loss, there shall be taken into account Depreciation for such fiscal year or other period, computed in accordance with the definition of Depreciation set forth herein;

(d) Notwithstanding any other provisions of this definition of Profits and Losses, any items which are specially allocated pursuant to the provisions of Annex II hereof shall not be taken into account in computing Profits or Losses.

A.40. Proxy. A general or specific proxy or power of attorney, or specific instructions in writing, given to an individual present at a meeting of the Members. A Proxy shall be in writing, dated and signed by the Member purporting to give such Proxy or his or its duly authorized attorney-in-fact. No Proxy shall be valid after eleven (11) months from its date, unless otherwise expressly provided in the Proxy.

A.41. Regulations. The Federal income tax regulations issued under the Code by the U.S. Department of the Treasury, as amended from time to time.

A.42. Resolution. A resolution not inconsistent with this Agreement duly adopted by the Manager and/or the Members in accordance with the requirements of this Agreement. A resolution adopted by the Manager and/or the Members shall not be considered "inconsistent with" this Agreement if such resolution does not conflict with an express provision of this Agreement, as amended.

A.43. Subscription Agreement. A written Contract between the Company and a Member (whether an existing Member or a New Member), authorized by the Manager and approved by the Members pursuant to Section 7.07 hereof, pursuant to which such Member shall (a) acquire a Membership Interest in the Company specified therein and (b) agree to take and hold such Membership Interest subject to, and bound by, the provisions of this Agreement as same applies to Members and their respective Membership Interests. The provisions of this Agreement and the provisions of any such Subscription Agreement shall not be considered inconsistent with each other if such Subscription Agreement does not conflict with any of the express provisions of this Agreement or of any Class Resolution applicable to the class of Economic Units being acquired pursuant thereto. Each such Subscription Agreement shall be deemed to amend, and shall be incorporated into, this Agreement as an essential part of this Agreement.

A.44. Substituted Member. A Successor in Interest who/which is admitted to membership in the Company in accordance with the provisions of Section 9.02 of this Agreement.

A.45. Successor in Interest. A Person who/which is not a Member and who/which succeeds to the ownership of all or any portion of a Member's Economic Units upon (a) a Disposition of such Economic Units to such Person permitted under the provisions of Article IX hereof, (b) the death, adjudicated incompetency or dissolution of such Member or (c) any other a Disposition of such Economic Unit(s) to such Person. If applicable law does not provide for a Successor in Interest in respect of a Withdrawing Member, then for purposes of this Agreement the Withdrawing Member shall have the status of a Successor in Interest.

A.46. Tax Matters Partner. The Member designated to take action on behalf of the Company pursuant to section 6231 of the Code.

A.47. Withdrawal Event. With respect to any Member, (a) the death, adjudicated incompetency, expulsion, dissolution or Bankruptcy of such Member; (b) any purported Disposition of such Member's Economic Units in contravention of the provisions of this Agreement; (c) any other event of dissociation of a Member effective upon the occurrence of any of the events described as an event of dissociation in section 10.50.225 of the Act; or (d) any other event or occurrence described as a Withdrawal Event pursuant to the provisions of such Member's Subscription Agreement (if any).

A.48. Withdrawing Member. A Member to whom a Withdrawal Event relates.

ANNEX II

Capital Account and Tax Provisions

B.1. Partnership Tax Treatment. The Members agree and intend that the Company shall be treated as a partnership for purposes of the Code and the Regulations. For all other purposes, the rights and liabilities of the Members, the Manager and the Company shall be as set forth in the Act, except as otherwise provided in this Agreement.

B.2. Capital Accounts.

(a) A Capital Account shall be established and maintained for each Member. A Member shall have a single Capital Account, regardless of the time or manner in which any portion of such Member's Membership Interest was acquired. If a Member makes or permits a transfer of all or any portion of his or its Economic Units to another Person in accordance with this Agreement, the Successor in Interest shall succeed to the Capital Account of the transferor Member to the extent such Capital Account relates to the transferred Economic Units.

(b) As of any date, a Member's Capital Account shall consist of: (i) the sum of (A) the amount of money contributed by such Member or his or its predecessor in interest to the Company, (B) the agreed upon fair market value of property contributed by such Member or his or its predecessor in interest to the Company, (C) allocations to such Member or his or its predecessor in interest of Profits and Gain from Sale (or items thereof), including any items in the nature of income or gain that are specially allocated to such Member pursuant to this Agreement, and (D) the amount of any Company liabilities assumed by such Member or his or its predecessor in interest or that are secured by any Company assets distributed to such Member or his or its predecessor in interest; minus (ii) the sum of (A) the amount of money distributed to such Member or his or its predecessor in interest by the Company, (B) the fair market value of property distributed to such Member or his or its predecessor in interest by the Company, (C) the amount of any liabilities of such Member or his or its predecessor in interest assumed by the Company or secured by any property contributed by such Member or his or its predecessor in interest to the Company other than those taken into account in calculating Capital Contributions, and (D) allocations to such Member or his or its predecessor in interest of Losses and Loss from Sale (or items thereof), including any items in the nature of expenses and losses that are specially allocated to such Member pursuant to this Agreement.

(c) Subject to approval by the Manager in accordance with the provisions hereof, the Capital Account of each Member may be adjusted to reflect a revaluation of the Company's assets upon the occurrence of the following events:

(i) The contribution of money or other property (other than de minimis amount) to the Company by a New Member or existing Member as consideration for the issuance of any Economic Units;

(ii) The distribution of money or other property (other than a de minim.is amount) by the Company to a Withdrawing Member or a continuing Member as consideration for any Economic Unit(s);

(iii) The liquidation of the Company within the meaning of section 1.704-l(b)(2)(ii)(g) of the Regulations.

The adjustment (A) shall be based on a reasonable estimate of the fair market value of Company assets (taking section 7701(g) of the Code into account) on the date of adjustment, as conclusively determined by in the good faith discretion of the Manager, (B) shall not require an appraisal unless the Manager determines otherwise in his or its good faith discretion and (C) shall reflect the manner in which the unrealized income, gain, loss or deduction inherent in the assets (that have not previously been reflected in Capital Accounts) would be allocated among the Members if there were a taxable disposition of the property for fair market value on that date.

(d) If any Company asset has a book value that differs from the adjusted tax basis of that asset, then the Capital Accounts shall be adjusted in accordance with section 1.704-l(b)(2)(iv)(g) of the Regulations for allocations of depreciation, depletion, amortization and gain or loss computed for book purposes rather than tax purposes, with respect to such asset.

(e) If there is any basis adjustment pursuant to an election under section 754 of the Code, then Capital Accounts shall be adjusted to the extent required by the Regulations.

(f) The principles governing the adjustments of Capital Accounts are intended to satisfy the capital account maintenance requirements of section 1.704-l(b)(2)(iv) of the Regulations and shall be construed consistently therewith. If in the reasonable opinion of the Company's accountants the manner in which Capital Accounts are to be maintained pursuant to the preceding provisions of this Section B.2 should be modified to comply with section 704(b) of the Code and the Regulations thereunder, then notwithstanding anything to the contrary contained in the preceding provisions of this Section B.2, the method in which Capital Accounts are maintained shall be so modified; provided, however, that any change in the manner of maintaining Capital Accounts shall not materially alter the economic agreement between or among the Members.

(g) The Capital Account obtained by a Successor in Interest pursuant to the provisions of Section B.2(a) hereof shall be determined and adjusted in a manner consistent with the determination and adjustment of a Member's Capital Account under this Section B.2.

B.3. Profits and Losses; Net Income and Net Loss; Items of Credit and Deduction.

(a) Except as otherwise required by the provisions of this Annex II, an applicable Resolution or the Regulations, Profits in any fiscal year shall be allocated among the Members in accordance with Exhibit C attached hereto.

(b) Except as otherwise required by the provisions of this Annex II, an applicable Resolution or the Regulations, Net Income in any fiscal year shall be allocated among the Members in the same ratio as Profits are allocated among the Members for such fiscal year.

(c) Except as otherwise required by the provisions of this Annex II, an applicable Resolution or the Regulations, Losses of the Company in any fiscal year shall be allocated among the Members in accordance with Exhibit C attached hereto.

(d) Except as otherwise required by the provisions of this Annex II, an applicable Resolution or the Regulations, Net Loss in any fiscal year shall be allocated among the Members in the same ratio as Losses are allocated among the Members for such fiscal year.

(e) Except as otherwise required by the provisions of this Annex II, an applicable Resolution on the Regulations, items of credit or deduction in any fiscal year shall be among the Members in the same ratio as Profits and Losses are allocated among the Members for such fiscal year.

(f) Losses allocated pursuant to this Section B.3 of Annex II shall not exceed the maximum amount of Losses that can be allocated without causing any Member to have an Adjusted Capital Account Deficit at the end of any fiscal year of the Company. In the event some but not all of the Members would have Adjusted Capital Account Deficits as a consequence of an allocation of Losses pursuant to this Section B.3 of Annex II, the limitation set forth in this Section B.3(f) of Annex II shall be applied on a Member-by-Member basis so as to allocate the maximum possible Losses to each Member under section 1.704-1(b)(2)(ii)(d) of the Regulations.

B.4. Gain from Sale. Subject to the following provisions of this Annex II, and except as otherwise required by an applicable Resolution or the Regulations, Gain from Sale shall be allocated among the Members in accordance with Exhibit C attached hereto.

B.5. Loss from Sale. Subject to the following provisions of this Annex II, and except as otherwise required by an applicable Resolution or the Regulations, Loss from Sale shall be allocated among the Members in accordance with Exhibit C attached hereto.

B.6. Mid-Year Transfers. In the case of Economic Units that have been transferred during the Company's fiscal year:

(a) Profits and Losses, Net Income and Net Loss allocable to such Economic Units shall be allocated between the transferor and the transferee in the ratio of the number of days

in the year before and after the effective date without regard to the dates during the year on which income was earned or losses were incurred.

(b) Tax credits, if any, shall be allocated among the Members at the time the property with respect to which the credit is claimed is placed in service.

(c) All Gain from Sale or Loss from Sale shall be allocated to the holder of the Economic Units as of the date on which the Company recognizes that Gain or Loss.

(d) Cash Available for Distribution shall be allocated and distributed to the holder(s) of the Economic Units on the date of distribution.

B.7. Company Minimum Gain and Member Minimum Gain Chargebacks. Notwithstanding anything to the contrary in this Agreement, if there is a net decrease in Company Minimum Gain for a Company taxable year, then there shall be allocated to the Members items of Company income and gain to the extent and subject to the exceptions set forth in the Company Minimum Gain chargeback requirements of section 1.704-2(f) of the Regulations. Moreover, notwithstanding anything to the contrary in this Agreement, if there is a decrease in Member Minimum Gain with respect to any Member Nonrecourse Debt for a Company fiscal year, then there shall be allocated to the Member to whom the Member Nonrecourse Deductions with respect to such Member Nonrecourse Debt were allocated items of Company income and gain to the extent and subject to the exceptions set forth in the Member Minimum Gain chargeback requirements of section 1.704-2(i) of the Regulations.

B.8. Allocations to Reflect Book Value/Tax Disparity. In accordance with section 704(c) of the Code and the Regulations thereunder, income, gain, loss, and deduction with respect to any property contributed to the capital of the Company shall, solely for tax purposes, be allocated among the Members so as to take into account any variation between the adjusted basis of such property to the Company for federal income tax purposes and its agreed upon fair market value at the time of contribution. In addition, if Company property is revalued and Capital Accounts are adjusted, then subsequent allocations of income, gain, loss and deduction for tax purposes with respect to the revalued property shall take into account the variation between the property's adjusted tax basis and book value in the same manner as under section 704(c) of the Code and Regulations.

B.9. Qualified Income Offset. If a Member unexpectedly receives an adjustment, allocation or distribution described in section 1.704-l(b)(2)(ii)(d)(4), (5) or (6) of the Regulations that creates a Modified Negative Capital Account, then items of income or gain (consisting of a pro rata portion of each item of Company income, including gross income and gain for such year) shall be allocated to that Member in an amount and manner sufficient to eliminate, to the extent required by the Regulations, the Modified Negative Capital Account created by the adjustments, allocations or distributions as quickly as possible. For purposes of this Section 9, in determining whether a Member has a Modified Negative Capital Account, there shall be taken into account those adjustments, allocations and distributions that, as of the end of the year, are reasonably expected to be made.

B.10. Gross Income Allocation. In the event any Member has a deficit Capital Account at the end of any Company fiscal year which is in excess of the sum of (a) the amount such Member is obligated to restore and (b) the amount such Member is deemed to be obligated to restore pursuant to the penultimate sentences of sections 1.704-2(g)(l) and 1.704(2)(i)(5) of the Regulations, each such Member shall be specially allocated items of income and gain in the amount of such excess as quickly as possible, provided that an allocation pursuant to this Section B.10 shall be made if and only to the extent that such Member would have a deficit Capital Account in excess of such sum after all other allocations provided for in this Annex II have been tentatively made as if Section B.9 and this Section B.10 of this Annex II were not in this Agreement.

B.11. Nonrecourse Deductions. Except as otherwise required by an applicable Class Resolution, Nonrecourse Deductions shall be allocated among the Members in proportion to, and in accordance with, their respective Percentage Economic Interests.

B.12. Member Nonrecourse Deductions. Any Member Nonrecourse Deductions shall be specially allocated to the Member who bears the economic risk of loss with respect to the Member Nonrecourse Debt to which such Member Nonrecourse Deductions are attributable in accordance with section 1.704-2(i) of the Regulations.

B.13. Economic Consistency Special Allocations. The special allocations set forth in this Annex II are intended to comply with the Regulations under section 704(b) of the Code. Notwithstanding any other provision of this Annex II, those special allocations shall be taken into account in computing subsequent allocations of Profits, Net Income, Losses, Net Loss, Gain from Sale or Loss from Sale or items thereof pursuant to this Annex II, so that, to the extent possible, the net amount of any item so allocated and the Profits, Net Income, Losses, Net Loss, Gain from Sale or Loss from Sale and all other items allocated to each Member pursuant to this Annex II shall be equal to the net amount that would have been allocated to each such Member or successor in interest pursuant to this Annex II if those special allocations had not occurred.