AK Entity #: 10037110
Date Filed: 03/25/2016
State of Alaska, DCCED

FOR DIVISION USE ONLY

THE STATE of ALASKA

Department of Commerce, Community, and Economic Development
Division of Corporations, Business, and Professional Licensing
PO Box 110806, Juneau, AK 99811-0806
(907) 465-2550 • Email: *corporations@alaska.gov*
Website: *Corporations.Alaska.gov*

Limited Liability Company

Initial Biennial Report

Web-3/25/2016 10:26:48 AM

Entity Name: AK Frost, LLC
Entity Number: 10037110
Home Country: UNITED STATES
Home State/Province: ALASKA

Registered Agent
Name: Jana Weltzin
Physical Address: 3003 MINNESOTA DRIVE, SUITE 201, ANCHORAGE , AK 99503
Mailing Address: 3003 MINNESOTA DRIVE, SUITE 201, ANCHORAGE , AK 99503

Entity Physical Address: 5202 A STREET , ANCHORAGE , AK 99518

Entity Mailing Address: PO BOX 90064, ANCHORAGE , AK 99509

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

Name	Address	% Owned	Titles
David McConnell	PO Box 90801, Anchorage , AK 99509	50	Manager, Member
Kyle Denton	8521 Emerald Street , Anchorage , AK 99502	50	Manager, Member

NAICS Code: 453998 - ALL OTHER MISCELLANEOUS STORE RETAILERS (EXCEPT TOBACCO STORES)

New NAICS Code (optional):

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

Name: Jana D. Weltzin

Alaska Entity #10037110

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

Certificate of Organization

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

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

AK Frost, LLC

IN TESTIMONY WHEREOF, I execute the certificate and affix the Great Seal of the State of Alaska effective **March 25, 2016**.

Chris Hladick
Commissioner

AK Entity #: 10037110
Date Filed: 03/25/2016
State of Alaska, DCCED

THE STATE
of ALASKA

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

Domestic Limited Liability Company

Web-3/25/2016 10:16:36 AM

1 - Entity Name

Legal Name: AK Frost, LLC

2 - Purpose

To retail various goods and products and any other lawful purpose.

3 - NAICS Code

453998 - ALL OTHER MISCELLANEOUS STORE RETAILERS (EXCEPT TOBACCO STORES)

4 - Registered Agent

Name: Jana Weltzin
Mailing Address: 3003 Minnesota Drive, Suite 201, Anchorage , AK 99503
Physical Address: 3003 Minnesota Drive, Suite 201, Anchorage , AK 99503

5 - Entity Addresses

Mailing Address: PO Box 90064, Anchorage , AK 99509
Physical Address: 5202 A street , Anchorage , AK 99518

6 - Management

The limited liability company is managed by a manager.

7 - Officials

Name	Address	% Owned	Titles
Kyle Denton			Organizer
David McConnell			Organizer

Name of person completing this online application

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

Name: Jana D. Weltzin

OPERATING AGREEMENT OF AK FROST, LLC

THIS OPERATING AGREEMENT is made effective as of this Eighth day of October, 2016, by and among Kyle A. Denton and David L. McConnell, II, as Members of AK FROST, LLC (the "Company"), and the Company.

EXPLANATORY STATEMENT

This Operating Agreement governs the relationship between the Company and its members, pursuant to the Alaska Revised Limited Liability Act (the "Act"). In consideration of their mutual promises, covenants, and agreements, the parties hereto do hereby promise, covenant, and agree as follows:

ARTICLE 1

MEMBERS

1.1. Initial Members. The Initial Members are KYLE A. DENTON, and DAVID L. MCCONNELL, II.

1.2. Future Members. Additional membership interests may be acquired from the Company upon terms specified by the Company and with the written consent of all Members.

1.3. Member Voting. In any vote by the Members of the Company, each Member shall have a vote equal to the Member's percentage of ownership in the Company. This provision applies to all actions or votes taken by the Members, including, but not limited to, any specific provisions of this Operating Agreement that provide for a vote of the Members on any given issue. Unless otherwise specified in this Operating Agreement, the vote necessary to take any action is a UNANIMOUS vote.

1.4. Members as Employees. Members may be employed by the Company and of the Initial Members' employment with the Company are set forth in each Member's Employment Agreement.

1.5. Restrictions. No Member, without written authority from the Company, shall endorse any note or act as an accommodation party, or otherwise become surety for any person in any transactions involving the Company. No Member, without written authority from the Company, shall on behalf of the Company borrow or lend money, or make, deliver, or accept any commercial paper, or execute any mortgage, security agreement, bond, or lease, or purchase or contract to purchase, or sell or contract to sell any property of the Company or do any act detrimental to the best interests of the Company or which would make it impossible to carry on the ordinary purpose of the Company.

ARTICLE 2

FORMATION

2.1. Organization. The Members acknowledge the formation of the Company as a domestic limited liability company pursuant to the provisions of the Act.

2.2. Agreement. The Members and the Company hereby agree to the terms and conditions of this Agreement, as it may from time to time be amended according to its terms. Except to the extent a provision of the Agreement is prohibited or ineffective under the Act or other law or rule, the Agreement shall govern, even when not consistent with, or different from, the provisions of the Act or any other law or rule. To the extent any provision of this Agreement is prohibited or ineffective under the Act or other law or rule, the Agreement shall be considered amended to the smallest degree possible in order to make the Agreement effective under the Act.

2.3. Principal Office. The principal office of the Company shall be located at 5200 A Street, Suite 102, Anchorage, Alaska 99518.

2.4. Registered Office. The street address of the initial registered office of the Company is P.O. Box 90064, Anchorage, Alaska 99509

2.5. Registered Agent. The name of the registered agent of the Company at the above office is JDW, LLC, with offices located at 3003 Minnesota Drive, Suite 201, Anchorage, Alaska 99503.

2.6. Term. The Company shall continue until it is dissolved in accordance with either the provisions of this Agreement or the Act.

ARTICLE 3

CAPITAL CONTRIBUTIONS

3.1. Initial Capital Contributions. Concurrent with the Initial Members' execution and delivery of this Agreement, each Initial Member shall make an initial capital contribution as described below. Capital contributions from any additional members shall be on such terms and conditions as may be set by the Managers and approved by the Initial Members.

Initial Capital Contributions:

KYLE A. DENTON: One Dollar ($1.00) plus labor and experience.
DAVID L. MCCONNELL, II: One Dollar ($1.00) plus labor and experience.

3.2. Additional Capital Contributions. Members shall not be required to make additional capital contributions subsequent to their initial capital contributions.

3.3. Loans. In the event the capital needs of the Company exceed the capital contributions provided by Section 3.1, a Member may, but shall not be required to, loan additional monies to the Company in amounts and on terms and conditions to be agreed to by the Company and approved by all Members. The Company may also borrow money for its capital needs from any third parties in amounts and on terms and conditions determined by the Managers.

3.4. Interest On and Return of Capital Contribution. Members shall not be entitled to interest on any capital contribution, or to a return of any capital contribution, except as provided for herein.

ARTICLE 4

ALLOCATION OF PROFITS AND LOSSES

4.1. Profits and Losses. All items of income, gain, loss, deduction, and other tax items of the Company shall be allocated among all Members in accordance with their relative percentages of Membership Interest. The initial percentage of Membership Interest of the Initial Members shall be fifty percent (50%) to KYLE A. DENTON, and fifty percent (50%) to DAVID L. MCCONNELL, II. The Membership Interest percentages of the Members may be changed only with the consent of all Members of the Company.

ARTICLE 5

DISTRIBUTIONS

5.1. Interim Distributions for Payment of Taxes.

(a) Interim Tax Distributions. If the Company should ever elect to be taxed as a partnership, then, to the extent permitted by law and consistent with the Company's need for cash reserves and obligations to its creditors, as determined by the Managers, the Company shall make timely distributions from available cash flow to the Members in an amount which is reasonably estimated to equal the amount of federal, state, and local income taxes the Member will be obligated to pay on the Member's allocated share of the taxable income of the Company.

(b) Additional Interim Tax Distributions. In the event any income tax return of the Company, as a result of an audit or otherwise, reflects items of income, gain, loss, or deduction that are different from the amounts estimated pursuant to Section 5.1(a) above, with respect to the fiscal period of the return, in a manner that results in additional taxable income or gain of the Company being allocated to a Member, an additional tax distribution shall be made under the principles of Section 5.1(a) above.

5.2. Other Interim Distributions. In addition to the distributions provided for in Section 5.1, the Company shall make distributions to the Members in proportion to their percentage Membership Interest at such times and in such form as recommended by the Managers and determined by the Members. To the extent feasible and in accordance with Section 5.3, distributions shall be made at least annually.

5.3. Limitations on Distributions. No distribution shall be declared or paid if, after giving effect to the distribution, (a) the Company would not be able to pay its debts as they become due in the usual course of conducting its affairs, or (b) the Company's assets would be less than the sum of its liabilities (other than liabilities of the Company to the Members), or c) the distribution would otherwise be prohibited under applicable law.

ARTICLE 6

MANAGERS

6.1. General.

(a) The business and affairs of the Company shall be managed by the Members of the Company.

6.2. Powers. Members shall have the power to do all things necessary to manage the affairs of the Company except for such tasks or powers as are expressly prohibited to them by the Articles of Organization, this Operating Agreement, or decision of the Members.

6.3. Compensation. The Members' salaries shall be determined as set forth in an employment agreement with the Company.

ARTICLE 7

LIABILITY AND INDEMNIFICATION

7.1. Liability of Member. The Members shall not be liable as such for the Company's liabilities, debts, or obligations. The failure by the Company to observe any formalities or requirements relating to the exercise of its powers or the management of its business or affairs under this Operating Agreement, the Articles of Organization, or the Act shall not be grounds for imposing personal liability on the Members.

7.2. Indemnification by the Company. The Company shall indemnify the Members, the Managers, and the employees of the Company for all costs, losses, liabilities, and damages paid by such person in connection with the Company's property or business, to the fullest extent provided for or allowed under Alaska law. The Members may authorize the purchase of insurance on behalf of the Members, the

Managers, or any employee to indemnify such persons against expenses, judgments, fines, settlements, and such other amounts incurred by such persons in their capacity or arising out of their status as a Member, Manager, or employee, regardless of whether the Company would have the power to indemnify such person against such liability under law.

ARTICLE 8

MEMBERSHIP MEETINGS

8.1. Meetings. The Members will hold an annual meeting on November 01, 2016, but if November 1st falls on a non-working day, then on a working day during the first week of November. The purpose of the annual meeting of the Members shall be to take any action appropriate for a meeting of Members. Special meetings of the Members, for any purpose or purposes, may be called by a Member or Members at any time. Notice of meetings of the Members shall be given in writing, either printed or electronically, at least five (5) days before the meeting. Notice by electronic mail or fax is sufficient. meeting of Members. Special meetings of the Members, for any purpose or purposes, may be called by a Member or Members at any time. Notice of meetings of the Members shall be given in writing, either printed or electronically, at least five (5) days before the meeting. Notice by electronic mail or fax is sufficient.

8.2. Proxies. At all meetings of the Members, a Member may vote by proxy executed in writing by the Member or by his duly authorized attorney-in-fact. The proxy must be filed with the Managers of the Company before or at the time of the meeting. No proxy may be valid after three (3) months from the date of execution, unless otherwise provided in the proxy.

8.3. Manner of Acting.

(a) The Members will select a Member to preside at meetings of the Members. The Members may adopt their own rules of procedure which may not be inconsistent with this Operating Agreement.

(b) A Member of the Company who is present at a meeting of the Members at which action on any matter is taken will be presumed to have waived any defect in notice of the meeting and assented to the action taken, unless the Member appears specifically to protest the defect in notice or his or her dissent is entered in the minutes of the meeting.

(c) Any action of the Members may be taken without a meeting if a consent in writing setting forth the action so taken is signed by all of the Members entitled to vote with respect to the subject matter thereof.

(d) Members of the Company may participate in any meeting of the Members by means of conference telephone, videophone, or similar communication if all persons participating in the meeting can hear one another for the entire discussion of the matter(s) to be voted on.

ARTICLE 9

FISCAL MATTERS

9.1. Fiscal Year. The fiscal year of the Company shall end on December 31st of each year.

9.2. Accounting. All financial records will be maintained and reported based on generally accepted accounting principles.

9.3. Banking. All funds of the Company shall be deposited regularly, in the Company's name, in the Company's savings, checking, and/or investment accounts at commercial banks or other financial institutions selected by the Members.

9.4. Tax Treatment. The Members intend for the Company to be taxed as a corporation for federal income tax purposes. No Member shall assert, on any tax return or elsewhere, anything inconsistent with this intent, or do anything which could deny the Company the intended tax treatment.

9.5. Deductions. The Company is authorized to deduct from distributions any amounts due to the Company under a Member's employment agreement.

ARTICLE 10

RECORDS

10.1. Maintenance of Records. The Company shall maintain at its principal office or registered office, the following:

(a) a current list of the full name(s) and last-known business, residence, or mailing addresses of the Members, both past and present;

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

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

(d) copies of any currently effective written operating agreements, copies of any writings permitted or required under the Act, and copies of any financial statements of the Company for the three (3) most recent years;

(e) minutes of any Member meetings; and

(f) unless contained in this Agreement or any amendment thereto, records showing the amount of cash and a description and statement of the agreed value of any property or services contributed by each Member or which each Member has agreed to contribute to the Company in the future, and the circumstances upon which future contributions are to be made.

ARTICLE 11

TRANSFER OF MEMBERSHIP INTEREST

11.1. Company Option to Purchase Membership Interest. Upon the occurrence of any of the following events, the Company shall have the option to purchase a Member's membership interest in the Company:

(a) a purported sale by a Member of his membership interest to any person or entity;

(b) a written request by a Member to withdraw from the Company;

(c) A breach by a Member of an employment agreement between a Member and the Company;

(d) Death of a Member;

(e) Adjudication by a court of competent jurisdiction of incompetency of a Member to manage a Member's person or property;

(f) An assignment of a Member's shares to any person or entity that is not already a Member of the Company;

(g) The filing of a voluntary petition for bankruptcy by a Member;

(h) An adjudication that a Member is bankrupt or insolvent;

(i) A Member files a petition or answer seeking for the Member a reorganization, arrangement, composition, readjustment, liquidation, dissolution of the Company, or similar relief under law, or a proceeding seeking such relief is not dismissed within one hundred twenty (120) days after commencement;

(j) A Member files an answer or other pleading admitting or failing to contest the material allegations of a petition filed against the Member in a proceeding in the nature of subsection (i) of this subsection; or

(k) A Member seeks, consents to, or acquiesces in the appointment of a trustee, receiver, or liquidator of the Member or of all or a substantial part of the Member's property, or an appointment without the Member's consent of such a person if not vacated or stayed within one hundred twenty (120) days after appointment or expiration of the stay.

11.2. Members' Option to Purchase.

(a) If the Company declines to exercise the option to repurchase a Member's Membership Interest under Section 11.1, any Member(s) who desire(s) to participate may proportionately (or in the proportions as the remaining Members may agree) purchase some or all of the Membership Interest under the same formula that would apply had the Company purchased the Membership Interest. Members may also purchase any Membership Interest remaining from the Company's partial exercise of the right to purchase an offered Membership Interest, up to the proportion of the Membership Interest being offered for sale less those purchased by the Company.

(b) Purchases of Membership interests under this Section shall be in accordance with the formula specified in Section 11.3 and subject to the procedures of

11.3. Formula for Purchase of Membership Interest by Company or Members. When an action or event occurs that triggers the operation of this section as to a Membership Interest, the following procedure shall be followed to purchase the Membership Interest in the Company:

(a) The price of Membership Interest to be purchased under this Agreement shall be the fair market value of the Company as a whole multiplied by the Member's Membership Interest percentage on the valuation date;

(b) The term "valuation date" shall mean the last day of the month preceding the date on which the Membership Interest is offered for purchase or is subject to purchase under this Operating Agreement;

(c) "Fair market value" of the Company shall be determined by the Company's certified public accountant; and

(d) In the event that the Company or any Member is dissatisfied with the determination of fair market value, the dissatisfied Company or Member may obtain another fair market value determination from a certified public accountant at the expense of the requesting party. In the event that all such subsequent determinations are within ten percent (10%) of the initial agreed fair market value, the determination shall be averaged and the average amount shall

be the agreed fair market value. In the event that any of the subsequent determinations vary more than ten percent (10%) from the initial agreed fair market value, the Company or a Member may initiate binding arbitration proceedings under the dispute resolution procedures of the Operating Agreement. The parties will enter into voluntary mediation efforts before undertaking binding arbitration.

11.4. When Option to Purchase Deemed Declined. An option on the part of the Company or a Member to purchase the Membership Interest of a Member pursuant to this Article expires:

(a) Sixty (60) days after receipt of a written request by a Member to sell Membership Interest; or

(b) Sixty (60) days after receipt of notice of an event listed in Sections 11.1 or 11.2, whichever is longer.

11.5. Limited Right to Sell to Third Parties. If the Company and the remaining Members decline to purchase a Membership Interest available for purchase pursuant to Sections 11.1 or 11.2 of this Article, the Member may sell the Member's Membership Interest on any financial terms to any other person or entity, subject to the remaining Members' unanimous approval of the new Member, which may not be unreasonably withheld and may be subject to reasonable terms and conditions, including the new Member's express written consent to be bound by the terms of the Agreement and any amendment thereto.

11.6. Closing on Sales to Company or Members. If an election to exercise an option to purchase Membership Interest is made by the Company or individual Members, the closing of the transaction to purchase the Membership Interest in question shall be held within sixty (60) days. Terms of purchase shall be negotiable, but if the parties are unable to agree, will permit payment by a ten percent (10%) down payment and a promissory note payable in monthly installments over a five (5) year term. Any purchasing party shall have the right to pay the entire unpaid principal and accrued interest on thirty (30) days' written notice without penalty. Interest on any unpaid purchase price shall be at prime rate of interest as posted by the banking institution utilized by the Company as of the date of the exercise of an option to purchase. Terms of any promissory note shall include a provision for the acceleration of the maturity of the unpaid principle and interest of the note in the event of default and shall set out required amortization of monthly interest and principle payments.

11.7. Membership Interest Certificates. All Membership Interests now or afterwards owned by a Member shall be subject to the provisions of this Agreement and any certificates representing them shall bear the following legend: The sale, transfer, or encumbrance of this certificate is subject to an Operating Agreement dated May 16, 2016, among the Members and the Company. A copy of the Operating

Agreement is on file in the office of the Company. The Operating Agreement provides, among other things, for certain obligations to sell and to purchase the Membership Interest evidenced by this certificate, for a designated purchase price. By accepting the Membership Interest evidenced by this certificate, the holder agrees to be bound by the Operating Agreement.

ARTICLE 12

RESIGNATION OF MEMBER

12.1. Resignation. A Member may resign from the Company at any time without compensation for the Member's interest in the Company, subject to the unanimous approval of all remaining Members.

ARTICLE 13

DISSOLUTION AND TERMINATION

13.1. Events of Dissolution. The Company shall dissolve upon the occurrence of any of the following events:

(a) by the Members' written statement of dissolution; or

(b) by the entry of a decree of judicial dissolution pursuant to the Act.

13.2. Effect of Filing of Dissolving Statement. As soon as possible following an event of dissolution, an appropriate representative of the Company shall execute and file a statement of intent to dissolve in such form as is required by the State of Alaska, Department of Commerce, Community and Economic Development ("Department"). Upon the proper filing of a statement of intent to dissolve, the Company shall cease to carry on its business, except insofar as may be necessary for the winding up of its business, but its separate existence shall continue until articles of dissolution have been filed with the Department or until a decree dissolving the Company has been entered by a court of competent jurisdiction.

13.3. Winding Up, Liquidation, and Distribution of Assets.

(a) Upon dissolution, an accounting shall be made by the Company's independent accountants of the accounts of the Company and of the Company's assets, liabilities, and operations, from the date of the last previous accounting until the date of dissolution. The Members shall immediately proceed to wind up the affairs of the Company.

(b) If the Company is dissolved and its affairs are to be wound up, the

Members shall (1) sell or otherwise liquidate all of the Company's assets as promptly as practicable (except to the extent the Members may determine to receive any assets in kind), (2) discharge all liabilities of the Company, including all costs relating to the dissolution, winding up, and liquidation and distribution of assets, (3) establish such reserves as reasonably may be necessary to provide for contingent liabilities of the Company, (4) discharge any liabilities of the Company to the Members other than on account of the Members' interest in Company capital or profits, and (5) distribute the remaining assets to the Members.
(c) Upon completion of the winding up, liquidation, and distribution of the assets, the Company shall be deemed terminated.

(d) The Members shall comply with any and all applicable requirements of applicable law pertaining to the winding up of the affairs of the Company and the final distribution of its assets.

13.4. Articles of Dissolution. When all debts, liabilities, and obligations have been paid and discharged, or adequate provision has been made therefor, and all of the remaining property and assets have been distributed to the Members, articles of dissolution shall be executed in duplicate and verified by the person signing the articles, which articles shall set forth the information required by the Act.

13.5. Filing of Articles of Dissolution.

Department.

(a) Duplicate originals of such articles of dissolution shall be delivered to the

(b) Upon the filing of the articles of dissolution, the existence of the Company shall cease, except for the purpose of suits, other proceedings, and appropriate action as provided in the Act. The Members shall thereafter be a trustee for creditors of the Company and, as such, shall have authority to distribute any Company property discovered after dissolution, convey real estate, and take such other action as may be necessary on behalf of, and in the name of, the company shall have authority to distribute any Company property discovered after dissolution, convey real estate, and take such other action as may be necessary on behalf of, and in the name of, the Company.

(c) Responsibility. Upon dissolution, the Members shall look solely to the assets of the Company for the return of the Members' capital contribution. The winding up of the affairs of the Company and the distribution of its assets shall be conducted by the Members, may take all actions necessary to accomplish such distribution, including, without limitation, selling any Company assets the Members deem necessary or appropriate to sell.

ARTICLE 14

DISPUTE RESOLUTION

14.1. Arbitration. Venue for any legal or arbitral proceeding relating to this Agreement shall be in Anchorage, Alaska. The parties to this Agreement agree to the resolution by arbitration of all claims or controversies ("claims") arising out of or relating to this Agreement.
14.2. Selection of Arbitration Organization. The arbitration will be held under the auspices of either the American Arbitration Association ("AAA") or Judicial Arbitration & Mediation Services, Inc. ("J•A•M•S"), with the designation of the sponsoring organization to be made by the party who did not initiate the claim, and in accordance with the sponsoring organization's then-current rules governing business arbitrations.

14.3. Selection of Arbitrator. The Arbitrator shall be selected as follows. The Arbitrator must be an attorney who is experienced in the resolution of commercial disputes. The sponsoring organization shall give each party a list of eleven (11) arbitrators drawn from its panel of business dispute arbitrators. Each party may strike all names on the list it deems unacceptable. If only one common name remains on the lists of all parties, that individual shall be designated as the Arbitrator. If more than one common name remains on the lists of all parties, the parties shall strike names alternately from the list of common names until only one remains. The party who did not initiate the claim shall strike first. If no common name exists on the lists of all parties, the sponsoring organization shall furnish an additional list and the process shall be repeated. If no arbitrator has been selected after two lists have been distributed, then the parties shall strike alternately from a third list, with the party initiating the claim striking first,
until only one name remains. That person shall be designated as the Arbitrator.

14.4. Standards and Powers. The Arbitrator, and not any federal, state, or local court or agency, shall have the exclusive authority to resolve any dispute relating to the interpretation, applicability, enforceability, or formation of this Agreement, including but not limited to any claims that all or any part of this Agreement is void or voidable. The arbitration shall be final and binding upon the parties. The Arbitrator shall have jurisdiction to hear and rule on pre-hearing disputes and is authorized to hold pre-hearing conferences by telephone or in person, as the Arbitrator deems necessary.

14.5. Hearing and Decision. Either party, at its own expense, may arrange for and pay the cost of a court reporter to provide a stenographic record of proceedings. Either party, upon request at the close of hearing, shall be given leave to file a post-hearing brief. The time for filing such a brief shall be set by the Arbitrator. The Arbitrator shall render an award and opinion in the form typically rendered in business arbitrations. Either party shall have the right, within twenty (20) days of issuance of the Arbitrator's proposed opinion, to file with the Arbitrator a motion to reconsider (accompanied by a supporting brief), and the other party shall have twenty (20) days from the date of the motion to respond. The Arbitrator thereupon shall reconsider the issues raised by the motion and promptly either confirm or change the decision, which (except as provided by this Agreement) shall then be

final and conclusive upon the parties. The costs of such a motion for reconsideration and written opinion of the Arbitrator shall be borne by the party prevailing on the motion, unless the Arbitrator orders otherwise.

14.6. Discovery. Each party shall have the right to take the depositions of three individuals and any expert witness designated by another party. Each party shall also have the right to make requests for production of documents to any party. The subpoena right specified below shall be applicable to discovery pursuant to this Section. Additional discovery may be had only where the Arbitrator selected pursuant to this Agreement so orders, upon a showing of substantial need. At least sixty (60) days before the arbitration, the parties must exchange lists of witnesses, including any expert, and copies of all exhibits intended to be used at the arbitration. Each party shall have the right to subpoena witnesses and documents for the arbitration and shall make application for such subpoenas to the Arbitrator.

14.7. Costs and Fees. Except as otherwise provided herein, the parties shall equally share the fees and costs of the Arbitrator. Each party will deposit funds or post other appropriate security for its share of the Arbitrator's fee, in an amount and manner determined by the Arbitrator, ten (10) days before the first day of hearing. If any party prevails on a statutory claim which affords the prevailing party attorney's fees or costs, or if fees or costs could be awarded under Alaska Rule of Civil Procedure 82, the Arbitrator may award reasonable fees to the prevailing party. Either party may bring an action in any court of competent jurisdiction to compel arbitration under this Agreement and to enforce an arbitration award.

ARTICLE 15

MISCELLANEOUS PROVISIONS

15.1. Inurement. This Agreement shall be binding upon, and inure to the benefit of, all parties hereto and their successors and assigns to the extent, but only to the extent, that such assignment is provided for in accordance with, and permitted by, the provisions of this Agreement.

15.2. No Limit on Personal Activities. Nothing herein contained shall be construed to limit in any manner the Members or the Members' respective agents, servants, or employees, in carrying out the Members' separate businesses or activities.

15.3. Use of Personal Stamps. Each Member shall have as his or her personal property any professional stamp or certification licensed by the state. Nothing herein contained shall be construed to limit in any manner the Members from using their personal stamps or certification in connection with work performed outside the interests of the Company. Similarly, no Member may be required to place his stamp or certification on company documents.

15.4. Severability. Nothing contained in this Agreement shall be construed as

requiring the commission of any act contrary to law. In the event there is any conflict between any provision of this Agreement and any statute, law, ordinance, or regulation contrary to which the Members and the Company have no legal right to contract, the latter shall prevail, but in such event the provisions of this Agreement thus affected shall be curtailed and limited only to the extent necessary to conform with said requirement of law. In the event that any part, article, section, or clause of this Agreement shall be held to be indefinite, invalid, or otherwise unenforceable, the entire Agreement shall not fail on account thereof, and the balance of the Agreement shall continue in full force and effect.

15.5. Membership Interest. The Members hereby covenant, acknowledge, and agree that the Members' Membership Interests in the Company shall for all purposes be deemed personally, and shall not be deemed realty or any interest in the assets or property owned by the Company.

15.6. Not for Benefit of Creditors. The provisions of this Agreement are intended only for the regulation of relations between the Members and the Company. This Agreement is not intended for the benefit of creditors and does not grant any rights to, or confer any benefits on, creditors or any other person who is not a Member of the Company.

15.7. Amendment. No amendment or modification of this Operating Agreement shall be valid unless it is in writing and is consented to and signed by all Members.

15.8. Governing Law. It is the intent of the parties hereto that all questions with respect to the construction of this Operating Agreement and the rights, duties, obligations, and liabilities of the parties shall be determined in accordance with the applicable provisions of the laws of the State of Alaska. The parties agree that any judicial proceedings related to the interpretation or enforcement of this Agreement shall be conducted in Alaska state courts with venue in the Third Judicial District at Anchorage.

15.9. Entire Agreement. The Members agree that this Operating Agreement constitutes the entire agreement between the Members and the Company.

ARTICLE 16

DEFINITIONS

For purposes of this Operating Agreement, and unless the context clearly indicates otherwise, the following terms shall have the following meanings:

"Act" - The Alaska Revised Limited Liability Act, AS 10.50, et seq., as amended from time to time.

"Agreement" — This Operating Agreement.

"Company" — AK FROST, LLC

"Initial Members" — Kyle A. Denton and David L. McConnell. II

"Member" — Any Person or Persons including the Initial Members who are or may subsequently be designated as a Member of this Company pursuant to the further terms of this Agreement.

"Membership Interest" — The rights of a Member in distributions and allocations of profits, losses, gains, deductions, and credits.

"Membership Rights" — The rights of a Member, which are comprised of: (1) the Member's Membership Interest, and (2) the Member's right to vote and to otherwise participate in the management and governance of the Company.

"Persons" — Individuals, partnerships, corporations, limited liability companies, unincorporated associations, trusts, estates, and any other type of entity.

IN WITNESS WHEREOF, this Operating Agreement of AK FROST, LLC, is executed effective as of the date first set forth above.

DATED this Eighth day of October, 2016, at Anchorage, Alaska.

KYLE A. DENTON, Individually and as Manager on behalf of AK FROST, LLC

The foregoing Operating Agreement of AK FROST, LLC, was acknowledged before me this Eighth day of October, 2016, by KYLE A. DENTON.

Notary Public in and for the State of Alaska
My commission expires: 09/01/18

THERESA BAYER
NOTARY PUBLIC
STATE OF ALASKA

DAVID L. MCCONNELL, II. Individually and as Manager on behalf of AK FROST, LLC

The foregoing Operating Agreement of AK FROST, LLC, was acknowledged before me this Eighth day of October, 2016, by DAVID L. MCCONNELL, II.

Notary Public in and for the State of Alaska
My commission expires: 09/01/18

THERESA BAYER
NOTARY PUBLIC
STATE OF ALASKA