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

Alaska Marijuana Control Board

Cover Sheet for Marijuana Establishment Applications

What is this form?

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

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

Section 1 – Establishment Information

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

Licensee:	True Dank, LLC	**License Number:**		11053	
License Type:	Retail Marijuana Store				
Doing Business As:	TRUE DANK				
Physical Address:	1550 cushman				
City:	Fairbanks	**State:**	AK	**Zip Code:**	99701
Designated Licensee:	Travis Fraser				
Email Address:	travisfraser00@yahoo.com				

Section 2 – Attached Items

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

Attached Items:	Entity Documents

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

Alaska Entity #10041091

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

True Dank, LLC

IN TESTIMONY WHEREOF, I execute the certificate and affix the Great Seal of the State of Alaska effective **September 02, 2016**.

Chris Hladick
Commissioner

TRUE DANK, LLC
OPERATING AGREEMENT

The undersigned, as owners of the Company, enter into this Operating Agreement at Fairbanks, Alaska effective October 14, 2016, under the name, True Dank, LLC. The undersigned owners shall sometimes be referred to as "Members" or "Owners."

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

Article I
Definitions

The following italicized terms shall have the meaning specified in this Article I. Other terms are defined in the text of this Agreement; and, throughout this Agreement, those terms shall have the meanings respectively ascribed to them:

"Act" means the Alaska Limited Liability Company Act, as amended from time to time.

"Agreement" means this Operating Agreement, as amended from time to time.

"Articles" means the Articles of Organization filed with the State of Alaska on September 2, 2016.

"Books and Records" means the books and records of the Company, including this Agreement, tax returns, financial statements, and minutes of Member meetings.

"Capital Contribution(s)" means the amount of money and value of any Property (other than money) contributed to the Company at any time by a Member.

"Capital Event" means a Condemnation, Casualty, Sale or Refinancing.

"Casualty" means an event or occurrence that results in destruction or damage to any item or parcel of Company Properties

"Code" means the Internal Revenue Code of 1986, as amended, or any corresponding provision of any succeeding law.

"Company" means the limited liability company formed in accordance with this Agreement.

"Condemnation" means any (a) taking of any item or part of or interest in Company Properties under the power of condemnation or eminent domain; (b) conveyance of any item or part of or interest in Company Properties in lieu of condemnation; or (c) act or omission by any governmental authority causing injury or damage to any item or part of or interest in Company Properties compensable under the doctrine of inverse condemnation.

"Department" means the Department of Community and Economic Development.

"Depreciation" means for each Fiscal Year or other period, an amount equal to the depreciation, amortization or other cost recovery deduction allowable for federal income tax purposes with respect to an asset for such Fiscal Year or other period; *provided, however,* 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 or other period, Depreciation shall be an amount that bears the same ratio to such beginning Gross Asset Value as the federal income tax depreciation, amortization or other cost recovery deduction with respect to such asset for such Fiscal Year or other period bears to such beginning adjusted tax basis; and *provided further* that, if the federal income tax depreciation, amortization or other cost recovery deduction for such Fiscal Year or other period is zero, Depreciation shall be determined with reference to such beginning Gross Asset Value.

"Dissolution Event(s)" means a reference to one or more events described in the subparagraphs of paragraph 9.1.

"Fair Market Value" means the Fair Market Value of the Units as of any date and for all purposes means the value set by the Member's at the annual meeting. If the Members fail to re-determine the unit purchase price for a particular period as scheduled, the last stipulated purchase price shall control. From the valuation of the total outstanding units, a price per unit shall be determined.

"Interest" means a Person's share of the profits and losses of, and the right to receive distributions from, the Company.

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

"Involuntary Withdrawal" of a Member shall mean the death, retirement, resignation, expulsion or bankruptcy of such Member and any other event which terminates the continued membership of such Member in the Company.

"Majority" means the affirmative vote of holders of a majority of the then-outstanding Units entitled to vote on a matter submitted for the approval of the Members.

"Member" means the following persons are Members and they are also the Charter Members of the LLC.

Member/Address:	**Initial Contribution:**	**Units Owned:**	**Ownership Interest:**
Travis Fraser PO Box 10974 Fairbanks, AK 99710	$10,000	667	66.67%
Zarin Taylor 9138 Arlon Street STE A3 PMB 723 Anchorage, AK 99507	$20,000	333	33.33%

"Member" includes each Person who may hereafter be admitted as a Member of the Company in accordance with the terms of this Agreement.

"Non Selling Member" is defined in subparagraph 8.1.1.

"Non Selling Member Offer Period" is defined in subparagraph 8.1.1.3.

"Offer" is defined in subparagraph 8.1.1.

"Offer Statement" is defined in subparagraph 8.1.1.1.

"Offered Units" is defined in subparagraph 8.1.1.1.

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

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

"Regulation(s)" means the income tax regulations, including any temporary regulations, from time to time promulgated under the Code.

"Sale" is any transaction that constitutes or commits the Company to the conveyance, assignment or disposition of any parcel or interest in the Company Properties.

"Selling Member" is defined in subparagraph 8.1.1.

"Transfer" means, when used as a noun, any voluntary sale, hypothecation, pledge, assignment, attachment, or other transfer, and, when used as a verb, means voluntarily to

sell, hypothecate, pledge, assign, or otherwise transfer.

"Transferee" is a Person who acquires Units by reason of a Transfer.

"Unit" is the equity interest in the Company existing under this Agreement and the Act, at any particular time, whether held by a Member, or a Transferee of a Member, subject to the obligations associated with such interest under this Agreement or the Act.

"Unit Holder" is any Person who owns or holds Units, whether as a Member or a Transferee of a Member.

Article II
Organization and Purpose

2.1. *Organization.* The Members have organized a limited liability company pursuant to the Act and the provisions of this Agreement and, has caused the Articles of Organization to be executed and filed for record with the Department.

2.2. *Name of the Company.* The name of the Company shall be "True Dank, LLC." The Company may do business under that name and under any other name or names which the members may select. If the Company does business under a name other than that set forth in its Articles of Organization, then the Company shall file an assumed business name as required by law.

2.3. *Purpose.* The Company is organized for any lawful purpose and to do any and all things necessary, convenient, or incidental to that purpose.

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

2.5. *Principal Office.* The principal office of the Company in the State of Alaska shall be located at 1550 South Cushman, Fairbanks, AK 99701, or at any other place within the State of Alaska that the members select.

2.6. *Registered Agent.* The name and address of the company's registered agent shall be Travis Fraser, PO Box 10974, Fairbanks, AK 99710.

2.7. *No Partnership Intended.* The Members have formed the Company under the Act, and expressly do not intend to form a partnership under Alaska partnership law or a corporation under the Alaska Corporations Code. The Members, in their capacities as Members, do not intend to be partners of or among each other, or partners as to any third party. To the extent any Member, by word or action, represents to another person that any other Member is a partner, that Member who makes such representation shall be liable to any other Member that incurs personal liability by reason of such wrongful representation.

2.8. *Filings in Compliance with Law; Title.*

2.8.1. The Managing Member shall take any and all actions necessary to perfect and maintain the status of the Company as a limited liability company under the Act, including the filing of such certificates and biennial reports and the taking of all other actions required for the continuance of the Company under the Act and this Agreement.

2.8.2. The Managing Member, if responsible for the winding up of the Company, shall file a certificate of dissolution with the Corporations Section of the State of Alaska, Department of Community and Economic Development, upon the dissolution and the completion of winding up of the Company.

2.8.3. All Property acquired by the Company shall be acquired and held by the Company in its name.

2.9. *Member Investment.* Each Member expressly acknowledges, by signing this Agreement, that he is purchasing Units in this Company. Each Member further acknowledges that he has had the opportunity to consult his financial advisor, accountant, lawyer or other professional before investing in the Company, and has in fact done so. Each Member understands and acknowledges that CSG, Inc. ("CSG") represents Travis Fraser and not the entity itself or any other Member. The Members agree that although CSG has drafted this Agreement, the legal principal of construing the Agreement against the drafter shall not apply.

2.9.1. Each Member acknowledges that the Company is exempt from registering any investment in the Company under AS 45.55.070 pursuant to AS 45.55.900(b). Each Member further acknowledges that no commission or other remuneration was paid directly or indirectly for soliciting any investor, and further acknowledges that no public solicitation or advertisement was made at all.

2.9.2. Upon issuance of any document evidencing ownership in the Company, a legend shall be placed on the certificate stating that "this security is not registered under AS 45.55.070 and cannot be resold without registration under this chapter or exemption from it. In addition, this security is subject to ownership and transfer restrictions appearing in the Operating Agreement and other Member Agreements." Each Member represents that before investing in the Company he or she had the opportunity to consult with an independent accountant, advisor or attorney.

2.10. *Member Acknowledgement of Non-Securities Registration.* By signing this Agreement, each Member acknowledges that he is buying for investment purposes and that the securities, if any, will not be resold without registration under AS 45.55.070 or

exemption from it. Each Member expressly acknowledges that this is a high-risk purchase of Units, and no guarantees, warranties or representations of any kind have been made regarding its potential profitability. Each Member represents that he has sufficient business judgment and economic wherewithal to invest in this Company and that the loss of any investment will not cause any significant financial harm.

2.11. *Federal and State Taxation of LLC and Members.*

2.11.1. *Federal Taxation.* The Members have elected for the LLC to be taxed as a C corporation. Upon filing the entity classification the LLC will be taxed as a corporation until the LLC files paperwork with the IRS to change its taxation status.

2.11.2. *State Taxation.* The LLC and the members shall be taxable under the laws of Alaska as provided by those laws and by the regulations thereunder.

2.12. *LLC's Accounting Method*

2.12.1. *Use of Federal Income Tax Definitions.* In computing its income, deductions and other tax and financial items, the LLC shall use federal income tax definitions and rules to the extent that these definitions and rules are available in applicable federal tax authorities.

2.12.2. *Cash Basis.* In determining when to recognize income, expenses and other tax items, the LLC shall use the cash basis.

Article III
The LLC's Tax Election

3.1. *Revocation of LLC's Corporate Tax Election.* The Members may revoke the LLC's election to be taxed as a corporation by unanimous vote of the Members. The LLC upon unamious vote of the Members may elect to be taxed as an S corporation.

3.2. *Members' Duty to Cooperate with Principal Tax Adviser.* In connection with the LLC's formation and thereafter, the members shall reasonably cooperate with the LLC's principal tax adviser to ensure adequate LLC tax planning and compliance.

3.3. *Tax Elections.* The Managing Member shall cause the LLC to make any tax elections and may require the Members to take any other actions necessary or appropriate in the circumstances in order to ensure tax compliance and maximum lawful tax avoidance by the LLC and the Members.

3.4. *LLC's Duty to Complete and File Tax Returns.* On a timely basis each year, the LLC shall accurately complete and file its federal tax return and all applicable state and local returns.

3.5. *Appointment and Replacement of LLC Tax Matters Partner.* If the LLC is required under Internal Revenue Code section 6231(a)(1) to have a tax matters partner for purposes of unified administrative and judicial federal tax proceedings, the Managing Member shall promptly appoint a Member to that position. The Managing Member may replace the LLC's tax matters partner at the Managing Member's discretion.

3.6. *Tax Matters Partner's Duties.* The tax matters partner shall consult reasonably with the other Member before taking any action as a tax matters partner and, to the extent permitted by law, shall act in the best interests of all of the Members and the LLC.

Article IV
Management

4.1. *General.* The business and affairs of the Company shall be managed by the Members.

4.2. *Meetings of and Voting by Members.*

4.2.1. A meeting of the Members may be called at any time by any Member. Meetings of Members shall be held at the Company's principal place of business or at any other place in Fairbanks, Alaska. Not less than ten (10) nor more than ninety (90) days before each meeting, the Person calling the meeting shall give written notice of the meeting to each Member entitled to vote at the meeting. The notice shall state the time, place, and purpose of the meeting. Notwithstanding the foregoing provisions, each Member who is entitled to notice waives notice if before or after the meeting the Member signs a waiver of the notice which is filed with the records of Members' meetings, or is present at the meeting in person or by proxy. Unless this Agreement provides otherwise, at a meeting of Members, the presence in person or by proxy of a majority of the Members holding not less than fifty-one percent (51%) of the Percentages then held by Members constitutes a quorum. A Member may vote either in person or by written proxy signed by the Member or by the Member's duly authorized attorney-in-fact.

4.2.2. Except as otherwise provided in this Agreement, the affirmative vote of a majority of the Members holding fifty-one percent (51%) or more of the Percentages then held by Members shall be required to approve any matter coming before the Members.

4.2.3. In lieu of holding a meeting, the Members may vote or otherwise take action by a written instrument indicating the consent of Members holding a majority or specify other percentage of the Percentages then held by Members.

4.2.4. Telephonic Meeting. Members of the Company may participate in any meeting of the Members by means of conference telephone or similar communication if all persons participating in such meeting can hear one another for the entire discussion

of the matter(s) to be voted upon. Participating in a meeting pursuant to this Section shall constitute presence in person at such meeting.

4.2.5. Presumption of Assent. A Member of the Company who is present at a meeting of the Members at which action on any matter is taken shall be presumed to have assented to the action taken, unless his dissent shall be entered in the minutes of the meeting or unless he shall file his written dissent to such action with the person acting as the secretary of the meeting before the adjournment thereof or shall forward such dissent by certified mail to the secretary of the meeting immediately after the adjournment of the meeting. Such right to dissent shall not apply to a Member who voted in favor of such action.

4.3. *Personal Service*. No Member shall be required to perform services for the Company solely by virtue of being a Member. Unless approved by the Members, no Member shall be entitled to compensation for services performed for the Company. Upon substantiation of the amount and purpose thereof, the Members shall be entitled to reimbursement for expenses reasonably incurred in connection with the activities of the Company.

4.4. Limitation of Liability and Independent Activities.

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

4.4.2. *Independent Activities*. Members of this Company have a duty of undivided loyalty to this Company in all matters affecting this Company's interests. Any Member may engage in or possess an interest in other business ventures of any nature and description, independently or with others, including, without limitation, the ownership, financing and management of the business venture, and neither the Company nor the other Members shall have any right by virtue of this Agreement in and to such independent ventures as to the income or profits therefrom and shall not be liable for a breach of duty of loyalty or any other duty.

4.5. *Indemnification*

4.5.1. *Indemnification*. To the fullest extent permitted by applicable law, a Member shall be entitled to indemnification from the Company for any loss, damage, or claim incurred by such Member by reason or any act or omission performed or omitted by

such Member in good faith on behalf of the Company and in a manner reasonably believed to be within the scope of authority conferred on such Member by this Agreement; *provided, however*, that any indemnity under this *Section* 4.5.1 shall be provided out of and to the extent of Company assets only, and no other Member shall have any personal liability on account thereof.

4.5.2. *Notice.* In the event that any claim, demand, action, suit or proceeding shall be instituted or asserted or any loss, damage or claim shall arise in respect of which indemnity may be sought by a Member pursuant to *Section* 4.5.1, such Member shall promptly notify the Company thereof in writing. Failure to provide notice shall not affect the Company's obligations hereunder except to the extent the Company is actually prejudiced thereby.

4.5.3. *Contest.* The Company shall have the right, exercisable subject to the approval of the disinterested Members to participate in and control the defense of any such claim, demand, action, suit or proceeding, and in connection therewith, to retain counsel reasonably satisfactory to each Member, at the Company's expense, to represent each Member and any others the Company may designate in such claim, demand, action, suit or proceeding. The Company shall keep the Member advised of the status of such claim, demand, action, suit or proceeding and the defense thereof and shall consider in good faith recommendations made by the Member with respect thereto.

Article V
Rights and Obligations of Members

5.1. *Liability for Company Obligations.* Members shall not be personally liable for any debts, obligations or liabilities of the Company beyond their respective Capital Contributions.

5.2. *Inspection and Audit of Records.* Upon reasonable request and written notice to the Company, each Member shall have the right during ordinary business hours to inspect and copy at such Member's expense the books and records of the Company. Such right shall not be available if the Managing Member determines in good faith that such records are not needed for a proper purpose.

5.3. *No Obligation to Loan or Guaranty.* No Member shall be required to lend any funds to the Company or to guaranty or provide any security for the payment of debts or obligations of the Company.

5.4. *Transfer of Company Property to Members Prohibited.* The Members shall not convey to themselves as individuals any portion of Company property that is necessary to the Company's operation.

5.5. *Death of Member.* Upon a Member's death, the Company shall redeem the Member's Units in accordance within the provisions of Article VIII.

5.6. *Incapacity of Member.* The Guardian, Conservator, or Attorney-in-Fact, may make a written request to continue membership in the Company on behalf of the incapacitated Member. The Members shall review the request within one hundred twenty (120) days of receipt of the written request. Should the request be denied, the Member's Units may be redeemed in accordance with the provisions of Article VIII. If the request is accepted, the incapacitated Member may continue to be a Member. The duly appointed Guardian, Conservator, or Attorney-in-Fact may not vote the Units of the Member.

Article VI
Capital Contributions and Capital Accounts

6.1. *Capital Contributions.* The Initial Capital Contributions that each of the Members has made or is required to make to the Company are set forth in Section 1, above. Any additional Capital Contribution shall be made on sixty (60) days notice from the Managing Member.

6.1.1. Pursuant to AS 10.50.280, the Members shall contribute, in proportionate amounts to their ownership interest, any additional capital deemed necessary for the operation of the Company by a majority vote of the Members. For example, if a majority of the Members conclude that an additional $1,000 is necessary for operating the Company, each owner would be obligated to pay his or her share of that $1,000, (i.e., an 80% owner would be required to pay $800.00). The Members shall be notified in writing that additional capital is required along with a deadline for payment.

6.1.2. In the event that any Member refuses or otherwise fails to contribute the percentage share of the additional capital required and no payment is received by the Company within sixty (60) days of notice being sent, the following shall occur in the following order:

6.1.2.1. The Company may contribute the unpaid capital by withdrawing it from the non-paying Member's capital account as determined by the Company accountant. This will have the effect of reducing the percentage ownership of the non-paying Member and proportionately increasing the paying Members' ownership interests. If a withdrawal from the non-paying Member's capital account is undertaken, then the non-paying Member shall have 180 days within which to contribute the unpaid capital contribution, plus interest on the unpaid sum at 10% per annum from the date the capital contribution was due until paid. If the Company receives full payment (principal and interest) within the 180-day period, the non-paying Member shall be entitled to have the original percentage ownership interest restored.

6.1.2.2. In the event there are no cash reserves or insufficient cash reserves attributed to the non-paying Member's capital account, or in the event the non-paying Member does not tender the additional capital contribution plus interest within 180 days, the Company may, upon a majority vote of the non-interested

Members, and at its option, declare the non-paying Member's ownership interest forfeited, and subsequently transferred in accordance with Article IX.

6.1.2.3. If a forfeiture of interest is declared, the Company shall give written notice to the non-paying Member that his or her interest has been forfeited due to failure to pay required capital contributions.

6.2. *Membership Interests.* The Company shall have the authority to issue up to ten thousand (10,000) membership Units.

6.2.1. *Voting Rights.* Except as otherwise required by law, the holders of Units shall be entitled to notice of any meeting of the Members and to vote upon any matter submitted to the Members for a vote, as follows: the holders of Units shall have one vote per Unit held on the record date for the vote.

6.3. *Capital Accounts.* A separate Capital Account will be maintained for each Member throughout the term of the Company. In the event of a transfer of any Units pursuant to the terms of this Agreement, the Capital Account of the transferor shall become the Capital Account of the transferee to the extent it relates to the transferred Units.

6.4. *No Withdrawal of Members' Capital Contributions.* No Member shall demand or receive a return of its Capital Contributions.

6.5. *Interest on Capital Accounts.* No Member shall be entitled to receive interest on its Capital Account or on the Capital Contributions reflected in such Capital Account.

Article VII
Distributions

7.1. *Distribution-Definition.* A distribution by the LLC to a member means a transfer of the LLC's cash or other assets to the member in respect of the member's Units.

7.2. *Status of Members as Unsecured Creditors of LLC with Respect to Distributions.* Each member shall have the status of an unsecured creditor with respect to distributions to which the member is entitled under the Agreement.

7.3. *Restrictions on Distributions in Kind.* If this Agreement or applicable law requires the LLC to make a distribution to a member, then:

7.3.1. The member may not compel the LLC to make the distribution except in the form of cash; and

7.3.2. The LLC may not compel a member to accept the distribution except in the form of cash.

7.4. *Prohibition Against Unlawful Distributions.* The LLC shall make no unlawful distribution of its assets (as defined in subparagraphs 7.5.1 and 7.5.2) to any member. A distribution shall be an unlawful distribution within the meaning of this Agreement in either of the following circumstances:

7.4.1. *Net Worth Test.* A distribution shall be an unlawful distribution if, immediately after the distribution, the sum of the LLC's liabilities would exceed the aggregate fair market value of its assets.

7.4.2. *Solvency Test.* A distribution shall be an unlawful distribution if, as a result of the distribution, the LLC would be unable to pay its reasonably foreseeable obligations as they become due.

7.5. *Liability of Managing Member and Members for Authorizing or Receiving Unlawful Distributions.* A Managing Member who authorizes an unlawful distribution and members who receive such a distribution shall be liable as provided in the LLC Act.

7.6. *Members' Right to Reimbursement of Expenses.* If any member reasonably incurs an expense on behalf of the LLC and reasonably documents this expense to the LLC, the LLC shall reimburse the member for this expense as promptly as reasonably possible after receiving this documentation.

Article VIII
Transfers and Admission of New Members

8.1. *Transfer Restrictions.* This Section shall apply to all transfers of a Member's Units, whether voluntarily, involuntarily or upon death.

8.1.1. *Transfers by the Members.* Except as otherwise provided in this Agreement, no Member may Transfer all or any part of the Units held by such Member (a "Selling Member") without the prior written consent of the Company and the nonselling Members (collectively, the "Nonselling Members"), unless the Selling Member has made an offer that conforms to the requirements of subparagraph 8.1.1.1 (an "Offer") and such Offer has not been accepted in the manner described in Sections 8.1.1.2 or 8.1.1.3. A Member may not Transfer all or any part of the Units to a competitor of the Company, as determined in good faith by the Managing Member.

8.1.1.1. *Offer by Selling Member.* The Offer shall be made by the Selling Member to the Company for the Fair Market Value of his Units, and shall consist of a written offer to Transfer all or any part of the Units proposed to be Transferred (the "Offered Units"). The cost of purchase is the Fair Market Value of the Units as defined in Article I, above. A statement attached to the Offer (the "Offer Statement") shall set forth a full disclosure of the Offer, including (a) the intention to Transfer; (b) the name and

address of any prospective transferee identified at the time of the Offer Statement; (c) the number of Offered Units; and (d) the terms and conditions of the Transfer.

8.1.1.2. *Acceptance of Offer by Company.* The Company may elect within fourteen (14) days after receipt of the Offer ("Company Offer Period") to purchase and accept some or all of the Offered Units for the cost at Fair Market Value as stated in the Offer Statement by giving written notice within the Company Offer Period to the Selling Member and to the Nonselling Members. The Company may finance up to ninety percent (90%) of the purchase price by executing a Promissory Note, secured by the Units, at the Interest Rate for a period of no more than ten (10) years.

8.1.1.3. *Acceptance of Offer by Nonselling Members.* If the Company has not elected to purchase and accept all the Offered Units within the Company Offer Period, then the Nonselling Members may elect within fourteen (14) days after the expiration of the Company Offer Period ("Nonselling Member Offer Period") to purchase and accept all of the Offered Units not so purchased by the Company by giving written notice within the Nonselling Member Offer Period to the Selling Member and to the Company. If more than one Nonselling Member elects to purchase and accept all of the Offered Units not so purchased by the Company within the Nonselling Member Offer Period under this Article 8.1.1.3, then the number of Units each such electing Nonselling Member shall be entitled to purchase shall be determined by agreement among the electing Nonselling Members or, if they are unable to so agree, then each electing Nonselling Member shall be entitled to purchase a pro rata amount of the Offered Units not so purchased by the Company based upon a percentage equal to the number of Units in the Company owned by such Nonselling Member relative to the total number of Units in the Company owned by all such electing Nonselling Members.

8.1.1.4. *Closing of Purchase by Company and/or Nonselling Members.* If the Company elects to purchase all of the Offered Units, the closing of such transaction shall occur within one hundred twenty (120) days of the end of the Company Offer Period or such later date as specified in the Offer Statement. If the Company elects to purchase less than all of the Offered Units and the Nonselling Members elect to purchase the balance of the Offered Units not so purchased by the Company, the closing of such transaction shall occur, if at all, within one hundred twenty (120) days of the end of the Nonselling Member Offer Period or such later date as specified in the Offer Statement.

8.1.1.5. *Offer Not Accepted by Nonselling Member.* If the Company and the Nonselling Members have not elected to purchase and accept all (but not less than all) of the Offered Units within the time periods specified above, the Selling Member may Transfer some or all of the Offered Units on terms no more favorable to the prospective transferee than those set forth in the Offer Statement. Any such Transfer must be completed within one hundred twenty (120) days following the expiration of the Nonselling Member Offer Period. After such one hundred twenty (120)

days have expired, any Transfer shall again become subject to all the restrictions of this Agreement.

8.1.2.6. *Incompetence of a Member.* The ability of any Member to participate in the management of the Company shall terminate if that Member is adjudged mentally incompetent by a court, or if a guardianship or conservatorship is ordered for the Member, but that Member's right to receive pass-through income or losses shall accrue to any guardian, conservator, administrator or other appointed person.

8.2. *No Other Transfer Effective.* Except as herein provided, no Transfer of any right, title, or interest in Units by a Member shall be effective, and the Company shall not record or recognize any such Transfer, until there has been compliance with the provisions of this Agreement. If no Offer is made as herein required, the Company and the Members may nevertheless exercise their rights hereunder as to the Units being Transferred, and they may do so at any time, even after the Transfer of the Units.

8.3. *Removal of a Member.* A Member's ownership interests in the Company terminates if the Member sells or assigns, or attempts to sell or assign, the Member's ownership interest in the Company without prior written approval of a majority of the Members or in contravention to this Agreement.

8.3.1. A Member may be removed for cause upon a majority affirmative vote of the remaining Members, as set forth below. Any Member removed for cause shall not be entitled to compensation, accrued distributions, or re-payment of capital contributions. A Member may be removed if:

8.3.1.1. the Member is charged with and convicted of, or pleads no contest to, theft (in any degree) from the Company;

8.3.1.2. the Member usurps Company opportunities for that Member's personal benefit by withholding, concealing or failing to disclose such opportunities to the other Members of the Company when under a duty to do so; or

8.3.1.3. the Member, without consent of the majority of other Members, utilizes Company equipment, funds, accounts, employees or property for personal use and benefit unrelated to any legitimate Company purpose.

8.4. *Payment on Disassociation.* In the event of a dissociation of a Member, such dissociated Member or its Transferee shall be paid the Fair Market Value of such Member's Units in accordance with Article 8.1. The dissociating Member shall have only the rights specified in this Agreement.

8.5. *Injunctive Relief.* If any Member shall Transfer its Units in violation of the provisions of this Agreement, the Member or Members, or the Company, or both, shall, in addition to all rights and remedies at law and in equity, be entitled to a decree or

order restraining and enjoining such transfer and the offending Member shall not plead in defense that there would be an adequate remedy at law, it being expressly acknowledged and agreed that damages at law will be an inadequate remedy for the violation of the provisions concerning Transfer set forth in this Agreement.

Article IX
Dissolution and Liquidation

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

9.1.1. when the period fixed for its duration in *Section* 2.4 has expired;

9.1.2. upon the unanimous written agreement of the Members; or

9.1.3. upon court order.

9.2. *Procedure for Winding Up and Dissolution.* If the Company is dissolved, the Managing Member shall wind up its affairs. On winding up of the Company, the assets of the Company shall be distributed, first, to creditors of the Company, including Members who are creditors, in satisfaction of the liabilities of the Company, and then, amounts in excess of any reserves deemed reasonably necessary by the Managing Member to pay all of the Company's claims and obligations shall be distributed proportionately to the Interest Holders in accordance with their ownership interest.

9.3. *Termination.* The Managing Member shall comply with any requirements of applicable law pertaining to the winding up of the affairs of the Company and the final distribution of its assets. Upon completion of the winding up, liquidation and distribution of the assets, the Company shall be deemed terminated.

Article X
Books, Records, and Accounting

10.1. *Bank Accounts.* All funds of the Company shall be deposited in a bank account or accounts opened in the Company's name. The Members shall determine the institution or institutions at which the accounts will be opened and maintained, the types of accounts, and the Persons who will have authority with respect to the accounts and the funds therein.

10.2. *Books and Records.*

10.2.1. The Managing Member shall keep or cause to be kept complete and accurate books and records of the Company and supporting documentation of the transactions with respect to the conduct of the Company's business. The records shall include complete and accurate information regarding the state of the business and financial condition of the Company, a copy of the Articles of Organization and this

Agreement and all amendments thereto, a current list of the names and last known business, residence, or mailing addresses of all Members; and the Company's federal, state, and local tax returns.

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

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

10.3. *Annual Accounting Period.* The annual accounting period of the Company shall be its taxable year. The Company's taxable year shall be selected by the Members, subject to the requirements and limitations of the Code.

10.4. *Biennial Report.* The Members shall file a biennial report as required by the Department.

10.5. *Title to Company Property.* All real and personal property acquired by the Company shall be acquired and held by the Company in its name.

10.6. *Loans.* No loans shall be contracted on behalf of the Limited Liability Company or no evidences of indebtedness shall be issued in its name unless authorized by a resolution of the Members. Such authority may be general or confined to specific instances.

10.7. *Contracts.* The Members may authorize any Member or agent of the Company, to enter into any contract or execute any instrument in the name of and on behalf of the Company, and such authority may be general or confined to specific instances.

10.8. *Accountant.* An Accountant may be selected from time to time by the Members to perform such tax and accounting services as may, from time to time, be required. The accountant may be removed by the Members without assigning any cause.

10.9. *Legal Counsel.* One or more Attorney(s) at Law may be selected from time to time by the Members to review the legal affairs of the Company and to perform such other services as may be required and to report to the Members with respect thereto. The Legal Counsel may be removed by the Members without assigning any cause.

Article XI
Amendments; General Provisions

11.1. *Assurances.* Each Member shall execute all certificates and other documents and shall do all such filing, recording, publishing, and other acts as the Members deems appropriate to comply with the requirements of law for the formation and operation of the Company and to comply with any laws, rules, and regulations relating to the acquisition, operation, or holding of the property of the Company.

11.2. *Notifications.* Any notice, demand, consent, election, offer, approval, request, or other communication (collectively a "notice") required or permitted under this Agreement must be in writing and either delivered personally or sent by certified or registered mail, postage prepaid, return receipt requested. Any notice to be given hereunder by the Company shall be given by the Managing Member. A notice must be addressed to an Interest Holder at the Interest Holder's last known address on the records of the Company. A notice to the Company must be addressed to the Company's principal office. A notice delivered personally will be deemed given only when acknowledged in writing by the person to whom it is delivered. A notice that is sent by mail will be deemed given three (3) business days after it is mailed. Any party may designate, by notice to all of the others, substitute addresses or addressees for notices; thereafter, notices are to be directed to those substitute addresses or addressees.

11.3. *Specific Performance.* Travis Fraser and Zarin Taylor recognize that irreparable injury will result from a breach of any provision of this Agreement and that money damages will be inadequate to remedy the injury fully. Accordingly, in the event of a breach or threatened breach of one or more of the provisions of this Agreement, any party who may be injured (in addition to any other remedies which may be available to that party) shall be entitled to one or more preliminary or permanent orders (i) restraining and enjoining any act that would constitute a breach or (ii) compelling the performance of any obligation that, if not performed, would constitute a breach.

11.4. *Complete Agreement.* This Agreement constitutes the complete and exclusive statement of the agreement among the Members. It supersedes all prior written and oral statements, including any prior representation, statement, condition, or warranty. Except as expressly provided otherwise herein, this Agreement may not be amended without the written consent of all of the Members.

11.5. *Applicable Law.* All questions concerning the construction, validity, and interpretation of this Agreement and the performance of the obligations imposed by this Agreement shall be governed by the internal law, not the law of conflicts, of the State of Alaska.

11.6. *Section Titles.* The headings herein are inserted as a matter of convenience only and do not define, limit, or describe the scope of this Agreement or the intent of the provisions hereof.

11.7. *Binding Provisions.* This Agreement is binding upon, and inures to the benefit of parties hereto and their respective heirs, executors, administrators, personal and legal representatives, successors, and permitted assigns.

11.8. *Jurisdiction and Venue.* Any suit involving any dispute or matter arising under this Agreement may only be brought in the Alaska Superior Court at Fairbanks having jurisdiction over the subject matter of the dispute or matter. All Members hereby consent to the exercise of personal jurisdiction by any such court with respect to any such proceeding.

11.9. *Terms.* Common nouns and pronouns shall be deemed to refer to the masculine, feminine, neuter, singular, and plural, as the identity of the Person may in the context require.

11.10. *Separability of Provisions.* Each provision of this Agreement shall be considered separable; and if, for any reason, any provision or provisions herein are determined to be invalid and contrary to any existing or future law, such invalidity shall not impair the operation of or affect those portions of this Agreement which are valid.

11.11. *Counterparts.* This Agreement may be executed simultaneously in two or more counterparts, each of which shall be deemed an original and all of which, when taken together, constitute one and the same document. The signature of any party to any counterpart shall be deemed a signature to, and may be appended to, any other counterpart.

11.12. *Estoppel Certificate.* Each Member shall, within ten (10) days after written request by the Managing Member, deliver to the requesting Person a certificate stating, to the Member's knowledge, that: (a) this Agreement is in full force and effect; (b) this Agreement has not been modified except by any instrument or instruments identified in the certificate; and (c) there is no default hereunder by the requesting Person, or if there is a default, the nature and extent thereof. If the certificate is not received within that ten (10) day period, the Managing Member shall execute and deliver the certificate on behalf of the requested Member.

11.13. *Amendment.* This Agreement may be amended by a vote of the members holding 51% percent of the capital accounts of all of the Members, *provided however* that no amendment which materially reduces the distributions which may be made to a Member (or changes the Profit or Loss allocation to such Member) may be made without such Member's consent.

11.14. *Consents.* Unless otherwise explicitly provided for herein, any and all consents, agreements or approvals provided for or permitted by this Agreement shall be in writing and a signed copy thereof shall be filed and kept with the books of the Company.

11.15. *Legends.* If certificates for any Interest or Interests are issued that evidence a Member's Interest, each such certificate shall bear such legends as may be required by

applicable federal and state laws, or as may be deemed necessary or appropriate by the Managing Member to reflect restrictions upon transfer contemplated herein.

11.16 *Loans from Members.* The Company may borrow money from a Member upon the affirmative vote of a majority of the Members, excluding the Member who offers to lend money, provided that the loan agreement and terms are in writing and that the interest rate does not exceed the average rate offered by commercial banks in Fairbanks at that time, and further provided that the loan is for Company business, including the purchase of Company capital or payment of debts. No loan from a Member shall be considered a capital contribution.

11.17 *No Third-Party Beneficiaries.* Nothing contained in this Agreement is intended to confer any rights, benefits or interests on any third party to this Agreement. Neither a creditor of the Company nor any other Person not a party to this Agreement shall have any right or remedy to require or enforce the obligation to make Capital Contributions or any other obligations set forth in this Agreement.

11.18 *No Right to Partition.* Each Member agrees that he has no right to have the assets of the Company partitioned; and may not file any action to have the assets of the Company partitioned. Doing so constitutes a breach of this agreement, and will result in automatic forfeiture of the Member's interest in the Company.

11.19 *Captions and Cross-References.* Cross-references to section or paragraph numbers in this Agreement shall, unless otherwise specified, refer to this Agreement and not to any other document. Section or paragraph titles, table of contents or other headings contained in this Agreement are for convenience only and shall not be a part of this Agreement, or considered in its interpretation. The use of any gender shall include any other gender and the use of the singular shall include the plural as the context requires. Whenever a provision of or a definition in this Agreement uses the term "include" or "including," that term shall not be limiting, but shall be interpreted as being illustrative.

IN WITNESS WHEREOF, Travis Fraser and Zarin Taylor hereto have executed this Agreement as of the date and year first above written.

Travis Fraser, Member

Zarin Taylor, Member

applicable federal and state laws, or as may be deemed necessary or appropriate by the Managing Member to reflect restrictions upon transfer contemplated herein.

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IN WITNESS WHEREOF, Travis Fraser and Zarin Taylor hereto have executed this Agreement as of the date and year first above written.

Travis Fraser, Member

Zarin Taylor, Member

EXHIBIT A
Members

Member/Address	Contribution	Percentage Ownership Interest
Travis Fraser PO Box 10974 Fairbanks, AK 99710	$10,000.00	66.67%
Zarin Taylor 9138 Arlon Street STE A3 PMB 723 Anchorage, AK 99507	$20,000.00	33.33%

Date Filed: 09/14/2016
State of Alaska, DCCED

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*

FOR DIVISION USE ONLY

Limited Liability Company

Initial Biennial Report

Web-9/14/2016 2:49:09 PM

Entity Name: True Dank, LLC
Entity Number: 10041091
Home Country: UNITED STATES
Home State/Province: ALASKA

Registered Agent
Name: Travis Fraser
Physical Address: 1550 SOUTH CUSHMAN, FAIRBANKS, AK 99701
Mailing Address: PO BOX 10974, FAIRBANKS, AK 99710

Entity Physical Address: 1550 SOUTH CUSHMAN, FAIRBANKS, AK 99701

Entity Mailing Address: PO BOX 10974, FAIRBANKS, AK 99710

Please include all officials. Check all titles that apply. Must use titles provided. Please list the names and addresses of the members the domestic limited liability company (LLC). There must be at least one member listed. If the LLC is managed by a manager(s), ere 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
Travis Fraser	PO Box 10974, Fairbanks, AK 99710	66.67	Member
Zarin Taylor	9138 Arlon Street , STE A3 PMB 723, Anchorage, AK 99507	33.33	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: Travis Fraser

Alaska Business License # **1041822**

Alaska Department of Commerce, Community, and Economic Development
Division of Corporations, Business and Professional Licensing
P.O. Box 110806, Juneau, Alaska 99811-0806

This is to certify that

TRUE DANK

PO BOX 10974 FAIRBANKS AK 99710

owned by

TRUE DANK, LLC

is licensed by the department to conduct business for the period

September 02, 2016 through December 31, 2017
for the following line of business:

42 - Trade

This license shall not be taken as permission to do business in the state without having complied with the other requirements of the laws of the State or of the United States.

This license must be posted in a conspicuous place at the business location.
It is not transferable or assignable.

Chris Hladick

City of Fairbanks
OFFICE OF THE CITY CLERK
800 CUSHMAN STREET
BANKS, AK 99701-4615

105343
TRUE DANK
1550 SOUTH CUSHMAN
FAIRBANKS, AK 99701

City of Fairbanks
800 CUSHMAN STREET
FAIRBANKS, AK 99701-4615
(907) 459-6715

License/Permit No. 10123

2016 BUSINESS LICENSE

: TRUE DANK

License Expires: 12/31/2016

105343
TRUE DANK
1550 SOUTH CUSHMAN
FAIRBANKS, AK 99701

Line of Business Code: 42

Line of Business: WHOLESALE TRADE

This license is expressly conditioned upon the holder being in full compliance with all of the applicable ordinances and requirements made under authority of the City of Fairbanks and as such laws and requirements may hereafter be changed or amended. Your license will expire on the above indicated date.

Licenses must be renewed timely to remain compliant and operational within the City of Fairbanks. Licenses/Permits must remain on premises or holder must be able to produce it upon request.

Issue Date: 10/24/2016

City Clerk

In the event of suspension, revocation, expiration or termination, return this license to the City of Fairbanks at the above address.

THIS LICENSE IS NON TRANSFERABLE

NUMBER
1

UNITS
667

ORGANIZED UNDER THE LAWS OF THE STATE OF ALASKA

TRUE DANK, LLC

Authorized to issue Ten Thousand Units of Limited Liability Company Interest

This Certifies that Travis Fraser is the owner of Six Hundred Sixty-Seven Units of the above Limited Liability Company transferable only on the books of the Limited Liability Company by the holder hereof in person or by duly authorized Attorney upon surrender of this Certificate properly endorsed. Transfer of these Units is subject to restrictions in the Operating Agreement for this Limited Liability Company.

The Company will furnish without charge to each Unit holder who so requests, the powers, designations, preferences and relative participation rights of Unit holders and the qualifications, limitations or restrictions of such rights.

In Witness Whereof, the said Limited Liability Company has caused this Certificate to be signed by its duly authorized Managing Member.

Dated 10-14-2016

Managing Member

The transfer of the Units represented by this certificate is restricted by the terms and conditions of the Operating Agreement of the Company dated as of October 14, 2016, as amended from time to time. A transferee, pledgee, or mortgagee of the Units represented by this certificate shall be deemed to have notice of and to be bound by the terms of the Agreement. A copy of the Agreement is on file at the registered office of the Company. Upon written request of the record holder of this certificate to the Company at its principal place of business or registered office, the Company will furnish to such record holder a copy of the Agreement. This Security is not registered under A.S. 45.50.070 and cannot be resold without registration under this chapter or exemption from it.

For value received, the undersigned hereby sells, assigns and transfers unto _____ of _____ _____ Units represented by the within Certificate, and do hereby irrevocably constitutes and appoints _____ Attorney to transfer the said Units on the books of the within-named Limited Liability Company with full power of substitution in the premises.

Dated, _____ _____

In presence of

_____

NUMBER
2

UNITS
333

ORGANIZED UNDER THE LAWS OF THE STATE OF ALASKA

TRUE DANK, LLC

Authorized to issue Ten Thousand Units of Limited Liability Company Interest

This Certifies that Zarin Taylor is the owner of Three Hundred Thirty-Three Units of the above Limited Liability Company transferable only on the books of the Limited Liability Company by the holder hereof in person or by duly authorized Attorney upon surrender of this Certificate properly endorsed. Transfer of these Units is subject to restrictions in the Operating Agreement for this Limited Liability Company.

The Company will furnish without charge to each Unit holder who so requests, the powers, designations, preferences and relative participation rights of Unit holders and the qualifications, limitations or restrictions of such rights.

In Witness Whereof, the said Limited Liability Company has caused this Certificate to be signed by its duly authorized Managing Member.

Dated 10-14-2016

Managing Member

The transfer of the Units represented by this certificate is restricted by the terms and conditions of the Operating Agreement of the Company dated as of October 14, 2016, as amended from time to time. A transferee, pledgee, or mortgagee of the Units represented by this certificate shall be deemed to have notice of and to be bound by the terms of the Agreement. A copy of the Agreement is on file at the registered office of the Company. Upon written request of the record holder of this certificate to the Company at its principal place of business or registered office, the Company will furnish to such record holder a copy of the Agreement. This Security is not registered under A.S. 45.50.070 and cannot be resold without registration under this chapter or exemption from it.

For value received, the undersigned hereby sells, assigns and transfers unto _____ of _____ _____ Units represented by the within Certificate, and do hereby irrevocably constitutes and appoints _____ Attorney to transfer the said Units on the books of the within-named Limited Liability Company with full power of substitution in the premises.

Dated, _____ _____

In presence of

_____