OPERATING AGREEMENT
of
Zlorg, LLC

This Operating Agreement (the "Agreement") made and entered this 8th day of May 2017.
BY: Evelyn Reich, P.O. Box 671636 Chugiak, AK, 99567 (the "Member").

Background

The Member wishes to be the sole member of a limited liability company. The terms and conditions of this Agreement will govern the Member within the Limited Liability Company.

IN CONSIDERATION OF and as a condition of the Member entering into this Agreement and other valuable consideration, the receipt and sufficiency of which is acknowledged, the Member agrees as follows:

Formation

By this Agreement, the Member forms a Limited Liability Company (the "Company") in accordance with the laws of the state of Alaska. The rights and obligations of the member as stated in the Alaska Revised Limited Liability Company Act (the "Act") except as otherwise provided in this agreement.

Name

The name of the Company will be Zlorg LLC.

Sole Member

While the Company consists only of one Member, any reference in this Agreement to two ormore Members and that requires the majority consent or unanimous consent of Members, or that requires a certain percentage vote of Members, should be interpreted as only requiring the consent or vote of the sole Member.

Purpose

The purpose of this company is to cultivate cannabis for wholesale distribution to licensed retailers in Alaska.

Term

The Company will continue until terminated as provided in this Agreement or may dissolve under conditions provided in the Act.

Place of Business

The Principal Office of the Company will be located at 20288 East Birch Hill Drive, Palmer, Alaska 99645 or such other place as the Member may from time to time designate.

Capital Contributions

The following table shows the Initial Contributions of the Member. The Member agrees to make the Initial Contributions to the Company in full, according to the following table:

MEMBER	Contribution Description	Value
Evelyn Reich	Estimated startup expenses, including all permitting & fees, equipment, lease & utilities, all administrative fees, construction & labor costs.	$ 35,000

Allocation of Profits & Losses
Subject to the other provisions of this Agreement, the Net Profits or Losses, for both accounting and tax purposes, will accrue to and be borne by the sole Member; Evelyn Reich, P.O. Box 671636, Chugiak, AK 99567.

Nature of Interest
A Member's Interest in the Company will be considered personal property.

Withdrawal of Contribution
Where the Company consists of two or more Members, no Member will withdraw any portion of their Capital Contribution without the unanimous consent of the other Members.

Liability for Contribution
A Member's obligation to make their required Capital Contribution can only be compromised or released with the consent of all remaining Members or as otherwise provided in this Agreement. If a Member does not make the Capital Contribution when it is due, he or she is obligated at the option of any remaining Members to contribute cash equal to the agreed value of the Capital Contribution. This option is in addition to and not in lieu of any other rights, including the right to specific performance that the Company may have against the Member.

Additional Contributions
Capital Contributions may be amended from time to time, according to the business needs of the Company. However, if additional capital is determined to be required and an individual Member is unwilling or unable to meet the additional contribution requirement within a reasonable period, and where the Company consists of two or more Members, the remaining Members may contribute in proportion to their existing Capital Contributions to resolve the amount in default. In such case, the allocation of Net Profits or Losses and the distribution of assets on dissociation or dissolution will be adjusted accordingly.
Any advance of money to the Company by any Member more than the amounts provided for in this Agreement or subsequently agreed to, will be deemed a debt due from the Company rather than an increase in the Capital Contribution of the Member. This liability will be repaid with interest at such rates and times to be determined by most of, many of the Members. This liability will not entitle the lending Member to any increased share of the Company's profits nor to a greater voting power. Repayment of such debts will have priority over any other payments to Members.

Capital Accounts
An individual capital account (the "Capital Account") will be maintained for each Member and their Initial Contributions will be credited to this account. Any Additional Contributions made by any Member will be credited to that Member's individual Capital Account.

Interest on Capital
No borrowing charge or loan interest will be due or payable to any Member on their agreed Capital Contribution inclusive of any agreed Additional Contributions.

Management
Management of this Company is vested in the Member.

Authority to bind Company
Only the following individuals have authority to bind the Company in a contract:
Evelyn Reich- Business Manager

Member Meetings
Where the Company consists of two or more Members, a meeting may be called by any Member providing that reasonable notice has been given to the other Members. Regular meetings of the Members will be held only as required.

Voting
Each Member will have a single equal vote on any matter.

Admission of New Members
No new Members may be admitted into the Company.

Voluntary Withdrawal of a Member
A Member may not withdraw from the Company without the unanimous consent of the remaining Members. Any such unauthorized withdrawal will be considered a wrongful dissociation and a breach of this Agreement. In the event of any such wrongful dissociation, the withdrawing Member will be liable to the remaining Members for any damages incurred by the remaining Members including but not limited to the loss of future earnings. The voluntary withdrawal of a Member will have no effect upon the continuance of the Company. It remains incumbent on the withdrawing Member to exercise this dissociation in good faith and to minimize any present or future harm done to the remaining Members as a result of the withdrawal.

Involuntary Withdrawal of a Member
Events leading to the involuntary withdrawal of a Member from the Company will include but not be limited to: death of a Member; Member mental incapacity; Member disability preventing reasonable participation in the Company; Member incompetence; breach of fiduciary duties by a Member; criminal conviction of a Member; Operation of Law against a Member or a legal judgment against a Member that can reasonably be expected to bring the business or societal reputation of the Company into disrepute. Expulsion of a Member can also occur on application by the Company or another Member, where it has been judicially determined that the Member: has engaged in wrongful conduct that adversely and materially affected the Company's business; has willfully or persistently committed a material breach of this Agreement or of a duty owed to the Company or to the other Members; or has engaged in conduct relating to the Company's business that makes it not reasonably practicable to carry on the business with the Member. The involuntary withdrawal of a Member will have no effect upon the continuance of the Company.

Dissociation of a Member

Where the Company consists of two or more Members, in the event of either a voluntary or involuntary withdrawal of a Member, if the remaining Members elect to purchase the interest of the withdrawing Member, the remaining Members will serve written notice of such election, including the purchase price and method and schedule of payment for the withdrawing Member's Interests, upon. the withdrawing Member, their executor, administrator, trustee, committee or analogous fiduciary within a reasonable period after acquiring knowledge of the change in circumstance to the affected Member.

Valuation and distribution will be determined as described in the Valuation of Interest section of this Agreement. Any remaining Members retain the right to seek damages from a dissociated Member where the dissociation resulted from a malicious or criminal act by the dissociated Member or where the dissociated Member had breach ed their fiduciary duty to the Company or was in breach of this Agreement or had acted in a way that could reasonably be foreseen to bring harm or damage to the Company or to the reputation of the Company.

A dissociated Member will only have liability for Company obligations that were incurred during their time as a Member. On dissociation of a Member, the Company will prepare, file, serve and publish all notices required by law to protect the dissociated Member from liability for future Company obligations.

Where any remaining Members have purchased the interest of a dissociated Member, the purchase amount will be paid in full, but without interest, within 90 days of the date of withdrawal. The Company will retain exclusive rights to use *of* the trade name and firm name and all related brand and model names of the Company.

Right of First Purchase

Where the Company consists of two or more Members, in the event that a Member's Interest in the Company is or will be sold, due to any reason, the remaining Members will have a right of first purchase of that Member's Interest.

Assignment of interest

In the event that a Member's interest in the company is transferred or assigned as the result of a court order or Operation of Law, the trustee in bankruptcy or other person acquiring that Member's Interests in the Company will only acquire that Member's economic rights and interests and will not acquire any other rights of that Member or be admitted as a Member of the Company or have the right to exercise any management or voting interests.

Valuation of Interest

Where the Company consists of two or more Members, a Member's financial interest in the Company will be in proportion to their Capital Contributions, inclusive of any Additional Capital Contributions.

In the absence of a written agreement setting a value, the value of the Company will be based on the fair market value appraisal of all Company assets (less liabilities) determined in accordance with generally accepted accounting principles (GAAP). This appraisal will be conducted by an independent accounting firm agreed to by all Members. An appraiser will be appointed within a reasonable period of the date of withdrawal or dissolution. The results of the appraisal will be binding on all Members.

No allowance will be made for goodwill, trade name, patents or other intangible assets, except where those assets have been reflected on the Company books immediately prior to valuation.

Dissolution

The Company may be dissolved by a unanimous vote of the Members. The Company will also be dissolved on the occurrence of events specified in the Act.

Upon Dissolution of the Company and liquidation of Company property, and after payment of all selling costs and expenses; the liquidator will distribute the Company assets to the following groups according to the following order of priority:

in satisfaction of liabilities to creditors except Company obligations to current Members;

in satisfaction of Company debt obligations to current Members; and then

to the Member.

Records

The Company will at all times maintain accurate records of the following:

Information regarding the status of the business and the financial condition of the Company.

A copy of the Company federal, state, and local income taxes for each year, promptly after becoming available.

Name and a known business, residential, or mailing address of each Member, as well as the date that person became a Member.

A copy of this Agreement and any articles or certificate of formation, as well as all amendments, together with any executed copies of any written powers of attorney pursuant to which this Agreement, articles or certificate, and any amendments have been executed.

The cash, property and services contributed to the Company by each Member, along with a description and value; and any contributions that have been agreed to be made in the future.

Each Member has the right to demand, within a reasonable period of time, a copy of any of the above documents for any purpose reasonably related to their interest as a Member of the Company, at their expense.

Books of Account

Accurate and complete books of account of the transactions of the Company will be kept in accordance with generally accepted accounting principles (GA.AP) and at all reasonable times will be available and open to inspection and examination by any Member. The books and records of the Company will reflect all the Company's transactions and will be appropriate and adequate for the business conducted by the Company.

Banking and Company Funds

The funds of the Company will be placed in such investments and banking accounts as will be designated by the Member. All withdrawals from these accounts will be made by the duly authorized agent or agents of the Company as appointed by unanimous consent of the Members. Company funds will be held in the name of the Company and will not be commingled with those of any other person or entity.

Audit

Any of the Members will have the right to request an audit of the Company books. The cost of the audit will be borne by the Company. The audit will be performed by an accounting firm acceptable to all the Members. Not more than one **(1)** audit will be required by any or all of the Members for any fiscal year.

Tax Treatment

This Company is intended to be treated as a disregarded entity, for the purposes of Federal and State Income Tax.

Annual Report

As soon as practicable after the close of each fiscal year, the Company will furnish to each Member an annual report showing a full and complete account of the condition of the Company including all information as will be necessary for the preparation of each Member's income or other tax returns. This report will consist of at least:

A copy of the Company's federal income tax returns for that fiscal year.

Income Statement & Balance Sheet.

Goodwill

The goodwill of the Company will be assessed at an amount to be determined by appraisal using generally accepted accounting principles (GAAP).

Governing Law

The Members submit to the jurisdiction of the courts of the State of Alaska for the enforcement of this Agreement or any arbitration award or decision arising from this Agreement.

Force Majeure

A Member will be free of liability to the Company where the Member is prevented from executing their obligations under this Agreement in whole or in part due to force majeure, such as earthquake, typhoon, flood, fire, and war or any other unforeseen and uncontrollable event where the Member has communicated the circumstance of the event to any and all other Members and where the Member has taken any and all appropriate action to satisfy his duties and obligations to the Company and to mitigate the effects of the event.

Forbidden Acts

No Member may do any act in contravention of this Agreement.

No Member may permit, intentionally or unintentionally, the assignment of express, implied or apparent authority to a third party that is not a Member of the Company.

No Member may do any act that would make it impossible to carry on the ordinary business of the Company.

No Member will have the right or authority to bind or obligate the Company to any extent with regard to any matter outside the intended purpose of the Company.

No Member may confess a judgment against the Company.

Any violation of the above forbidden acts will be deemed an Involuntary Withdrawal and may betreated accordingly by the remaining Members.

Indemnification
All Members will be indemnified and held harmless by the Company from and against any andall claims of any nature, whatsoever, arising out of a Member's participation in Company affairs. A Member will not be entitled to indemnification under this section for liability arising out of gross negligence or willful misconduct of the Member or the breach by the Member of anyprovisions of thisAgreement.

Liability
A Member or any employee will not be liable to the Company or to any other Member for any mistake or error in judgment or for any act or omission believed in good faith to be within the scope of authority conferred or implied by this Agreement or the Company. The Member oremployee will be liable only for any and all acts and omissions involving intentional wrongdoing;

Liability Insurance
The Company may acquire insurance on behalf of any Member, employee, agent or other person engaged in the business interest of the Company against any liability asserted against them orincurred by them while acting in good faith on behalf of the Company.

Life Insurance
The Company will have the right to acquire life insurance on the lives of any or all of the Members, whenever it is deemed necessary by the Company. Each Member will cooperate fully with the Company in obtaining any such policies of life insurance.

Amendment of this Agreement
No amendment or modification of this Agreement will be valid or effective unless in writing andsigned by all Members.

Title to Company Property
Title to all Company property will remain in the name of the Company. No Member or group of Members will have any ownership interest in Company property in whole or in part.

Miscellaneous
Time is of the essence in this Agreement.

This Agreement may be executed in counterparts.

Headings are inserted for the convenience of the Members only and are not to be considered when interpreting this Agreement. Words in the singular mean and include the plural and vice versa. Words in the masculine gender include the feminine gender and vice versa. Words in a neutral gender include the masculine gender and the feminine gender and vice versa.

If any term, covenant, condition or provision of this Agreement is held by a court of competent jurisdiction to be invalid, void or unenforceable, it is the Members' intent that such provision bereduced in scope by the court only to the extent deemed necessary by that court to render the provision reasonable and enforceable and the remainder of the provisions of this Agreement will in no way be affected, impaired or invalidated as a result.

This Agreement contains the entire agreement between the Members. All negotiations andunderstandings have been included in this Agreement. Statements or representations that mayhave been made by any Member during the negotiation stages of this Agreement, may in some way be inconsistent with this final written Agreement. All such statements have no force or effect in respect to this Agreement. Only the written terms of this Agreement will bind the Members.

This Agreement and the terms and conditions contained in this Agreement apply to and are binding upon each Member's successors, assigns, executors, administrators, beneficiaries, and representatives.

Any notices or delivery required here will be deemed completed when hand-delivered delivered by agent, or seven (7) days after being placed in the post, postage prepaid, to the Members at the addresses contained in this Agreement or as the Members may later designate in writing.

A]l of the rights remedies and benefits provided by this Agreement will be cumulative and will not be exclusive of any other such rights, remedies and benefits allowed by law.

Definitions

For the purpose of this Agreement, the following terms are defined as follows:

"Additional Contribution" means Capital Contributions, other than Initial Contributions, made by 1v1embers to the Company.

"Capital Contribution" means the total amount of cash, property, or services contributed to the Company by any one Member.

"Distributions" means a payment of Company profits to the Members.

"Iinitial Contribution" means the initial Capital Contributions made by any Member to acquire an interest in the Company.

"Member's Interests" means the Member's collective rights, including but not limited to, the Member's right to share in profits, Member's right to a share of Company assets on dissolution of the Company, Member's voting rights, and Member's rights to participate in the management of the Company.

"Net Profits or Losses" means the net profits or losses of the Company as determined by generally accepted accounting principles (GAAP).

"Operation of Law" means rights or duties that are cast upon a party by the law" without any act or agreement on the part of the individual, including, but not limited to an assignment for the benefit of creditors, a divorce, or a bankruptcy.

Principal Office" means the office whether inside or outside the State of Alaska where the executive or management of the Company maintain their primary office.

"Voting Members" means the Members who belong to a membership class that has voting power. Where there is only one class of Members, then those Members constitute the Voting Members.

IN WITNESS WHEREOF the member has duly affixed their signature under hand and seal on this ___day of June, 2017.

Evelyn Reich (Member)

STATE OF ALASKA)
) ss.
THIRD JUDICIAL DISTRICT)

The foregoing instrument was acknowledged before me this 16th day of June, 2017, by Evelyn Reich, Member of Zlorg, LLC, an Alaskan Limited Liability Company.

OFFICIAL SEAL
S. Higgins
Notary Public-State of Alaska
My Comm. Expires 11/15/2020

Notary Public for Alaska
My commission expires: 11/15/20

AK Entity #: 10058225
Date Filed: 05/08/2017
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

Articles of Organization

Domestic Limited Liability Company

Web-5/8/2017 9:29:20 AM

1 - Entity Name

Legal Name: Zlorg, LLC

2 - Purpose

Any Lawful Purpose

3 - NAICS Code

111998 - ALL OTHER MISCELLANEOUS CROP FARMING

4 - Registered Agent

Name: Evelyn Reich
Mailing Address: P.O. Box 671636, Chugiak, AK 99567-1676
Physical Address: 20288 East Birch Hill Drive, Palmer, AK 99645

5 - Entity Addresses

Mailing Address: P.O. Box 671636, Chugiak, AK 99567
Physical Address: 20288 East Birch Hill Drive, Palmer, AK 99645

6 - Management

The limited liability company is managed by a manager.

7 - Officials

Name		% Owned	Titles
Evelyn Reich	20288 East Birch Hill Drive Palmer, Alaska 99645	100%	Organizer/Manager

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: Evelyn Reich

Alaska Business License # **1053901**

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

DOWN TO EARTH FARMS

P.O BOX 671636 CHUGIAK AK 99567

owned by

ZLORG, LLC

is licensed by the department to conduct business for the period

May 08, 2017 through December 31, 2017
for the following line of business:

11 - Agriculture, Forestry, Fishing and Hunting

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

Matanuska-Susitna Borough Business License #: 30581

350 E. Dahlia Ave, Palmer, Alaska 99645

Effective Date: Jun 16, 2017 **Expiration Date:** Dec 31, 2018

This license must be prominently displayed.
It is not transferable or assignable.

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 of Alaska or the United States.

DEPARTMENT OF FINANCE

DOWN TO EARTH FARMS
ZLORG LLC
P.O BOX 671636
CHUGIAK, AK 99567

Business Location(s): 20288 E BIRCH HILL DR

This is to certify that the licensee named above holds a Matanuska-Susitna Borough business license covering the period listed above.

Detach Here

DOWN TO EARTH FARMS
ZLORG LLC
P.O BOX 671636
CHUGIAK, AK 99567

Fee Paid: $100
License No.: MBL **30581**
Effective: Jun 16, 2017 To Dec 31, 2018

The above business has been licensed to conduct business in the Matanuska-Susitna Borough. The borough business license must be prominently When a business has more than one location, the original license shall be displayed at the main location and a copy of the license shall be displayed at each branch location. If the business is continued at the same location but there is a change in its form of organization, such as from a single proprietorship to a partnership or a corporation, the admission or withdrawal of a partner, or any other change, the seller making the change shall surrender his old borough business license to the borough for cancellation. When there is a change of location for the sellers place of business, the new business licenseis required showing the new address. Application for renewal of license shall be made before February 1 of the license year.