MJ-17a: Temporary Ownership Change Report

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

Alaska Marijuana Control Board

Transfer Required

Form MJ-17a: Temporary Ownership Change Report

What is this form?

This temporary ownership change report must be completed and submitted to AMCO's main office, along with all necessary supplemental documents and fees, before an ownership change that requires a transfer application, including a change that affects the controlling interest of an entity, occurs.

The following must be submitted for each new person being added as a licensee or affiliate on the license. Once the online transfer application is available, you will not be required to resubmit duplicates of these documents:

- A completed copy of **Form MJ-00:** Application Certifications
- A completed copy of **Form MJ-09:** Statement of Financial Interest
- A completed **fingerprint card**
- **Fingerprint fees** ($47.00 per person)
- If the transferee is an entity, a copy of the completed **Notice of Change of Officials** or **Creation Filing** that has been or will be filed with the Alaska Division of Corporations, Business & Professional Licensing
- Entity documents:
  - If the entity is a corporation, the **certificate of incorporation**, and a **list of all shareholders**, with the percentage of ownership of each shareholder
  - If the entity is an LLC, an updated copy of the LLC's **operating agreement**
  - If the entity is a partnership, an updated copy of the **partnership agreement**

If there is any change in ownership that will require an application for transfer, including a change in controlling interest of the marijuana establishment license, the establishment must file an application for transfer of license to another person under 3 AAC 306.045 as soon as the online transfer application becomes available. Please note that licensees seeking to change controlling interest of an entity that owns multiple licenses must submit a separate completed copy of this form and the required supplemental documents for each license.

Section 1 – Transferor Information

Enter information for the *current* licensee and licensed establishment.

Licensee:	SEU LLC	**License Number:**	10307		
License Type:	Retail Marijuana Store				
Doing Business As:	ALASKA Fireweed				
Premises Address:	714 W 4th Ave				
City:	Anchorage	**State:**	AK	**ZIP:**	99516

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Section 2 – Transferee Information

Enter information for the ***new*** applicant seeking to be licensed.

Licensee:	SEU LLC				
Mailing Address:	12015 Wilderness Rd				
City:	Anchorage	**State:**	AK	**ZIP:**	99516
Business License #:	10307	**Business Phone:**	907 230-5069		
Alaska Entity #:	10028588				

Designated Licensee:	Susan Nowland
Contact Phone:	907 230-5069
Contact Email:	SNOWTZ@aol.com

Section 3 – Sole Proprietor Ownership Information

This section must be completed by any sole proprietor who is applying for a license. Entities should skip to Section 4.
If more space is needed, please attach a separate sheet with the required information.
The following information must be completed for each licensee and each affiliate.

This individual is an: ☐ applicant ☐ affiliate

Name:					
Address:					
City:		**State:**		**ZIP:**	
Contact Phone:					

This individual is an: ☐ applicant ☐ affiliate

Name:					
Address:					
City:		**State:**		**ZIP:**	
Contact Phone:					

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Section 4 – Entity Ownership Information

This section must be completed by any entity, including a corporation, limited liability company (LLC), partnership, or limited partnership, that is applying for a license. Sole proprietors should skip to Section 5.
If more space is needed, please attach additional completed copies of this page, as needed.

- If the applicant is a **corporation**, the following information must be completed for each ***officer or owner of any of the corporation's stock***.
- If the applicant is a **limited liability company**, the following information must be completed for each ***member holding any ownership interest***.
- If the applicant is a **partnership**, including a **limited partnership**, the following information must be completed for each ***partner holding any interest*** in the partnership.

Entity Official:	Anthony Mann				
Title(s):	Member	**Phone:**	907-444-5422	**% Owned:**	40
Address:	18044 Misty Falls circle				
City:	Eagle River	**State:**	AK	**ZIP:**	99501

Entity Official:	Susan Nowland				
Title(s):	member	**Phone:**	230-5069	**% Owned:**	60%
Address:	12015 Wilderness Rd				
City:	Anchorage	**State:**	AK	**ZIP:**	99516

Entity Official:					
Title(s):		**Phone:**		**% Owned:**	
Address:					
City:		**State:**		**ZIP:**	

Entity Official:					
Title(s):		**Phone:**		**% Owned:**	
Address:					
City:		**State:**		**ZIP:**	

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Section 5 – Transferor Certifications

Additional copies of this page may be attached, as needed, for the controlling interest of the current licensee to be represented.

I declare under penalty of unsworn falsification that the undersigned represents a **controlling interest** of the current licensee. I additionally certify that I, as the current licensee (either the sole proprietor or the controlling interest of the currently licensed entity) approve of the transfer of this license, and that the information on this form is true, correct, and complete.

Signature of transferor

Anthony Mona

Printed name of transferor

Subscribed and sworn to before me this 13th day of July, 2017.

Brenda Batzner

Signature of Notary Public

"Official Seal"
Notary Public
Brenda Batzner
State Of Alaska
Commission # 1[illegible] Exp: 6/1/20

Notary Public in and for the State of Alaska.

My commission expires: 6/1/20

Signature of ~~transferor~~ transferee

Susan Nowland

Printed name of ~~transferor~~ transferee

Subscribed and sworn to before me this 19th day of July, 2017.

Erika J Rosenberger

Notary Public in and for the State of Alaska.

ERIKA J. ROSENBERGER
Notary Public
State of Alaska
My Commission Expires Oct 27, 2020

My commission expires: 10/27/2020

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Section 6 – Transferee Certifications

Read each line below, and then sign your initials in the box to the right of each statement: Initials

Completed copies of all required documents and fees listed on Page 1 of this form are attached. [Sc]

I understand that submission of this form is solely for **temporary** reporting purposes, and that this form does not substitute or satisfy the transfer application that is required under 3 AAC 306.045. I certify that **I will submit a transfer application**, including all required supplemental documents and forms, as soon possible after the online transfer application becomes available. [Sc]

As an applicant for a marijuana establishment license, I declare under penalty of unsworn falsification that I have read and am familiar with AS 17.38 and 3 AAC 306, and that this form, including all accompanying schedules and statements, is true, correct, and complete. I understand that completion and submission of this form in no way guarantees board approval of my future transfer application.

Signature of transferee

Susan Nowland

Printed name of transferee

Subscribed and sworn to before me this 13 day of July, 20 17.

NOTARY PUBLIC
ANA SEMEATU
STATE OF ALASKA
MY COMMISSION EXPIRES March 09, 2021

Notary Public in and for the State of Alaska.

My commission expires: March 09, 2021

SEU LLC

ALASKA FIREWEED

715 W 4th Ave
Anchorage, AK. 99501
snowtz@aol.com
907 230 5069

Dear AMCO,

Please make note that there has been a change in ownership shares for SEU LLC, dba Alaska Fireweed

There are no new members, but there is a change of ownership shares, they are as follows,

Susan Nowland 60%

Anthony Mann40%

Sincerely,

Susan Nowland

Department of Commerce, Community, and Economic Development

Division of Corporations, Business and Professional Licensing

State of Alaska > Commerce > Corporations, Business, & Professional Licensing > Search & Database Download > Corp. > Corporation Details

NAME(S)

Type	Name
Legal Name	SEU LLC

ENTITY DETAILS

Entity Type: Limited Liability Company
Entity #: 10028588
Status: Good Standing
AK Formed Date: 4/7/2015
Duration/Expiration: Perpetual
Home State: ALASKA
Next Biennial Report Due: 1/2/2019
Entity Mailing Address: 745 W 4TH STREET 200B, ANCHORAGE, AK 99501
Entity Physical Address: 12015 WILDERNESS RD, ANCHORAGE, AK 99516

REGISTERED AGENT

Agent Name: Registered Agents Inc
Registered Mailing Address: 125 N WILLOW ST STE B, KENAI, AK 99611
Registered Physical Address: 125 N WILLOW ST STE B, KENAI, AK 99611

OFFICIALS

☐Show Former

AK Entity #	Name	Titles	Owned
	Anthony Mann	Member	40
	Susan Nowland	Member	60

FILED DOCUMENTS

Date Filed	Type	Filing	Certificate
4/07/2015	Creation Filing	Click to View	Click to View
12/02/2015	Agent Change	Click to View	
3/08/2016	Initial Report	Click to View	
7/28/2016	Change of Officials	Click to View	
3/01/2017	Biennial Report	Click to View	

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

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

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REVISED OPERATING AGREEMENT OF SEU LLC

December 13, 2016

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This Revised Operating Agreement (as the same may be amended, restated or otherwise modified from time to time, this "Agreement"), effective December 13, 2017, is entered into by **Susan Nowland and Anthony Mann** (the "Members"), as the Members of **SEU LLC** (the "Company"), pursuant to the Act (as such term is defined below) on the following terms and conditions:

1. Organization.

1.1 Formation. On March 10, 2016. The articles of organization (of this Company were completed.

1.2 Name and Place of Business. The name of the Company shall be SEU LLC, and its principal place of business shall be in or around Anchorage, Alaska. The Members may change such name, consistent with the requirements of the Act, change such place of business or establish additional places of business of the Company as the Members may determine to be necessary or desirable.

1.3 Business and Purpose of the Company. The purpose of the Company is to engage in any lawful act or activity for which a limited liability company may be organized under the Act.

1.4 Term. The term of this Agreement shall be until the Company is dissolved as provided in this Agreement.

1.5 Required Filings. The Members shall execute, acknowledge, file, record and/or publish such certificates and documents as may be required by this Agreement or by law in connection with the formation and operation of the Company.

1.6 Registered Office and Registered Agent. The Company's initial registered office and initial registered agent shall be as provided in the Articles of Organization. The registered office and registered agent may be changed from time to time by the

Members by filing the address of the new registered office and/or the name of the new registered agent in accordance with the Act.

2. Definitions.

The following capitalized terms are intended to have the meaning set forth below:

"Act" shall mean The Alaska Limited Liability Company Act, AS 10.50 *et. seq.*, as may be amended from time to time.

"Affiliate" shall mean (i) any person directly or indirectly controlling, controlled by or under common control with another person; (ii) a person owning or controlling 10% or more of the outstanding voting securities of such other person; (iii) any officer, director or partner of such other person; and (iv) if such person is an officer, director or partner, any company for which such person acts in any capacity. The term "person" shall include any natural person, corporation, partnership, trust, unincorporated association or other legal entity.

"Code" shall mean the Internal Revenue Code of 1986, as amended from time to time, and the regulations promulgated and the rulings issued thereunder.

"Membership Interest" shall mean the Member's ownership interest in the Company.

""Percentage" means, at any time with respect to a Member, a percentage equal to a fraction, (a) the numerator of which is the aggregate Capital Contributions made by such Member as of such time and (b) the denominator of which is the aggregate amount of Capital Contributions made by all Members as of such time, in each case as reflected in the books and records of the Company as may be adjusted pursuant to the terms of this agreement.

3. Capitalization and Financing.

Members may, but shall have no obligation to, make any capital contributions. The initial Members to this LLC have made capital contributions. Sue Nowland has contributed cash, plus loaned cash to the Company. Her initial investment provides her a sixty percent (60%) ownership of the company. Anthony Mann has contributed less cash but provided additional services so that his resulting percentage will be forty percent (40%) ownership of the Company.

4. Allocation of Net Income and Net Loss.

For each fiscal year, the net income and net loss of the Company shall be allocated to the Members in proportion to each Member's Membership Interest, as described on Exhibit A.

5. Distributions.

Distributions shall be made to the Members at the times and in the aggregate amounts determined by the Members.

6. Company Expenses.

The Company shall pay directly, or reimburse the Members, as the case may be, for all of the costs and expenses of the Company's operations.

7. Management

7.1 Management by Members. The business and affairs of the Company shall be managed exclusively by the Members in accordance with the Act and the terms of

the Company Agreement. Each Member shall devote such time and attention to the management and affairs of the Company as shall be reasonably appropriate for the efficient and timely conduct of its business, but no Member shall be required to devote the full-time services of any individual. Each Member shall have the right and authority to act on behalf of the Company for the purpose of carrying on its business in the usual way, subject to the management policies and restrictions established by a Majority of the Members and the terms of this Agreement. The business and affairs of the Company shall be managed by the Members. The Members shall have full and complete authority, power and discretion to manage and control the business, affairs and properties of the Company, to make all decisions regarding those matters and to perform any and all other acts or activities customary or incident to the management of the Company's business. The Members may act by written consent.

7.2 Decisions Requiring Majority Approval. Except only regarding the matters requiring unanimous vote of the Members under section 7.3 hereof, the approval or concurrence of a Majority of the Members shall be sufficient to make any and all decisions or to resolve any differences among the Members relating to the business and affairs of the Company. The approval of a Majority of the Members shall be necessary to authorize any act or transaction on behalf of the Company which is not for the purpose of carrying on the Company's business in the usual way, including (without limitation) the following:

7.2.1 Make interim distributions;

7.2.2 Purchase, construct or acquire real property or purchase any capital asset;;

7.2.3 Sell, exchange or dispose of any real property, any capital asset or substantially all of the assets of the Company;

7.2.4 Borrow money and, in connection therewith, grant a mortgage, security interest, loan or other encumbrance on any of the Company's assets;

7.2.5 Enter into any contract or agreement that either (i) creates a monetary obligation on the part of the Company greater than five thousand dollars ($5,000) or (ii) extends for a term in excess of ninety (90) days;

7.2.6 Enter into or conduct any contract or transaction described above for the Company in its capacity as general partner or other representative on behalf of any other legal entity;

7.2.7 Do any act that is unrelated to the purpose of the Company;

7.2.8 Pay to any Member or affiliate of a Member any commissions, fees, or other compensation for services except as expressly permitted under the terms of this Agreement;

7.2.9 Lend any funds of the Company to or guaranty the obligations of any Member or affiliate of a Member;

7.2.10 Sell or lease any property or service to, or purchase or lease any property or service from, any member or affiliate of a Member or enter into any other material transaction with any Member or affiliate of a Member;

7.2.11 Employ or fix of terms of employment of any or all employees;

7.2.12 Initiate any Proceeding in the Company's name.

7.2.13 Pay or agree to pay pensions or establish pension plans, pension trusts, profit sharing plans, and benefit and incentive plans for all or any of the current or former Members, employees, and agents of the Company;

7.2.14 Indemnity or agree to the indemnification of Members or any other Person;

7.2.15 The establishment of bank accounts for the deposit of all cash receipts of the Company; or

7.2.16 The engagement of accountants, legal counsel or other consultants.

7.3 Matters Requiring Unanimous Approval. No Member or other person shall have the authority to do any of the following on behalf of the Company (whether for the account of the Company or of any other legal entity represented by the Company) without the prior approval or concurrence of all of the Members:

7.3.1 Amend this Agreement in any respect; or

7.3.2 Admit a new member

7.3.3 Do any act that contravenes any provision of this Agreement.

7.4 Delegation. Each Member may delegate its approval rights and its management participation rights under this Agreement to any other Member provided such delegation is by written instrument signed by the Member.

7.5 Independent Activities. Each Member may engage in any investment or business activities of his or her choice independent of the Company without having or incurring any obligation to offer any interest in such activities to the Company

8. DISPOSITION OF MEMBERSHIP INTERESTS.

The Members may sell, assign, hypothecate, encumber or otherwise transfer all or any part of its interest in the Company only with the written consent of a majority of the Membership Interests.

8.1 **Disposition**. Any Member or Assignee may dispose of all or a portion of the Member's or Assignee's Membership Interest upon compliance with this Article XI. No Membership Interest shall be Disposed of:

8.1.1 If such disposition, alone or when combined with other transactions, would result in a termination of the Company within the meaning of Section 708 of the Internal Revenue Code

8.1.2 Without an opinion of counsel satisfactory to the Members that such assignment is subject to an effective registration under, or exempt from the registration requirements of, the applicable state and federal securities laws;

8.1.3 Unless and until the Company receives from the Assignee the information and agreements that the Members may reasonably require, including but not limited to any taxpayer identification number and any agreement that may be required by any Taxing Jurisdiction.

8.1.4 To a third party without the unanimous consent of the remaining members of the Company authorizing the admission of a new member which consent may be withheld at any Member's sole discretion.

8.2 **Right Of First Refusal**. Except for transfers to Permitted Persons, the Company and the other Members shall have a right-of-first refusal if any Member desires to sell, transfer, give or otherwise dispose of all or any part of his or her Interest now owned or hereafter acquired unless such Member receives the prior written consent of all Members and the Company.

8.2.1 Before selling, transferring, giving or otherwise disposing of his or her Interest, a Member must first provide to the Company and the other Members at least one hundred twenty (120) days' prior written notice of his or her intention to make a disposition of his or her Interest (the "Disposition Notice"). The Member proposing to dispose of all or part of his or her Interest shall be known as the "Disposing Member" and the other Members shall be known as the "Non-Disposing Members" for purposes of this Agreement. In the Disposition Notice, the Disposing Member shall specify the price at which the Interest is proposed to be sold or transferred, the portion of his or her Interest to be sold or transferred, the identity of the proposed purchaser or transferee, and the terms and conditions of the proposed transaction.

8.2.2 The Company may elect, within sixty (60) days after receiving the Disposition Notice, to purchase the Interest proposed to be disposed of by the Disposing Member at the proposed price as contained in the Disposition Notice. The terms and conditions of the purchase by the Company shall be the terms and conditions of the proposed transaction, as set forth in the Disposition Notice. If the proposed transfer is a gift, the Company may purchase the interest of the Disposing Member for an amount equal to the balance of the Member's Capital Account, which amount shall be paid in cash on or before the ninetieth (90th) day of the notice period.

8.2.3 If the entire Interest covered by the Disposition Notice is not purchased by the Company, the remaining Interest may be purchased by the Non-Disposing Members on the same terms and at the same price available to the Company. Each Non-Disposing Member shall have the option to purchase that portion of the Disposing Member's Interest that is necessary to maintain his or her ownership percentage vis-

à-vis the other Non-Disposing Members. If any Non-Disposing Member does not purchase the portion of the Interest available to him or her, the remaining Interest will then be available for purchase by the other Non-Disposing Members in proportion to their respective Interests.

8.2.4 If the Company decides to purchase less than all of the Interest offered by the Disposing Member, within thirty (30) days after the Company reaches such decision, and, in any event, at the expiration of the first sixty (60) days of the notice period specified in Subsection 8.2.1, the Company shall so notify each Non-Disposing Member. The notice shall state that the Company did not exercise its option to purchase with respect to the entire Interest offered pursuant to the Disposition Notice and shall contain appropriate information concerning the Non-Disposing Members' options to purchase all or any part of the remaining Interest offered by the Disposing Member. Each Non-Disposing Member must give written notice to the Disposing Member and the other Non-Disposing members of the exercise of his or her option to acquire his or her pro rata portion of such Interest within the first eighty (80) days of the notice period. If any Non-Disposing Member does not elect to purchase all of the portion of the Interest available to him or her, the remaining Non-Disposing Members shall be entitled to purchase such Interest in accordance with Subsection 2.3 by giving written notice to the Disposing Member and the other Non-Disposing Members within the first ninety (90) days of the notice period.

8.2.5 The options set forth in Subsections 8.2.2 and 8.2.3 shall be subject to the condition that in no event shall less than one hundred percent (100%) of the Interest proposed to be disposed of by the Disposing Member be purchased in the aggregate by the Company and the Non-Disposing Members.

8.2.6 If neither the Company nor the Non-Disposing Members shall have purchased the entire Interest covered by the Disposition Notice as provided in this Article 8 within the first ninety (90) days of the notice period, the Disposing Member may sell to persons other than the Company and the Non-Disposing Members, provided the Non-Disposing Members have approved of the admission of the new member and that any disposition must be made on the terms and conditions and to the party specified in the Disposition Notice and must be consummated within the one hundred twenty (120) day notice period.

8.2.7 Notwithstanding the foregoing, a Member may make a transfer (a "Permitted Transfer") to a trust under which (i) the Member is the sole trustee for the entire life of the Member; (ii) the sole authority to vote the Interest is held by the Member for his or her entire life; and (iii) the Member is the sole income beneficiary of the portion of the trust consisting of the Interest while the Member is alive. Such right to transfer to a trust will be subject to the Company's right to condition such transfer upon a review of the trust agreement by counsel for the Company and the determination of such counsel that the trust satisfies the foregoing requirements. Subsequent amendment of the trust agreement governing such trust shall be deemed a new transfer. Moreover, upon the death of the Member, the trust shall be subject to all of the provisions of this Agreement, including, but not limited to, the option to purchase in Article XII.

8.3 **Dispositions not in Compliance with this Article Void.** Any attempted Disposition of a Membership Interest, or any part thereof, not in compliance with this Section 1. other than in accordance with this Article XI. shall be, and is declared to be, null and void *ab initio*.

9. DISSOCIATION OF A MEMBER

9.1 **Dissociation.** A Person shall cease to be a Member upon the happening of any of the following events:

9.1.1 The Resignation of a Member.

9.1.2 The Member's becoming a Bankrupt Member;

9.1.3 In the case of a Member who is a natural person, the death of the Member or the entry of an order by a court of competent jurisdiction adjudicating the Member incompetent to manage the Member's personal estate except where another Member is appointed by the Court as fiduciary for the incompetent Member;

9.1.4 In the case of a Member who is acting as a Member by virtue of being a trustee of a trust, the termination of the trust (but not merely the substitution of a new trustee);

9.1.5 In the case of a Member that is a separate Organization other than a corporation, the dissolution and commencement of winding up of the separate Organization;

9.1.6.In the case of a Member that is a corporation, the filing of a certificate of dissolution, or its equivalent, for the corporation or the revocation of its charter; or

9.1.7 In the case of an estate, the distribution by the fiduciary of the estate's entire interest in the limited liability company.

9.2 **Option To Purchase a Dissociated Member's Interest.** Upon the Dissociation of a Member, if the Remaining Members elect to continue the business of the Company:

Except where the interest of a Dissociated Member will pass to a Permitted Transferee by reason of the Dissociated Member's death, the Company shall have the right, but not the obligation, to purchase the membership interest from the Dissociated Member. This option to purchase may be exercised by notice to the Dissociated Member within ninety (90) days after the event of Dissociation. Upon such notice and consent, unless otherwise agreed in writing by the Dissociated Member and the Company, the purchase price for the interest shall be determined by a single appraisal made by an appraiser agreed upon by the Dissociated Member and the Company, which appraisal shall be final. If the parties cannot agree on a single appraiser, the purchase price shall be determined by three appraisers, one selected by the Company, one selected by the Dissociated Member and a third selected by the two appraisers. The value determined by a majority of the appraisers will be final. The appraisal shall determine the aggregate fair market value of the interest of the Dissociated Member as of the date of his or her death. The costs of appraisal shall be borne equally between the Dissociated Member and the Company. The purchase price to be paid for the interest shall be reduced by the amount of any distributions made by the Company to the Dissociated Member

between the date of the event of Dissociation (which shall be the date of the appraisal) until the date of closing. After receipt of the appraisal, the Company may elect not to proceed to closing, in which case, the Company shall bear the entire cost of appraisal but shall have no other obligations with regard to the nonbinding purchase option. Any appraisers used shall be qualified and experienced in the appraisal of real estate and of businesses similar to the Company.

The closing of the purchase of a membership interest under this Section 9.2 shall take place on the date agreed by the Permitted Transferee and the Company, but not later than ninety (90) days after receipt of the appraisal. The purchase price for the interest shall be payable in equal monthly installments with the first installment due thirty (30) days from the date of closing and the last installment due five (5) years from the date of closing. The purchase price will bear interest from the date of the transferor member's death until paid in full at the default interest rate to be fixed at the date of closing.

9.3 **Dissociated Member's Interest**. Upon the Dissociation of a Member, if the Remaining Members elect to continue the business of the Company, except where the interest of a Dissociated Member will pass to a Permitted Transferee by reason of the Dissociated Member's death, the Disassociated or his representative shall be entitled to the balance in his capital account as of the day or effective date of the event. In computing the amount of any member's capital account, earnings and losses shall be computed according to the amount shown on the Company books as of the last day of the month preceding the date or effective date of the event and computed in accordance with the methods of account for the preceding months on a cash receipts and disbursement basis. This amount shall be payable in equal monthly installments with the first installment due thirty (30) days from the date of closing and the last installment due three (3) years from the date of closing. This amount will bear interest from the date of disassociation until paid in full at the default interest rate to be fixed at the date of disassociation. Where the interest of a Dissociated Member will pass to a Permitted Transferee by reason of the Dissociated Member's death and the Remaining Members elect to continue the business of the Company, the Permitted Transferee shall be a Member without additional action by the other Members.

10. ADMISSION OF ASSIGNEES AND ADDITIONAL MEMBERS

10.1 **Rights of Assignees**. The Assignee of a Membership Interest has no right to participate in the management of the business and affairs of the Company or to become a Member. The Assignee is only entitled to receive the Distributions and return of capital, and to be allocated the Net Profits and Net Losses attributable to the Membership Interest.

10.2 **Admission of Substitute Members**. An Assignee of a Membership Interest shall be admitted as a Substitute Member and admitted to all the rights of the Member who initially assigned the Membership Interest only with the approval of all of the Remaining Members. The Remaining Members may grant or withhold the approval of such admission for any reason in their sole and absolute discretion. If so admitted, the Substitute Member has all the rights and powers and is subject to all the restrictions and liabilities of the Member originally assigning the Membership Interest. The admission of a Substitute Member, without more, shall not release the Member originally assigning the Membership Interest from any liability to Company that may have existed prior to the approval.

10.3 **Admission of Additional Members**. The Members may permit the admission of Additional Members and determine the Capital Contributions of such Members, all of which shall be set forth in a written Admission Agreement. .

11. Records, Audits and Reports.

The Company shall maintain at its principal office the Company's records and accounts of all operations and expenditures of the Company including the following:

11.1 The full name and last known business or resident address of the Members, together with the capital contribution of the Members;

11.2 A copy of the Articles of Organization and all amendments thereto, together with any powers of attorney pursuant to which the Articles of Organization or any amendments thereto were executed;

11.3 Copies of the Company's Federal, state, and local income tax or information returns and reports, if any, for the six most recent taxable years;

11.4 Copies of this Agreement and any amendments thereto together with any powers of attorney pursuant to which any written accounting or any amendments thereto were executed;

11.5 Copies of the financial statements of the Company, if any, for the six most recent years; and

11.6 The Company's books and records as they relate to the internal affairs of the Company for at least the current and past four fiscal years.

12 Dissolution and Termination of the Company.

12.1 ***Dissolution and Termination.*** The Company shall be dissolved, shall terminate and its assets shall be disposed of, and its affairs wound up upon a determination by a majority of the Membership Interests to terminate the Company.

12.2 ***Certificate of Dissolution and Cancellation.*** As soon as possible following a determination by the Members to terminate the Company, the Members shall execute a Certificate of Dissolution in such form as shall be prescribed by the State of Alaska and shall file the Certificate of Dissolution as required by the State. Upon the completion of the winding up of the affairs of the Company, the Members shall file a Certificate of Cancellation of Articles of Organization in accordance with the State of Alaska.

12.3 ***Liquidation of Assets.*** Upon a dissolution and termination of the Company, the Members shall take full account of the Company's assets and liabilities,

shall liquidate the assets as promptly as is consistent with obtaining the fair market value thereof, and shall apply and distribute the proceeds therefrom in the following order:

12.3.1 To the payment of creditors of the Company, including the Members, but excluding secured creditors whose obligations will be assumed or otherwise transferred on the liquidation of Company assets;

12.3.2 To the setting up of any reserves as required by law for any contingent liabilities or obligations of the Company; provided, however, that said reserves shall be deposited with a bank or trust company in escrow at interest for the purpose of disbursing such reserves for the payment of any of the aforementioned contingencies and, at the expiration of a reasonable period, for the purpose of distributing the balance remaining in accordance with the remaining provisions of this Section 10.3; and

12.3.3 Any remaining amount to the Members.

13 Miscellaneous.

13.1 ***Successors and Assigns.*** The terms and provisions of this Agreement shall be binding upon and shall inure to the benefit of the successors, assigns and transferees of the Members.

13.2 ***Severability.*** In the event any sentence or Section of this Agreement is declared by a court of competent jurisdiction to be void, such sentence or Section shall be deemed severed from the remainder of this Agreement and the balance of this Agreement shall remain in full force and effect.

13.3 ***Notices.*** All notices under this Agreement shall be in writing and shall be given to the Members by personal service or by mail, posted to the address maintained by the Company for the Members or at such other address as the Members may specify in writing.

13.4 ***Governing Law.*** This Agreement shall be governed by and construed in accordance with the laws of the State of Alaska.

13.5 ***Venue.*** Any action, suit, or proceeding relating to or arising out of this Agreement shall be brought only in a court of competent jurisdiction located in Alaska.

13.6 ***Integrated and Binding Agreement.*** This Agreement contains the entire understanding and agreement of the Members.

IN WITNESS WHEREOF, the undersigned has set its hands to this Agreement as of the date first set forth in the preamble.

MEMBERS:

Susan Nowland, Member

Anthony Mann, Member

EXHIBIT A – MEMBERS SCHEDULE

Name	Address	Membership Interest
Susan Nowland	12015 Wilderness Rd. Anchorage, Alaska 99516	60%
Anthony Mann	18044 Misty Falls Circle Eagle River, Alaska 99577	40%