THE STATE of ALASKA

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

COR

FOR DIVISION USE ONLY

Corporations Section
State Office Building, 333 Willoughby Avenue, 9th Floor
PO Box 110806, Juneau, AK 99811-0806
Phone: (907) 465-2550 • Fax: (907) 465-2974
Email: *corporations@alaska.gov*
Website: *Corporations.Alaska.Gov*

Notice of Change of Officials

Domestic Limited Liability Company (AS 10.50)

- This Notice of Change of Officials form is only for Domestic Limited Liability Companies and is used to report changes between biennial reporting periods in: members, managers, and percentage of interest held.
- This Notice of Change of Officials will not be filed if the entity's biennial report is not current. To verify the entity's biennial report due date, go online to *www.Corporations.Alaska.Gov* and select *Search Corporations Database*
- Standard processing time for complete and correct filings submitted to this office is approximately 10-15 business days. All filings are reviewed in the date order they are received.
- The information you submit is a public record and will be posted on the State's website.

1. Important: AS 10.50.765

Each Domestic Limited Liability Company is required to notify this office when there is a change of officials.
— *AS 10.50.765*

Failure to meet this requirement may result in involuntary dissolution of the entity's authority to transact business in the State of Alaska.

The Domestic Limited Liability Company is to keep and make available the records of the official(s) changes.
— *AS 10.50.860-.870*

2. Fee: ☐ $25 Nonrefundable Filing Fee (CORF) 3 AAC 16.065(b)

Mail this form and the non-refundable $25 filing fee in U.S. dollars to the letterhead address. Make the check or money order payable to the State of Alaska, or use the attached credit card payment form.

3. Entity Information: AS 10.50.765

Entity Name: _____

Alaska Entity Number: _____

 Received by AMCO 11.27.18

4. REMOVE from Record: AS 10.50.765(b)

The following officials (members and, if applicable, managers) will be completely removed from the record as a result of this filing:

Name: Kyle Denton Name: _____

Name: David McConnell Name: _____

If an official is not being removed from record, then list them in Item #5 below (with their current information).

5. ALL Current Officials: AS 10.50.765(b)

The following is a complete list of ALL remaining and new officials who will be on record as a result of this filing.

- An LLC must have at least one member who owns a % of the LLC. — *AS 10.50.155(b)*
- Must provide all members who own 5% or more of the LLC. — *AS 10.50.765 (b)*
- Members must own a % of the LLC. A member may be a manager if the LLC is manager managed.
- An LLC may be managed by a manager if provided in Articles of Organization. A manager may be a member if the manager also owns a % of the LLC. — *AS 10.50.075(5) and AS 10.50.110(b)*

- **List ALL officials and their current information to be on record.**
- Manager will only be accepted if the entity is manager-managed per the articles.
- **BOLD fields are required.**

FULL LEGAL NAME	COMPLETE MAILING ADDRESS	% OWNED	MEMBER	Manager
Blackstone Investments, LLC	PO Box 90084, Anchorage, AK 99509	100	×	
Kyle Denton	P.O. Box 90801, Anchorage, AK 99509			×

→ If necessary, use the following supplement page and include all information required above in Item #5.

6. Required Signature: AS 10.50.840

The Notice of Change of Officials must be signed by: a member (AS 10.50.840(a)(2)); or a manager if manager managed (AS 10.50.840(a)(1)); or an attorney-in-fact (AS 10.50.840(c)). Persons who sign documents filed with the commissioner that are known to the person to be false in material respects are guilty of a class A misdemeanor.

Signature: _____ Date: _____

Printed Name: _____

Title of Authorized Signer: ☐ Member ☐ Manager ☐ Attorney-in-fact

If signing on behalf of a member or manager which is an entity, then identify the signer's relationship and signing authority with the member entity. For example: John Smith, President of XYZ Inc. the sole member of ABC LLC.

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Notice of Change of Officials SUPPLEMENT

If used, this supplement must be returned with Form 08-491

Entity Name: _____

Alaska Entity Number: _____

4. REMOVE from Record (continued from Page 2)**:** AS 10.50.765(b)

The following officials (members and, if applicable, managers) will be completely removed from the record as a result of this filing:

Name: _____ Name: _____

Name: _____ Name: _____

If an official is not being removed from record, then list them in Item #5 below (with their current information).

5. ALL Current Officials (continued from Page 2)**:** AS 10.50.765(b)

The following is a complete list of ALL remaining and new officials who will be on record as a result of this filing.

- An LLC must have at least one member who owns a % of the LLC. — *AS 10.50.155(b)*
- Must provide all members who own 5% or more of the LLC. — *AS 10.50.765 (b)*
- Members must own a % of the LLC. A member may be a manager if the LLC is manager managed.
- An LLC may be managed by a manager if provided in Articles of Organization. A manager may be a member if the manager also owns a % of the LLC. — *AS 10.50.075(5) and AS 10.50.110(b)*

- **List ALL officials and their current information to be on record.**
- Manager will only be accepted if the entity is manager-managed per the articles.
- **BOLD fields are required.**

FULL LEGAL NAME	COMPLETE MAILING ADDRESS	% OWNED	MEMBER	Manager

If necessary to complete Items #4 and #5, make copies of this SUPPLEMENT page.

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Email: *corporations@alaska.gov*
Website: *Corporations.Alaska.Gov*

Contact Information

- Return this form with your filing
- This information may be used by the Division to assist with processing your attached filings
- This form will not be filed for record, or appear online

Entity Information	Enter your entity information as it appears on this filing.
Entity Name:	AK Frost, LLC
AK Entity #:	10037110

Contact Person	Whom may we contact with any questions or problems with this filing?
Company:	JDW, LLC
Contact:	Jana Weltzin
Mailing Address:	Address: 3003 Minnesota Dr. #201
	City: Anchorage State: AK ZIP: 99503
Phone:	907-231-3750
Email:	jana@jdwcounsel.com

Document Return Address	Provide an address for the return of your filed documents.
☒ Return my filings to the address provided **ABOVE**	
☐ Return my filings to this address provided **BELOW**	
Company:	
Contact:	
Mailing Address:	Address:
	City: State: ZIP:

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AK FROST, LLC

AMENDED AND RESTATED OPERATING AGREEMENT

MAY 1, 2018

Received by AMCO 9.19.18

TABLE OF CONTENTS

RECITALS 1

1. ORGANIZATION OF COMPANY 2

1.1 Name 2

1.2 Formation of Company 2

1.3 Term 2

1.4 Registered Agent and Office 2

1.5 Purpose 2

1.6 Defects as to Formalities 2

1.7 Liability of Member to Third Parties; Reliance by Third-Party Creditors 2

1.8 Defined Terms 3

1.9 Qualified Subchapter-S Subsidiary for Federal Income Tax Purposes 3

2. OWNERSHIP; CAPITAL CONTRIBUTIONS 3

2.1 Ownership 3

2.2 Additional Capital Contributions 3

2.3 Company Capital 3

3. TRANSACTIONS WITH MEMBER 4

3.1 Loans 4

3.2 Reimbursement of Expenses of Member 4

3.3 Other Business of Member 4

3.4 Right of Company to Deal With Member 4

4. MANAGEMENT 4

4.1 Manager 4

4.2 Authority of Manager 5

4.3 Resignation or Removal of Manager; Successor Manager 6

Received by AMCO 9.19.18

4.4 Compensation and Reimbursement of Manager 6

4.5 Liability of Manager to Member and Company 6

4.6 Fiduciary Duties 7

4.7 Restrictions on Authority of Manager 7

4.8 Bankruptcy Filing By Company 7

4.9 Other Business of Manager 7

5. PROFITS AND LOSSES; FISCAL YEAR; DISTRIBUTIONS AND ALLOCATIONS 7

5.1 Profits and Losses 7

5.2 Fiscal Year 8

5.3 Distributions 8

5.4 Limitations on Distributions 8

6. INDEMNIFICATION 8

6.1 Indemnification of Member and Manager 8

6.2 Nonexclusivity of Rights 8

6.3 Indemnification of Officers, Employees, and Agents 9

7. DISSOLUTION AND LIQUIDATION OF COMPANY 9

7.1 Events Causing Dissolution 9

7.2 Liquidation 9

7.3 Articles of Dissolution 9

8. TRANSFER OF INTEREST 10

9. ADDITIONAL MEMBERS 10

10. AMENDMENT 10

11. MISCELLANEOUS 10

11.1 Application of Alaska Law 10

11.2 Construction 10

Received by AMCO 9.19.18

11.3 Counterparts 11

11.4 Headings 11

11.5 Successors and Assigns 11

11.6 Severability 11

11.7 Waivers 11

12. DEFINED TERMS 11

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AK FROST, LLC
AMENDED AND RESTATED OPERATING AGREEMENT

This Amended and Restated Operating Agreement (this "Agreement") is made May 1, 2018, by and between AK Frost, LLC, an Alaska limited liability company (the "Company"), and Blackstone Investments, LLC (the "Member"), also an Alaska limited liability company.

RECITALS

A. The Company was organized on March 25, 2016. The Company and its initial shareholders, Kyle Denton and David McConnell, elected subchapter-S status under §1362(a) of the Internal Revenue Code, effective as of the date of the Company's organization.

B. Since its organization, Denton and McConnell had been the sole members/shareholders of the Company. Denton and McConnell were also the sole members/shareholders of AK Rime, LLC, Anser, LLC, and Isidore, LLC, all Alaska limited liability companies and all qualified subchapter-S corporations. Denton and McConnell each owned 50% of each of the four (4) limited liability companies.

C. On May 1, 2018, Denton and McConnell formed Blackstone Investments, LLC, an Alaska limited liability company which meets the requirements for qualification as a small business corporation under 1362(a) of the Code. Contemporaneously with their formation of Blackstone Investments, LLC, Denton and McConnell contributed 100% of their membership interests in the Company, along with 100% of their membership interests in AK Rime, Anser, and Isidore, into Blackstone Investments. Denton and McConnell caused or will cause Blackstone Investments to timely elect to treat the Company, AK Rime, Anser, and Isidore as qualified subchapter S subsidiaries (QSubs) of Blackstone Investments, effective immediately following these transactions. These transactions meet the requirements of a reorganization under §368(a)(1)(F) of the Code, which means the S election for the four (4) companies formerly owned by Denton and McConnell (and now owned by Blackstone Investments) do not terminate and the S election remains in effect for Blackstone Investments.

D. The Company and Member (Blackstone Investments) now wish to amend and restate the Company's Operating Agreement in its entirety to read as follows:

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AGREEMENT

1. Organization of Company

1.1 Name

The name of the Company is **AK Frost, LLC**.

1.2 Formation of Company

The Company was organized as a limited liability company pursuant to the Alaska Revised Limited Liability Company Act, Alaska Statute 10.50., et. seq. ("the Act") by virtue of the filing of the Articles of Organization with the Alaska Department of Commerce, Community & Economic Development, Division of Corporations, Business and Professional Licensing on March 25, 2016.

1.3 Term

No election has been made that the existence of the Company will continue until a certain date or event. The Company shall have a perpetual duration unless terminated and dissolved pursuant to Section 7 of this Operating Agreement.

1.4 Registered Agent and Office

The registered agent and the registered office of the Company shall be that agent and office that the Manager from time to time determines in accordance with the Act.

1.5 Purpose

The Company is organized for the purpose of operating retail sales of marijuana and marijuana products and to engage in any other lawful business activity permitted by the Act and approved by the Member.

1.6 Defects as to Formalities

No failure to observe any formalities or requirements of this Agreement, the Articles of Incorporation, or the Act shall be grounds for imposing personal liability on the Member for liabilities of the Company.

1.7 Liability of Member to Third Parties; Reliance by Third-Party Creditors

1.7.1 Liability of Member

Except as otherwise provided in the Act or in this Agreement, the Member shall not be personally liable for any debt, obligation, or liability of the Company, whether

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arising in contract, tort, or otherwise, solely by reason of being a Member of the Company.

1.7.2 Reliance by Third Parties

This Agreement is entered into between the Company and the Member for the exclusive benefit of the Company and the Member, and their successors and assigns. Specifically (but not by way of limitation), this Agreement is not intended for the benefit of any creditor of the Company or any other person. Except to the extent provided by applicable statute, and then only to that extent, no such creditor or third party shall have any rights under this Agreement or under any other agreement between the Company and the Member, either with respect to any contribution to the Company or otherwise.

1.8 Defined Terms

Terms that appear in this Agreement with their initial letters capitalized are defined in Section 12 or elsewhere in this Agreement.

1.9 Qualified Subchapter-S Subsidiary for Federal Income Tax Purposes

The Member intends that as of the date of this Agreement the Company shall be disregarded as an entity separate from the Member for federal income tax purposes pursuant to Section 1361(b)(A) of the Code. Neither the Member nor the Manager shall take any action or fail to take any action inconsistent with such intention.

2. Ownership; Capital Contributions

2.1 Ownership

The Member holds a 100% ownership interest in the profits, losses, capital, deductions, credits, gains, proceeds, capital, and voting power and voting rights, and all other interests of and in the Company (collectively, the "Interest").

2.2 Additional Capital Contributions

The Member shall not be required to make any additional Capital Contributions or advance funds to the Company without the Member's consent.

2.3 Company Capital

(a) The Member shall not be paid interest on the Member's Capital Contribution.

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(b) The Member shall not have the right to withdraw from the Company, or to receive any return of the Member's Capital Contribution, except as specifically provided for in this Agreement.

(c) A creditor that makes a nonrecourse loan to the Company shall not, as a result of making such a loan, have or acquire at any time any direct or indirect interest in the profits, capital, or property of the Company, except that, if security is given for such a loan, then the creditor may be a secured creditor.

3. Transactions With Member

3.1 Loans

The Company may borrow money from the Member upon such terms and conditions as may be agreed by the Manager and the Member.

3.2 Reimbursement of Expenses of Member

The Member shall be reimbursed for such reasonable costs and expenses as are approved by the Manager.

3.3 Other Business of Member

The Member may not engage in business ventures and activities of any nature and description, independently or with others, that are in competition with the business of the Company.

3.4 Right of Company to Deal With Member

The Company may, upon the approval of the Manager, enter into agreements, contracts or arrangements with the Member or parties related to the Member pursuant to which the Member or related parties provide goods or services to the Company in connection with the Company's activities. The terms of such agreements, contracts or arrangements shall be those mutually agreed upon by the Manager and the Member and shall be embodied in a written agreement.

4. Management

4.1 Manager

The business and affairs of the Company shall be managed by one or more managers (individually or together as the "Manager"). Kyle Denton shall serve as the initial and sole Manager of the Company until such Manager's resignation or removal and appointment of a successor Manager by the Member.

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4.2 Authority of Manager

4.2.1 In General

(a) Subject to the limitations and restrictions set forth in this Agreement, the Manager shall have the sole and exclusive right to manage the business of the Company. The Manager may by written instrument delegate prescribed functions to any employee or agent. At any time that there is more than one manager, the Manager may act either jointly or severally.

(b) The Manager is the Company's agent and shall have authority to take all actions on behalf of the Company, including but not limited to incurring debt, entering contracts, acquiring and transferring assets of the Company, and executing and delivering any deed of trust, mortgage, note or other evidence of indebtedness, lease agreement, security agreement, financing statement, contract of sale, or other instrument purporting to convey or encumber, in whole or in part, any or all of the assets of the Company, at any time held in its name, or any receipt or compromise or settlement agreement with respect to the accounts receivable and claims of the Company.

(c) Any person dealing with the Company or the Manager may rely upon a certificate signed by the Member as to the identity of the Manager or the authority of the Manager to execute and deliver any instrument or document of the Company.

4.2.2 Officers

(a) Appointment. The Manager may, by written action from time to time, designate one or more persons to be officers of the Company. One person may hold the offices and perform the duties of any two or more of said offices. Any officer so designated shall have and may exercise, on behalf of the Company and in its name, such rights and powers as may be designated by the Manager and such rights and powers as are otherwise necessary, advisable, or convenient to the discharge of such officer's duties. The Manager may assign titles (including, without limitation, president, vice president, secretary, and treasurer) to any such officer. Subject to any specific delegation of duties to such officer by the Manager, if the title is one commonly used for officers of a business corporation formed under the Alaska Corporations Code, the assignment of such title shall constitute delegation to such officer of the authority and duties that are normally associated with that office, subject to any specific authority and duties set forth in the delegation.

(b) Term; Resignation; Removal. Each officer shall hold office until his or her successor shall be duly designated and shall qualify or until his or her death or until he or she shall resign or shall have been removed in the manner hereinafter provided. Any officer may resign as such at any time. Such resignation shall

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be made in writing and shall take effect at the time specified in the resignation, or if no time is specified, at the time of its receipt by the Manager. The acceptance of a resignation shall not be necessary to make it effective, unless expressly so provided in such resignation. Any officer may be removed as such, either with or without cause, by the Manager at any time; provided, however, that such removal shall be without prejudice to the contract rights, if any, of the person so removed. Designation of an officer shall not of itself create contract rights. Any vacancy occurring in any office of the Company may be filled by the Manager.

(c) Salaries. The salaries of officers and employees of the Company, if any, shall be fixed by the Manager and may be changed from time to time by the Manager.

4.2.3 Delegation by Manager

The Manager may appoint, employ, or otherwise contract with such other persons or entities for the transaction of the business of the Company or the performance of services for or on behalf of the Company as the Manager shall determine in the Manager's sole discretion. The Manager may delegate to any officer, person, or entity such authority to act on behalf of the Company as the Manager may from time to time deem appropriate in the Manager's sole discretion.

4.3 Resignation or Removal of Manager; Successor Manager

Any Manager may resign as a Manager upon giving written notice of such resignation to the Company with a copy to the Member. Any Manager may be removed as a Manager by the Member with or without cause. A successor Manager shall be appointed by the Member upon the resignation or removal of a Manager.

4.4 Compensation and Reimbursement of Manager

The Manager shall be compensated for his services as the Manager to the extent, if any, authorized by the Member. The Manager shall be entitled to be reimbursed for costs and expenses reasonably incurred by the Manager on behalf of the Company.

4.5 Liability of Manager to Member and Company

In carrying out his duties and exercising the powers under this Agreement, the Manager shall exercise reasonable skill, care, and business judgment. The Manager shall not be liable to the Company or the Member for any act or omission performed or omitted by the Manager in good faith pursuant to the authority granted to the Manager by this Agreement or the Act unless such act or omission constitutes gross negligence or willful misconduct by the Manager.

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4.6 Fiduciary Duties

The Manager shall have a fiduciary responsibility for the safekeeping and use of all funds and assets of the Company, and all such funds and assets shall be used in accordance with the terms of this Agreement. The Manager shall have fiduciary duties to the Member and the Company.

4.7 Restrictions on Authority of Manager

Only the Member (and not the Manager) may take the following actions:

(a) The dissolution and winding up of the Company;

(b) The sale, exchange, lease, or other disposition of all or substantially all of the assets of the Company, other than in the ordinary course of the Company's business;

(c) A change in the nature of the business of the Company; or

(d) Allowance of the administrative dissolution of the Company.

4.8 Bankruptcy Filing By Company

Only the Member shall have the right, power, or authority to authorize the commencement (through the actions of the Manager) or to commence any voluntary proceeding or consent to any involuntary proceeding under any provision of any federal, state or foreign law relating to bankruptcy, insolvency, receivership, or similar legal or equitable proceeding with respect to the Company.

4.9 Other Business of Manager

The Manager shall devote as much time to his or her duties and responsibilities as Manager as is necessary. Without the Member's consent, the Manager may not engage in business ventures and activities of any nature and description, independently or with others, that are in competition with the business of the Company.

5. Profits and Losses; Fiscal Year; Distributions and Allocations

5.1 Profits and Losses

In accordance with Section 1361(b)(3)(A) of the Code, as a QSub of the Member the Company shall not be treated as a separate corporation from the Member, and all items of income, gain, loss, deduction or credit of the Company shall be treated as items of income, gain, loss, deduction, or credit of the Member for federal income tax purposes.

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5.2 Fiscal Year

The fiscal year end of the Company shall be the same as the Member's fiscal year end.

5.3 Distributions

Distributions to the Member shall be made in such amounts and at such times as may be determined by the Member in its discretion.

5.4 Limitations on Distributions

No distribution shall be made pursuant to Section 5.3 if, at the time of distribution, after giving effect to the distribution, all liabilities of the Company, other than liabilities to the Member on account of the Member's Interest and liabilities for which the recourse of creditors is limited to specified property of the Company, exceed the fair value of the assets of the Company, except that the fair value of property that is subject to a liability for which the recourse of creditors is limited shall be included in the assets of the Company only to the extent that the fair value of the property exceeds that liability.

6. Indemnification

6.1 Indemnification of Member and Manager

To the fullest extent allowable by law, the Company shall defend, indemnify, and hold harmless the Member and Manager from and against any and all losses, claims, demands, costs, damages, liabilities, expenses of any nature (including attorneys' fees and disbursements), judgments, fines, settlements and other amounts arising from any and all claims, demands, actions, suits or proceedings, civil, criminal, administrative, or investigative, in which the Member or Manager may be involved, or threatened to be involved, as a party or otherwise, arising out of or incidental to any business of the Company transacted or occurring while the Member or Manager was a member or manager, regardless of whether the Member or Manager continues to be a Member or Manager of the Company at the time any such liability or expense is paid or incurred.

6.2 Nonexclusivity of Rights

The indemnification provided by this Section 6 shall be in addition to any other rights to which the Member or Manager may be entitled under any agreement or vote of the Member, as a matter of law or equity, or otherwise, and shall continue as to a Member or Manager that has ceased to serve in that capacity, and shall inure to the benefit of the successors and assigns of the Member or Manager so indemnified.

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6.3 Indemnification of Officers, Employees, and Agents

The Member may cause the Company to indemnify any officer, employee, manager, or agent of the Company, to the same extent and subject to the same conditions under which it may indemnify the Member and Manager under this Section 6.

7. Dissolution and Liquidation of Company

7.1 Events Causing Dissolution

The Company shall dissolve upon the occurrence of any of the following events:

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

(b) By the written statement of dissolution of the Member; or

(c) By the entry of a decree of judicial dissolution pursuant to the Act.

7.2 Liquidation

(a) Upon dissolution of the Company, the Manager or a court-appointed trustee shall take full account of the Company's assets and liabilities, and the Company's property shall be liquidated as promptly as is consistent with obtaining its fair value. The proceeds from the liquidation, to the extent they are sufficient, shall be applied and distributed in the following order and priority:

(i) First, to the payment and discharge of all of the Company's debts and liabilities (other than those to the Member), including the establishment of any necessary reserves;

(ii) Second, to the payment of any debts and liabilities to the Member; and

(iii) Finally, any remaining property and assets of the Company shall be distributed to the Member.

(b) The Member shall look solely to the assets of the Company for all distributions with respect to the Company, including the return of the Member's Capital Contributions and the Member's share of cash, and shall have no recourse therefor, upon dissolution or otherwise, against the Company.

7.3 Articles of Dissolution

When all debts, liabilities, and obligations have been paid and discharged or adequate provisions have been made therefor and all of the remaining property and

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assets have been distributed to the Member, articles of dissolution shall be filed as prescribed by the Alaska Commissioner of Commerce, Community & Economic Development.

8. Transfer of Interest

The Member may voluntarily sell, hypothecate, pledge, assign or otherwise voluntarily transfer any part or all of the Member's Interest in the Company to any other person. Except as provided in this Section 8, in the event the Member voluntarily transfers all or part of the Member's Interest, the transferee shall become a member for the purposes of this Agreement without any further action, unless the Member and the transferee agree otherwise. In the event that any Interest of the Member is transferred involuntarily, by reason of bankruptcy or insolvency, or is attached, executed upon, garnished or otherwise transferred by legal or equitable process, the transferee thereof shall only be an assignee and shall not be admitted to the Company as a Member except as provided in Section 9.

9. Additional Members

The Member may admit additional Members and determine the Interest and Capital Contribution of each. Upon the admission of an additional Member, this Agreement shall be amended to address the relative rights and obligations of the multiple Members.

10. Amendment

This Agreement may be amended, restated, or modified from time to time with the consent of the Member.

11. Miscellaneous

11.1 Application of Alaska Law

This Agreement and its application and interpretation shall be governed exclusively by its terms and by the laws of the State of Alaska without regard to its choice of law or conflict of laws principles, and specifically by the Act.

11.2 Construction

Whenever the singular number is used in this Agreement and when required by the context, the same shall include the plural and vice versa, and the masculine gender shall include the feminine and neuter genders and vice versa.

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11.3 Counterparts

This Agreement may be executed in counterparts, each of which shall be deemed an original but all of which shall constitute one and the same instrument.

11.4 Headings

The headings in this Agreement are inserted for convenience only and are in no way intended to describe, interpret, define, or limit the scope, extent, or intent of this Agreement or any provision of it.

11.5 Successors and Assigns

Each and all of the covenants, terms, provisions and agreements contained in this Agreement shall be binding upon and inure to the benefit of the parties and, to the extent permitted by this Agreement, their respective successors and assigns.

11.6 Severability

If any provision of this Agreement or the application of that provision to any person, entity, or circumstance is held to be invalid, illegal or unenforceable to any extent, the remainder of this Agreement and the application thereof shall not be affected and shall be enforceable to the fullest extent permitted by law.

11.7 Waivers

The failure of any party to seek redress for violation of or to insist upon the strict performance of any covenant or condition of this Agreement shall not prevent a subsequent act, which would have originally constituted a violation, from having the effect of an original violation.

12. Defined Terms

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

"**Capital Contribution**" means, with respect to the Member, the amount of money and/or the initial net fair market value of any property other than money contributed to the Company or deemed to be contributed to the Company by the Member.

"**Code**" means the Internal Revenue Code of 1986, as amended, from time to time, or any corresponding provision or provisions of any succeeding law and any reference to a Section of the Code shall be deemed to include a reference to any successor provision thereto.

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"**Interest**" shall have the meaning set forth in Section 2.1 of this Agreement.

"**Member**" means each of the parties that executes this Agreement or a counterpart of this Agreement and any successors or assigns that are admitted as members of the Company.

"**Transfer**" means, with respect to the Member, to do, to permit, or to agree to do or to permit any of the following: to voluntarily or involuntarily dispose of any right, title, or interest including any Interest in the Company, including, without limitation, to sell, exchange, assign, give, pledge, encumber, or transfer including transfers by operation of law, resulting from the merger of a Member, or otherwise.

DATED as of the date first above written.

COMPANY:
AK FROST, LLC

By: _____
Kyle Denton
Its: Manager

MEMBER:
BLACKSTONE INVESTMENTS, LLC

By: _____
Kyle Denton, Member

By: _____
David McConnell, Member

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Alaska Entity #10037110

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

Certificate of Organization

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

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

AK Frost, LLC

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

Chris Hladick
Commissioner

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AK Entity #: 10037110
Date Filed: 12/15/2017
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*

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Limited Liability Company

2018 Biennial Report

For the period ending December 31, 2017

Web-12/15/2017 9:35:59 AM

- This report is due on January 02, 2018
- $100.00 if postmarked before February 02, 2018
- $137.50 if postmarked on or after February 02, 2018

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

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

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

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

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

Name	Address	% Owned	Titles
Kyle Denton	8521 EMERALD STREET , ANCHORAGE , AK 99502	50	Manager, Member
David McConnell	PO BOX 90801, ANCHORAGE , AK 99509	50	Manager, Member

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

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

New NAICS Code (optional):

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

Name: Jana D. Weltzin

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

THE STATE of ALASKA

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

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Articles of Organization

Domestic Limited Liability Company

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

1 - Entity Name

Legal Name: AK Frost, LLC

2 - Purpose

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

3 - NAICS Code

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

4 - Registered Agent

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

5 - Entity Addresses

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

6 - Management

The limited liability company is managed by a manager.

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7 - Officials

Name	Address	% Owned	Titles
Kyle Denton			Organizer
David McConnell			Organizer

Name of person completing this online application

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

Name: Jana D. Weltzin

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OPERATING AGREEMENT OF AK FROST, LLC

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

EXPLANATORY STATEMENT

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

ARTICLE 1

MEMBERS

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

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

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

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

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

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ARTICLE 2

FORMATION

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

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

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

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

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

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

ARTICLE 3

CAPITAL CONTRIBUTIONS

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

Initial Capital Contributions:

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

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

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

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

ARTICLE 4

ALLOCATION OF PROFITS AND LOSSES

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

ARTICLE 5

DISTRIBUTIONS

5.1. Interim Distributions for Payment of Taxes.

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

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

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

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

ARTICLE 6

MANAGERS

6.1. General.

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

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

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

ARTICLE 7

LIABILITY AND INDEMNIFICATION

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

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

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

ARTICLE 8

MEMBERSHIP MEETINGS

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

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

8.3. Manner of Acting.

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

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

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

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

ARTICLE 9

FISCAL MATTERS

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

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

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

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

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

ARTICLE 10

RECORDS

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

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

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

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

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

(e) minutes of any Member meetings; and

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

ARTICLE 11

TRANSFER OF MEMBERSHIP INTEREST

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

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

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

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

(d) Death of a Member;

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

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

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

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

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

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

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

11.2. Members' Option to Purchase.

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

ARTICLE 12

RESIGNATION OF MEMBER

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

ARTICLE 13

DISSOLUTION AND TERMINATION

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

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

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

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

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

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

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

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

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

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

13.5. Filing of Articles of Dissolution.

Department.

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

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

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

ARTICLE 14

DISPUTE RESOLUTION

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14.1. Arbitration. Venue for any legal or arbitral proceeding relating to this Agreement shall be in Anchorage, Alaska. The parties to this Agreement agree to the resolution by arbitration of all claims or controversies ("claims") arising out of or relating to this Agreement.

14.2. Selection of Arbitration Organization. The arbitration will be held under the auspices of either the American Arbitration Association ("AAA") or Judicial Arbitration & Mediation Services, Inc. ("J•A•M•S"), with the designation of the sponsoring organization to be made by the party who did not initiate the claim, and in accordance with the sponsoring organization's then-current rules governing business arbitrations.

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

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

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

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

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

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

ARTICLE 15

MISCELLANEOUS PROVISIONS

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

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

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

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

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

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

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

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

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

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

ARTICLE 16

DEFINITIONS

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

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

"Agreement" — This Operating Agreement.

"Company" — AK FROST, LLC

Received by AMCO 9.19.18

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

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

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

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

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

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

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

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

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

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

THERESA BAYER NOTARY PUBLIC STATE OF ALASKA

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

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

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

THERESA BAYER NOTARY PUBLIC STATE OF ALASKA

Received by AMCO 9.19.18