



THE STATE
of **ALASKA**
GOVERNOR MIKE DUNLEAVY

**Department of Commerce, Community,
and Economic Development**

ALCOHOL & MARIJUANA CONTROL OFFICE

550 West 7th Avenue, Suite 1600

Anchorage, AK 99501

Main: 907.269.0350

MEMORANDUM

TO: Chair and Members of the Board DATE: August 3, 2020
FROM: Glen Klinkhart, Interim Director RE: Cannafrost #14245
Marijuana Control Board

This is a renewal application for a Limited Marijuana Cultivation Facility in the Matanuska-Susitna Borough, by Pharma Initiative LLC DBA Cannafrost.

Local Government Protest: No
LG Protest Period Ends: 9/19/2020
Objection(s) Received/Date: No
Notice of Violation(s): Yes
MJ-17a Temp Ownership Change Report: No
Staff questions for Board: No

Notice of Violation

(3AAC 306.805)

This form, all information provided and responses are public documents per Alaska Public Records ACT AS 40.25

Date:

License #/Type:

Licensee:

Address:

DBA:

AMCO Case #:

This is a notice to you as licensee that an alleged violation has occurred. If the Marijuana Control Board decides to act against your license, under the provisions of AS 44.62.330 - AS 44.62.630 (Administrative Procedures Act) you will receive an Accusation and Notice of your right to an Administrative Hearing.

Note: This is not an accusation or a criminal complaint.

3 AAC 306.805 provides that upon receipt of a Notice of Violation, a licensee may request to appear before the board and be heard regarding the Notice of Violation. The request must be made within ten days after receipt of the Notice of Violation. A licensee may respond, either orally or in writing to the Notice. 3 AAC 306.810 (2)(A)(B)(C) failed, within a reasonable time after receiving a notice of violation, to correct any defect that is the subject of the notice of violation of AS 17.8 or this chapter.

IT IS RECOMMENDED THAT YOU RESPOND IN WRITING TO DOCUMENT YOUR RESPONSE FOR THE MARIJUANA CONTROL BOARD.

*Please send your response to the address below and include your marijuana license number in your response.

Alcohol & Marijuana Control Office
ATTN: Enforcement
550 W. 7th Ave, Suite 1600
Anchorage, Alaska 99501
amco.enforcement@alaska.gov

Issuing Investigator:

Received by:

SIGNATURE:

J.R. Hamilton

SIGNATURE:

Delivered VIA:

Date:



Jana D. Weltzin
Licensed in Alaska & Arizona
901 Photo Ave
Anchorage, Alaska 99503
Phone 630-913-1113
Main Office 907-231-3750
JDW, LLC
jana@jdwcounsel.com

June 10, 2020

Re: NOV AM20-0242 and Accusation

Dear: AMCO and Enforcement

An NOV and Accusation was received by Cannafrost License #14245. As of the time of signing the MJ-20 a response has not been provided.

We are currently working with our client to provide all the documentation required by AMCO and Enforcement.

We look forward to working with AMCO to come into compliance.

Truly and Sincerely Yours,

Jana D. Weltzin, Esq.

Alcohol & Marijuana Control Office

Initiating License Application

6/4/2020 4:27:05 PM

License Number: 14245**License Status:** Active-Operating**License Type:** Limited Marijuana Cultivation Facility**Doing Business As:** CANNAFROST**Business License Number:** 1066026**Designated Licensee:** David Huskey**Email Address:** akpk2468@hotmail.com**Local Government:** Matanuska-Susitna Borough**Local Government 2:****Community Council:** South Lakes**Latitude, Longitude:** 61.575549, -149.341850**Physical Address:** 4315 E Dimond Way
Wasilla, AK 99654
UNITED STATES**Licensee #1****Type:** Entity**Alaska Entity Number:** 10064758**Alaska Entity Name:** Pharma Initiative LLC**Phone Number:** 907-764-2011**Email Address:** akpk2468@hotmail.com**Mailing Address:** 4315 E. Dimond Way
Wasilla, AK 99654
UNITED STATES**Entity Official #1****Type:** Individual**Name:** David Huskey**Phone Number:** 907-764-2011**Email Address:** dhuskey25@gmail.com**Mailing Address:** 3810 Laron Ln
Anchorage, AK 99504
UNITED STATES**Entity Official #2****Type:** Individual**Name:** Kerry Teekell**Phone Number:** 907-632-3262**Email Address:** akpk2468@hotmail.com**Mailing Address:** 8801 Jewel Lake Road
Anchorage, AK 99502
UNITED STATES**Note:** No affiliates entered for this license.



Alaska Marijuana Control Board

Form MJ-20: Renewal Application Certifications

What is this form?

This renewal application certifications form is required for all marijuana establishment license renewal applications. Each person signing an application for a marijuana establishment license must declare that he/she has read and is familiar with AS 17.38 and 3 AAC 306. A person other than a licensee may not have direct or indirect financial interest (as defined in 3 AAC 306.015(e)(1)) in the business for which a marijuana establishment license is issued, per 3 AAC 306.015(a).

This form must be completed and submitted to AMCO's main office by each licensee (as defined in 3 AAC 306.020(b)(2)) before any license renewal application will be considered complete.

Section 1 – Establishment Information

Enter information for the licensed establishment, as identified on the license application.

Licensee:	Pharma Initiative, LLC	License Number:	14245		
License Type:	Limited Marijuana Cultivation Facility				
Doing Business As:	Cannafrost				
Premises Address:	4315 E Dimond Way				
City:	Wasilla	State:	Alaska	ZIP:	99654

Section 2 – Individual Information

Enter information for the individual licensee who is completing this form.

Name:	David Huskey
Title:	Member

Section 3 – Violations & Charges

Read each line below, and then sign your initials in the box to the right of any applicable statements:

Initials

I certify that I have **not** been convicted of any criminal charge in the previous two calendar years.

DH

I certify that I have **not** committed any civil violation of AS 04, AS 17.38, or 3 AAC 306 in the previous two calendar years.

DH

I certify that a notice of violation has **not** been issued to this license between July 1, 2019 and June 30, 2020.

--

Sign your initials to the following statement only if you are unable to certify one or more of the above statements:

Initials

I have attached a written explanation for why I cannot certify one or more of the above statements, which includes the type of violation or offense, as required under 3 AAC 306.035(b).

DH



Form MJ-20: Renewal Application Certifications

Section 4 – Certifications

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

Initials

I certify that no person other than a licensee listed on my marijuana establishment license renewal application has a direct or indirect financial interest, as defined in 3 AAC 306.015(e)(1), in the business for which the marijuana establishment license has been issued.

DH

I certify that I meet the residency requirement under AS 43.23 or I have submitted a residency exception affidavit (MJ-20a) along with this application.

DH

I certify that this establishment complies with any applicable health, fire, safety, or tax statute, ordinance, regulation, or other law in the state.

DH

I certify that the license is operated in accordance with the operating plan currently approved by the Marijuana Control Board.

DH

I certify that I am operating in compliance with the Alaska Department of Labor and Workforce Development's laws and requirements pertaining to employees.

DH

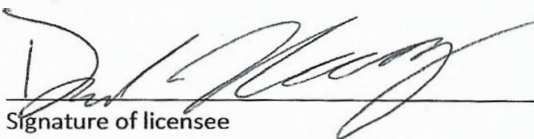
I certify that I have not violated any restrictions pertaining to this particular license type, and that this license has not been operated in violation of a condition or restriction imposed by the Marijuana Control Board.

DH

I certify that I understand that providing a false statement on this form, the online application, or any other form provided by or to AMCO is grounds for rejection or denial of this application or revocation of any license issued.

DH

As an applicant for a marijuana establishment license renewal, 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 application, including all accompanying schedules and statements, is true, correct, and complete. I agree to provide all information required by the Marijuana Control Board in support of this application and understand that failure to do so by any deadline given to me by AMCO staff may result in additional fees or expiration of this license.


Signature of licensee

David Huskey

Printed name of licensee



Notary Public in and for the State of Alaska

My commission expires: 09/27/2023

Subscribed and sworn to before me this 16th day of May, 2020.



Alaska Marijuana Control Board

Form MJ-20: Renewal Application Certifications

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

What is this form?

This renewal application certifications form is required for all marijuana establishment license renewal applications. Each person signing an application for a marijuana establishment license must declare that he/she has read and is familiar with AS 17.38 and 3 AAC 306. A person other than a licensee may not have direct or indirect financial interest (as defined in 3 AAC 306.015(e)(1)) in the business for which a marijuana establishment license is issued, per 3 AAC 306.015(a).

This form must be completed and submitted to AMCO's main office by each licensee (as defined in 3 AAC 306.020(b)(2)) before any license renewal application will be considered complete.

Section 1 – Establishment Information

Enter information for the licensed establishment, as identified on the license application.

Licensee:	Pharma Initiative, LLC	License Number:	14245		
License Type:	Limited Marijuana Cultivation Facility				
Doing Business As:	Cannafrost				
Premises Address:	4315 E Dimond Way				
City:	Wasilla	State:	Alaska	ZIP:	99654

Section 2 – Individual Information

Enter information for the individual licensee who is completing this form.

Name:	Kerry Teekell
Title:	Member

Section 3 – Violations & Charges

Read each line below, and then sign your initials in the box to the right of any applicable statements:

Initials

I certify that I have **not** been convicted of any criminal charge in the previous two calendar years.

--

I certify that I have **not** committed any civil violation of AS 04, AS 17.38, or 3 AAC 306 in the previous two calendar years.

--

I certify that a notice of violation has **not** been issued to this license between July 1, 2019 and June 30, 2020.

--

Sign your initials to the following statement only if you are unable to certify one or more of the above statements:

Initials

I have attached a written explanation for why I cannot certify one or more of the above statements, which includes the type of violation or offense, as required under 3 AAC 306.035(b).

--



Form MJ-20: Renewal Application Certifications

Section 4 – Certifications

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

Initials

I certify that no person other than a licensee listed on my marijuana establishment license renewal application has a direct or indirect financial interest, as defined in 3 AAC 306.015(e)(1), in the business for which the marijuana establishment license has been issued.

[Handwritten initials]

I certify that I meet the residency requirement under AS 43.23 or I have submitted a residency exception affidavit (MJ-20a) along with this application.

[Handwritten initials]

I certify that this establishment complies with any applicable health, fire, safety, or tax statute, ordinance, regulation, or other law in the state.

[Handwritten initials]

I certify that the license is operated in accordance with the operating plan currently approved by the Marijuana Control Board.

[Handwritten initials]

I certify that I am operating in compliance with the Alaska Department of Labor and Workforce Development's laws and requirements pertaining to employees.

[Handwritten initials]

I certify that I have not violated any restrictions pertaining to this particular license type, and that this license has not been operated in violation of a condition or restriction imposed by the Marijuana Control Board.

[Handwritten initials]

I certify that I understand that providing a false statement on this form, the online application, or any other form provided by or to AMCO is grounds for rejection or denial of this application or revocation of any license issued.

[Handwritten initials]

As an applicant for a marijuana establishment license renewal, 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 application, including all accompanying schedules and statements, is true, correct, and complete. I agree to provide all information required by the Marijuana Control Board in support of this application and understand that failure to do so by any deadline given to me by AMCO staff may result in additional fees or expiration of this license.

[Handwritten signature]
Signature of licensee

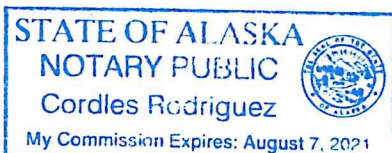
[Handwritten signature]
Notary Public in and for the State of Alaska

Kerry Teekell

Printed name of licensee

My commission expires: August 2021

Subscribed and sworn to before me this 3 day of June, 2020.



COMMERCIAL LEASE AGREEMENT
between
KERRY TEEKELL INVESTMENTS, LLC
And
PHARMA INITIATIVE, LLC

THIS COMMERCIAL LEASE is issued and effective this 1st day of August 2018 by and between, Kerry Teekell Investments, LLC, referred to as the "Lessor," whose mailing address is 8801 Jewell Lake Road, Anchorage, Alaska 99502, and Pharma Initiative, LLC referred to as the "Lessee," whose mailing address is 4315 East Dimond Way, Wasilla, Alaska 99654.

1. **PROPERTY:** The Premises is located at 4315 East Dimond Way, Wasilla, Alaska 99654.
Legal description: Lot 10 Block 4, Midway Estates Subdivision (**BOROUGH WEBSITE HAS BEEN HACKED AS SOON AS BACK UP WILL REVISE**)
2. **ALLOWED USE:** The premise may be occupied and used by Lessee for any lawful purpose, including as a licensed, Standard Marijuana Cultivation.
3. **LEASE FEE:** Lessee will pay in advance and without notice, an annual fee of \$36,000.00 with monthly installments in the amount of three thousand (\$3,000.00) dollars.. The first month will be due on the effective date of this Lease. Thereafter, subsequent monthly fees are due on the first day of each month for the term of the Lease. Any additional fees are specified in Special Conditions noted below. All payments required by this Lease must be made with a check or money order. A late fee of five percent (5%) of the annual rent will become due and payable after the 10th of each month during the term of this Lease. Lessee will be considered in default if payment is not received by the 15th of each month, during the term of this Lease. Lessee shall pay the State a \$25 service charge on all checks returned for nonsufficient funds.

All payments shall be sent to: Kerry Teekell Investments, LLC 8801 Jewell Lake Road, Anchorage, Alaska 99502
4. **LEASE TERM:** Lessee may occupy the Premises, commencing on August 1, 2018 and ending on August 23, 2023. Lessee will have the option to continue to occupancy Premises on a year to year or month-to-month basis, unless sooner revoked as provided herein.
5. **EARLY TERMINATION:** Lessee has the option of termination this agreement with 60 days written notice, and will be responsible for all rents during the 60 days prior to vacating the Premises.
6. **SECURITY DEPOSIT:** At the signing of the Lease, Lessee shall deposit with Lessor, in trust, a security deposit of One Thousand Dollars (\$1,000.00) as security for the performance by Lessee of the terms under this Lease and for any damages caused by Lessee, Lessee's family, agents and visitors to the Premises. However, Lessor is not limited to the security deposit amount and Lessee

remains liable for any balance. Lessee shall not apply or deduct any portion of any security deposit from the last, or any months, rent. Lessee shall not use or apply any such security deposit at any time in lieu of payment of rent. If Lessee breaches any terms or conditions of this Lease, Lessee shall forfeit any deposit, as permitted by law.

7. **OPTION TO PURCHASE:** During the term of the Lease, Lessor shall have the right to purchase the Leased Premises at any time for a purchase price of One Million Dollars (\$1,000,000,000.)
8. **DEFAULTS:** If Lessee fails to perform or fulfill any obligation under this Lease, Lessee shall be in default of this Lease. Subject to any statute, ordinance or law to the contrary, Lessee shall have seven (7) days from the date of notice of default by the Lessor to cure the default. In the event the Lessee does not cure the default, Lessor may, at Lessor's option: (a) cure such default and the cost of such action may be added to Lessee's financial obligations under this Lease; or (b) declare Lessee in default of the Lease. In the event of default, Lessor may also, as permitted by law, re-enter the Premises and re-take possession of the Premises. Lessor may, at its option, hold Lessee liable for any difference between the rent that would have been payable under the Lease during the balance of the unexpired term, if this Lease had continued in force and any rent paid by any successive Lessee if the Premises are re-let. In the event the Lessor is unable to re-let the Premises during the remaining term of this Lease, after default by Lessee, the Lessor may at its option hold Lessee liable for the balance of the unpaid rent under this Lease if this Lease had continued in force. The failure of Lessees or their guests or invitees to comply with any term of this Agreement is grounds for termination of this tenancy, with appropriate notice to Lessees and procedures as required by law.
9. **POSSESSION AND SURRENDER OF PREMISES:** Lessee shall be entitled to possession of the Premises on the first day of the Lease term. At the expiration of the Lease, Lessee shall peaceably surrender the Premises to Lessor or Lessor's agent in good condition, as it was at the commencement of the Lease, reasonable wear and tear excepted.
10. **CONDITION OF PREMISES:** Lessee or Lessee's agent has inspected the Premises, the fixtures, the grounds, building and improvements and acknowledges that the Premises are in good and acceptable condition and are habitable. If at any time during the term of this Lease, in the Lessee's opinion, the conditions change, Lessee shall promptly provide reasonable notice to Lessor.
11. **ASSIGNMENT AND SUBLEASE:** Lessee shall not sublease the Premises or any part of the Premises, without written consent of the Lessor. Any assignment or sublease without Lessor's prior written consent shall, at Lessor's option, terminate this Lease.
12. **DANGEROUS MATERIALS:** Lessee shall not keep or have on or around the Premises any item of a dangerous, flammable, or explosive nature that might unreasonably increase the risk of fire or explosion on or around the Premises or that might be considered hazardous by any responsible insurance company.

- 13. UTILITIES AND SERVICES:** Lessee will be responsible for all utilities and services required on the Premises, to include: 1) all individually metered electrical service; 2) all individually metered and non-metered gas service; 3) septic pumping; 4) on-site disposal of trash, including trash receptacles; 3) snow removal as needed.
- 14. PERSONAL PROPERTY TAXES:** Lessee will pay all taxes levied against any leasehold interest of the Lessee or personal property and trade fixtures owned or placed by the Lessee in the Premises.
- 15. REAL ESTATE TAXES:** Lessee will pay all real estate taxes and assessments against the Premises, from the commencement date and shall pay to Lessor not later than twenty-one (21) days after the day on which the same may become initially due, all real estate taxes and assessments applicable to the leased Premises, together with any interest and penalties lawfully impose thereon as a result of Lessee's late payment thereof, which shall be levied upon the leased Premises during the term of this lease.
- 16. ALTERATIONS AND IMPROVEMENTS:** Lessee agrees not to make any improvements or alternations to the Premises without prior written consent of the Lessor. If any alternations, improvements, or changes are made or built on or around the Premises except for fixtures and personal property that can be removed without damage to the Premises, they shall become the property of the Lessor and shall remain at the expiration of the Lease unless otherwise agreed to in writing.
- 17. DAMAGE TO PREMISES:** If the Premises or part of the Premises are damaged or destroyed by fire or other casualty not due to Lessee's negligence, the rent will be abated during the time that the Premises are uninhabitable. If Lessor decides to not repair or rebuild the Premises, then this Lease shall terminate and the rent shall be prorated up to the time of the damage. Any unearned rent paid in advance shall be refunded to the Lessee.
- 18. MAINTENANCE AND REPAIR:** Lessee will, at Lessee's sole expense, keep and maintain the Premises in good, clean and sanitary condition and repair during the term of this Lease and any renewal thereof. Lessee shall be responsible to make all repairs to the Premises, fixtures, appliances and equipment therein that may have been damaged by Lessee's misuse, waste or neglect, or that of the Lessee's family, agent, or visitor. Lessee agrees that no painting will be done on or about the Premises without the prior written consent of Lessor. Lessee shall promptly notify Lessor of any damage, defect or destruction of the Premises, or in the event of the failure of any of the appliances or the equipment. Lessor will use its best efforts to repair or replace any such damaged or defective area, appliance or equipment.
- 19. RIGHT OF INSPECTION:** Lessee agrees to make the Premises available to Lessor or Lessor's agents for the purposes of inspection, making repairs or improvements, or to supply agreed services or show the Premises to prospective buyers or Lessees, or in the case of an emergency. Except in the case of emergency, Lessor shall give the Lessee reasonable notice of intent to enter.

For these purposes, a twenty-four (24) hour notice is deemed reasonable. Lessee shall not, without Lessor's prior written consent, add, alter, or re-key any locks to the Premises. At all times, the Lessor shall be provided with a key or keys capable of unlocking all such locks and gaining entry. Lessee further agrees to notify Lessor in writing if Lessee installs any burglar alarm system, including instructions on how to disarm it in case of an emergency entry.

During any entry by Lessor or its agents on the Premises, Lessor and Lessee agents or employees shall be over the age of twenty-one (21) and shall comply with Lessee's visitor policy, show government issued photo identification, wear a visitor badge, remain in eyesight of a designated Lessee agent, comply with and sign in and out of visitor log, as is required by the Alaska State Marijuana Control Board Regulations. At no time shall Lessor have more than five (5) persons enter the Premises.

- 20. ABANDONMENT:** If Lessee abandons the Premises or any personal property during the term of this Lease, the Lessor may at its option enter the Premises by any legal means without liability to Lessee and may at the Lessor's option terminate the Lease. Abandonment is defined as absence of the Lessee from the Premises for at least thirty (30) consecutive days without notice to the Lessor. If Lessee abandons the Premises while the rent is outstanding for more than fifteen (15) days and there is no reasonable evidence other than the presence of the Lessee's personal property that the Lessee is occupying the unit, Lessor may, at Lessor's option, terminate this agreement and regain possession in the manner prescribed by law. Lessor will dispose of all abandoned personal property on the Premises in manner allowed by law.

Lessor shall not take into its possession any marijuana or marijuana product and shall contact the State of Alaska AMCO division prior to any access to the licensed Premises if Lessee cannot be reached, abandons the property, or similar event.

- 21. SECURITY:** Lessee understands that the Lessor does not provide any security alarm system or other security for Lessee or the Premises. In the event any alarm system is provided, Lessee understands that such an alarm system is not warranted to be complete in all respects or to be sufficient to protect Lessee or the Premises. Lessee releases Lessor from any loss, damage, claim, or injury resulting from the failure of any alarm system, security, or from the lack of any alarm system or security.
- 22. SEVERABILITY:** If any or parts of this Lease shall be held unenforceable for any reason, the remainder of this agreement shall continue in full force and effect. If any provision of this Lease is deemed invalid or unenforceable by any court or competent jurisdiction, and if limiting such provision would make this provision valid, then such provision shall be deemed to be construed as so limited.
- 23. INSURANCE:** Lessor and Lessee shall each be responsible for maintaining appropriate insurance for their respective interests in the Premises and property located on the Premises. Lessee understands that Lessor will not provide any insurance coverage for Lessee's property. Lessor

will not be responsible for any loss of Lessee's property, whether by theft, fire, riots, strikes, acts of God, or otherwise. Lessee will be required to obtain and provide proof of commercial liability insurance with the Lessor identified as "Named Insured" on the Certificate of Insurance. Commercial Liability Insurance shall have minimum coverage of \$1,000,000 per occurrence.

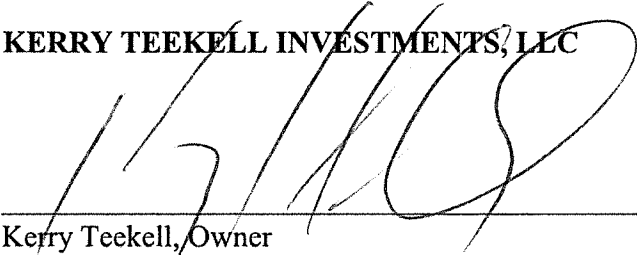
- 24. INDEMNIFICATION:** To the extent permitted by law, the Lessee will indemnify and hold Lessor and Lessor's property, including the Premises, free and harmless from any liability for losses, claims, injury to or death of any person, including Lessee, or for damage to property arising from Lessee using and occupying the Premises or from the acts or omissions of any person or persons, including Lessee, in or about the Premises with Lessee's express or implied consent except Lessor's act or negligence.
- 25. LEGAL FEES:** In the event any legal action by the Parties arises out of this Lease, the losing party shall pay the prevailing party reasonable attorney's fees and costs in addition to all other relief.
- 26. BINDING EFFECT:** The covenants and conditions contained in the Lease shall apply to and bind the parties and their heirs, legal representatives, successors and permitted assigns of the parties.
- 27. GOVERNING LAW:** The Lease shall be governed by and construed in accordance with the laws of the State of Alaska and Matanuska-Susitna Borough.
- 28. ENTIRE AGREEMENT:** This Lease constitutes the entire agreement between the parties and supersedes any prior understanding or representation of any kind preceding the date of this Agreement. There are no other promises, conditions, understandings, or other agreements, oral or written, relating to the subject matter of this Lease. This Lease may be modified in writing and must be signed by both Lessor and Lessee.
- 29. NOTICE:** After Lessee receives approval from the Alaska Marijuana Control Office to commence operations, the Lessee agrees to provide Lessor with 30 days' notice before commencing in the commercial cultivation of cannabis so the Lessor may enact their increased commercial insurance liability policy. Any notice required or otherwise given pursuant to this Lease shall be in writing and mailed, certified and return receipt requested, with postage prepaid, or delivered by overnight delivery service, to Lessee, at the Premises and to the Lessor, at the address above, for the payment of rent. Either party may change such addresses from time to time by providing notice as set forth above.
- 30. CUMULATIVE RIGHTS:** Lessor's and Lessee's rights under this Lease are cumulative, and shall not be construed as exclusive of each other unless otherwise required by law.
- 31. WAIVER:** The failure of either party to enforce any provisions of the Lease shall not be deemed a waiver or limitation of that party's right to subsequently enforce and compel strict compliance

with every provision of this Lease. The acceptance of rent by Lessor does not waive Lessor's right to enforce any provisions of this Lease.

- 32. DISPLAY OF SIGNS:** Lessor or Lessor's agent may display "For Sale" or "For Rent" or "Vacancy" or similar signs on or about the Premises and enter to show the Premises to prospective Lessees during the last sixty (60) days of this Lease. Lessee agrees that no signs shall be placed on the Premises without the prior written consent of the Lessor.
- 33. PARKING:** Lessee shall be entitled to use two parking spaces in the front of the building for the parking of motor vehicles, and additional parking spaces for up to eight vehicles in the back of the building.
- 34. KEYS:** Lessee shall be given two keys for the Premises. Lessee shall be charged \$25.00 if all keys are not returned or Lessor following termination of the Lease or if keys are lost and must be replaced during tenancy.
- 35. COMMERCIAL INSURANCE STIPULATION:** The Lessee also agrees to pro-rate the Lessor for the remaining balance of the yearly premium of the Lessor's commercial insurance policy, should for any reason the Lessee have to abandon the lease prior to the compensation of the pro-rated annual lease/insurance policy term.

IN WITNESS, THEREOF, Lessee and Lessor have each executed this Commercial Lease Agreement on the day herein above as written.

KERRY TEEKELL INVESTMENTS, LLC


Kerry Teekell, Owner

7.30.18
Date

PHARMA INITIATIVE, LLC


David Huskey, Authorized Official

7-30-18
Date

Department of Commerce, Community, and Economic
Development

CORPORATIONS, BUSINESS & PROFESSIONAL LICENSING

[State of Alaska](#) / [Commerce](#) / [Corporations, Business, and Professional Licensing](#) / [Search & Database](#)

[Download](#) / [Corporations](#) / Entity Details

ENTITY DETAILS

Name(s)

Type	Name
Legal Name	Pharma Initiative LLC

Entity Type: Limited Liability Company

Entity #: 10064758

Status: Good Standing

AK Formed Date: 7/28/2017

Duration/Expiration: Perpetual

Home State: ALASKA

Next Biennial Report Due: 1/2/2021

Entity Mailing Address: 4315 E DIMOND WAY, WASILLA, AK 99653

Entity Physical Address: 4315 E DIMOND WAY, WASILLA, AK 99653

Registered Agent

Agent Name: David Huskey

Registered Mailing Address: 3810 LARON LN, ANCHORAGE, AK 99504

Registered Physical Address: 3810 LARON LN, ANCHORAGE, AK 99504

Officials

☐ Show Former

AK Entity #	Name	Titles	Owned
	David Huskey	Member	50.00
	Kerry Teekell	Member	50.00

Filed Documents

Date Filed	Type	Filing	Certificate
7/28/2017	Creation Filing	Click to View	Click to View
8/01/2017	Initial Report	Click to View	
1/25/2019	Change of Officials	Click to View	
2/26/2019	Biennial Report	Click to View	

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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

Pharma Initiative LLC



IN TESTIMONY WHEREOF, I execute the certificate
and affix the Great Seal of the State of Alaska
effective July 28, 2017.

A handwritten signature in black ink, appearing to read "Chris Hladick".

Chris Hladick
Commissioner



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

AK Entity #: 10064758
Date Filed: 07/28/2017
State of Alaska, DCCED

FOR DIVISION USE ONLY

Articles of Organization

Domestic Limited Liability Company

Web-7/28/2017 11:30:41 AM

1 - Entity Name

Legal Name: Pharma Initiative LLC

2 - Purpose

Farming, Cultivation , and any lawful activities

3 - NAICS Code

111998 - ALL OTHER MISCELLANEOUS CROP FARMING

4 - Registered Agent

Name: David Huskey

Mailing Address: 3810 Laron Ln, Anchorage, AK 99504

Physical Address: 3810 Laron Ln, Anchorage, AK 99504

5 - Entity Addresses

Mailing Address: 4315 E Dimond way, Wasilla, AK 99653

Physical Address: 4315 E Dimond way, Wasilla, AK 99653

6 - Management

The limited liability company is managed by its members.

7 - Officials

Name	Address	% Owned	Titles
David Huskey			Organizer
Aaron Edwards			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: David Huskey



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

AK Entity #: 10064758
Date Filed: 02/26/2019
State of Alaska, DCCED

FOR DIVISION USE ONLY

Limited Liability Company 2019 Biennial Report

For the period ending December 31, 2018

Web-2/26/2019 4:51:09 PM

- This report is due on January 02, 2019
- \$100.00 if postmarked before February 02, 2019
- \$137.50 if postmarked on or after February 02, 2019

Entity Name: Pharma Initiative LLC
Entity Number: 10064758
Home Country: UNITED STATES

Home State/Province: ALASKA

Registered Agent

Name: David Huskey
Physical Address: 3810 LARON LN, ANCHORAGE,
AK 99504
Mailing Address: 3810 LARON LN, ANCHORAGE,
AK 99504

Entity Physical Address: 4315 E DIMOND WAY, WASILLA, AK 99653

Entity Mailing Address: 4315 E DIMOND WAY, WASILLA, AK 99653

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
Kerry Teekell	8801 JEWEL LAKE RD, ANCHORAGE, AK 99502	50	Member
David Huskey	3810 LARON LN, ANCHORAGE, AK 99504	50	Member

Purpose: Farming, Cultivation , and any lawful activities

NAICS Code: 111998 - ALL OTHER MISCELLANEOUS CROP FARMING

New NAICS Code (optional):

This form is for use by the named entity only. Only persons who are authorized by the above Official(s) of the named entity may make changes to it. If you proceed to make changes to this form or any information on it, you will be certifying under penalty of perjury that you are authorized to make those changes, and that everything on the form is true and correct. In addition, persons who file documents with the commissioner that are known to the person to be false in material respects are guilty of a class A misdemeanor. Continuation means you have read this and understand it.

Name: Kerry Teekell

**Limited Liability Company Agreement of
Pharma Initiative LLC ,
a Limited Liability Company**

I. Formation.

- A. State of Formation . This is a Limited Liability Company Operating Agreement (the "Agreement") for Pharma Initiative LLC, a Member-managed Alaska limited liability company (the "Company") formed under and pursuant to Alaska law.
- B. Operating Agreement Controls . To the extent that the rights or obligations of the Members or the Company under provisions of this Operating Agreement differ from what they would be under Alaska law absent such a provision, this Agreement, to the extent permitted under Alaska law, shall control.
- C. Primary Business Address . The location of the primary place of business of the Company is:
- 4315 E Dimond Way, Wasilla, Alaska 99654, or such other location as shall be selected from time to time by the Members.
- D. Registered Agent and Office . The Company's initial agent (the "Agent") for service of process is David E Huskey. The Agent's registered office is 3810 Laron Ln, Anchorage, Alaska 99504. The Company may change its registered office, its registered agent, or both, upon filing a statement with the Alaska Secretary of State.
- E. No State Law Partnership . No provisions of this Agreement shall be deemed or construed to constitute a partnership (including, without limitation, a limited partnership) or joint venture, or any Member a partner or joint venturer of or with any other Member, for any purposes other than federal and state tax purposes.

II. Purposes and Powers.

- A. Purpose . The Company is created for the following business purpose: Farming, Cultivation, and any lawful activities
- B. Powers . The Company shall have all of the powers of a limited liability company set forth under Alaska law.
- C. Duration . The Company's term shall commence upon the filing of Articles of Organization and all other such necessary materials with the state of Alaska. The

Company will operate until terminated as outlined in this Agreement unless:

1. A majority of the Members vote to dissolve the Company;
2. No Member of the Company exists, unless the business of the Company is continued in a manner permitted by Alaska law;
3. It becomes unlawful for either the Members or the Company to continue in business;
4. A judicial decree is entered that dissolves the Company; or
5. Any other event results in the dissolution of the Company under federal or Alaska law.

III. Members.

- A. Members . The Members of the Company (jointly the "Members") and their Membership Interest in the same at the time of adoption of this Agreement are as follows:

David E Huskey, 50%

Kerry W Teekell 50%

- B. Initial Contribution . Each Member shall make an Initial Contribution to the Company. The Initial Contributions of each shall be as described in Attachment A, Initial Contributions of the Members .

No Member shall be entitled to interest on their Initial Contribution. Except as expressly provided by this Agreement, or as required by law, no Member shall have any right to demand or receive the return of their Initial Contribution.

- C. Limited Liability of the Members . Except as otherwise provided for in this Agreement or otherwise required by Alaska law, no Member shall be personally liable for any acts, debts, liabilities or obligations of the Company beyond their respective Initial Contribution. The Members shall look solely to the Company property for the return of their Initial Contribution, or value thereof, and if the Company property remaining after payment or discharge of the debts, liabilities or obligations of the Company is insufficient to return such Initial Contributions, or value thereof, no Member shall have any recourse against any other Member except as is expressly provided for by this Agreement.

- D. Withdrawal or Death of a Member . Should a Member die or withdraw from the Company by choice, the remaining Members will have the option to buy out that Member's Membership Interest in the Company. Should the Members agree to buy out the Membership Interest of the withdrawing Member, that Interest shall be paid for equally by the remaining Members and distributed in equal amounts to the remaining Members. The Members agree to hire an outside firm to assess the value of the Membership Interest.

The Members will have 90 days to decide if they want to buy the Membership Interest together and disperse it equally. If all Members do not agree to buy the Membership Interest, individual Members will then have the right to buy the Membership Interest individually. If more than one Member requests to buy the remaining Membership Interest, the Membership Interest will be paid for and split equally among those Members wishing to purchase the Membership Interest. If all Members agree by unanimous vote, the Company may choose to allow a non-Member to buy the Membership Interest thereby replacing the previous Member.

If no individual Member(s) finalize a purchase agreement by 90 days, the withdrawing Member, or their estate, may dispose of their Membership Interest however they see fit, subject to the limitations in Section III(E) below. If a Member is a corporation, trust, partnership, limited liability company or other entity and is dissolved or terminated, the powers of that Member may be exercised by its legal representative or successor.

The name of the Company may be amended upon the written and unanimous vote of all Members if a Member withdraws, dies, is dissolved or terminated.

- E. Creation or Substitution of New Members . Any Member may assign in whole or in part its Membership Interest only after granting their fellow Members the right of first refusal, as established in Section III(D) above.

1. *Entire transfer* . If a Member transfers all of its Membership Interest, the transferee shall be admitted to the Company as a substitute Member upon its execution of an instrument signifying its agreement to be bound by the terms and conditions of this Agreement. Such admission shall be deemed effective immediately upon the transfer, and, simultaneously, the transferor Member shall cease to be a Member of the Company and shall have no further rights or obligations under this Agreement.
2. *Partial transfer* . If a Member transfers only a portion of its Membership Interest, the transferee shall be admitted to the Company as an additional Member upon its execution of an instrument signifying its agreement to be bound by the terms and conditions of this Agreement.

3. Whether a substitute Member or an additional Member, absent the written consent of all existing Members of the Company, the transferee shall be a limited Member and possess only the percentage of the monetary rights of the transferor Member that was transferred without any voting power as a Member in the Company.

F. Member Voting .

1. *Voting power* . The Company's Members shall each have voting power equal to their share of Membership Interest in the Company.
2. *Proxies* . At all meetings of Members, a Member may vote in person or by proxy executed in writing by the Member or by his duly authorized attorney-in-fact. Such proxy shall be delivered to the Secretary of the Company before or at the time of the meeting. No proxy shall be valid after eleven months from the date of its execution, unless otherwise provided in the proxy.

G. Duties of the Members . The Members shall cause the Company to do or cause to be done all things necessary to preserve and keep in full force and effect its existence, rights (charter and statutory) and franchises. The Members also shall cause the Company to:

1. Maintain its own books, records, accounts, financial statements, stationery, invoices, checks and other limited liability company documents and bank accounts separate from any other person;
2. At all times hold itself out as being a legal entity separate from the Members and any other person and conduct its business in its own name;
3. File its own tax returns, if any, as may be required under applicable law, and pay any taxes required to be paid under applicable law;
4. Not commingle its assets with assets of the Members or any other person, and separately identify, maintain and segregate all Company assets;
5. Pay its own liabilities only out of its own funds, except with respect to organizational expenses;
6. Maintain an arm's length relationship with the Members, and, with respect to all business transactions entered into by the Company with the Members, require that the terms and conditions of such transactions (including the terms relating to the amounts paid thereunder) are the same as would be generally available in

comparable business transactions if such transactions were with a person that was not a Member;

7. Pay the salaries of its own employees, if any, out of its own funds and maintain a sufficient number of employees in light of its contemplated business operations;
8. Not guarantee or become obligated for the debts of any other person or hold out its credit as being available to satisfy the obligations of others;
9. Allocate fairly and reasonably any overhead for shared office space;
10. Not pledge its assets for the benefit of any other person or make any loans or advances to any person;
11. Correct any known misunderstanding regarding its separate identity;
12. Maintain adequate capital in light of its contemplated business purposes;
13. Cause its Members to meet or act pursuant to written consent and keep minutes of such meetings and actions and observe all other Alaska limited liability company formalities;
14. Make any permitted investments directly or through brokers engaged and paid by the Company or its agents;
15. Not require any obligations or securities of the Members; and
16. Observe all other limited liability formalities.

Failure of the Members to comply with any of the foregoing covenants shall not affect the status of the Company as a separate legal entity or the limited liability of the Members.

H. Fiduciary Duties of the Members .

1. *Loyalty and Care*. Except to the extent otherwise provided herein, each Member shall have a fiduciary duty of loyalty and care similar to that of members of limited liability companies organized under the laws of Alaska.
2. *Competition with the Company*. The Members shall refrain from dealing with the Company in the conduct of the Company's business as or on behalf of a party having an interest adverse to the Company unless a majority, by individual vote, of

the Members excluding the interested Member, consents thereto. The Members shall refrain from competing with the Company in the conduct of the Company's business unless a majority, by individual vote, of the Members excluding the interested Member, consents thereto. In the event that a Member is the sole Member of the Company, no vote shall be required.

3. *Duties Only to the Company.* The Member's fiduciary duties of loyalty and care are to the Company and not to the other Members. The Members shall owe fiduciary duties of disclosure, good faith and fair dealing to the Company and to the other Members. A Member who so performs their duties shall not have any liability by reason of being or having been a Member.
 4. *Reliance on Reports.* In discharging the Member's duties, a Member is entitled to rely on information, opinions, reports, or statements, including financial statements and other financial data, if prepared or presented by any of the following:
 - i. One or more Members, Officers, or employees of the Company whom the Member reasonably believes to be reliable and competent in the matters presented.
 - ii. Legal counsel, public accountants, or other persons as to matters the Member reasonably believes are within the persons' professional or expert competence.
 - iii. A committee of Members of which the affected Member is not a participant, if the Member reasonably believes the committee merits confidence.
- I. Waiver of Partition: Nature of Interest . Except as otherwise expressly provided in this Agreement, to the fullest extent permitted by law, each Member hereby irrevocably waives any right or power that such Member might have to cause the Company or any of its assets to be partitioned, to cause the appointment of a receiver for all or any portion of the assets of the Company, to compel any sale of all or any portion of the assets of the Company pursuant to any applicable law or to file a complaint or to institute any proceeding at law or in equity to cause the dissolution, liquidation, winding up or termination of the Company. No Member shall have any interest in any specific assets of the Company.
- J. Compensation of Members . The Members shall have the authority to fix the compensation of individual Members. All Members may be paid their expenses, if any, of attendance at meetings of the Members, which may be a fixed sum for attendance at each meeting of the Members or a stated salary as a Member. No such payment shall preclude

any Member from serving the Company in any other capacity and receiving compensation therefor.

- K. Members as Agents . All Members are agents of the Company for the purpose of its business. An act of any Member, including the signing of an instrument in the Company's name, binds the Company where the Member executed the act for apparently carrying on the Company's business or business of the kind carried on by the Company in the ordinary course, unless the Member had no authority to act for the Company in the particular matter and the person with whom the Member was dealing knew or had notice that the Member lacked authority. An act of a Member binds the Company, however, even where the Member executed the act not apparently for carrying on the Company's business or business of the kind carried on by the Company in the ordinary course only if the act was authorized by the other Members.

IV. Accounting and Distributions.

- A. Fiscal Year . The Company's fiscal year shall end on the last day of December.
- B. Records . All financial records including tax returns and financial statements will be held at the Company's primary business address and will be accessible to all Members.
- C. Distributions . Distributions shall be issued, as directed by the Company's Treasurer or Assistant Treasurer, on a quarterly basis, based upon the Company's fiscal year. The distribution shall not exceed the remaining net cash of the Company after making appropriate provisions for the Company's ongoing and anticipatable liabilities and expenses. Each Member shall receive a percentage of the overall distribution that matches that Member's percentage of Membership Interest in the Company.

V. Tax Treatment Election.

The Company has not filed with the Internal Revenue Service for treatment as a corporation. Instead, the Company will be taxed as a pass-through organization. The Members may elect for the Company to be treated as a C-Corporation or an S-corporation at any time.

VI. Officers.

- A. Appointment and Titles of Officers. The initial Officers shall be appointed by the Members and shall consist of at least a Chairman, a Secretary and a Treasurer. Any additional or substitute Officers shall be chosen by the Members. The Members may also choose one or more President, Vice-President, Assistant Secretaries and Assistant Treasurers. Any number of offices may be held by the same person, as permitted by Alaska law. The Members may appoint such other Officers and agents as they shall deem

necessary or advisable who shall hold their offices for such terms and shall exercise such powers and perform such duties as shall be determined from time to time by the Members. The Officers and agents of the Company shall hold office until their successors are chosen and qualified. Any Officer elected or appointed by the Members may be removed at any time, with or without cause, by the affirmative vote of a majority of the Members. Any vacancy occurring in any office of the Company shall be filled by the Members. Unless the Members decide otherwise, if the title of an Officer is one commonly used for officers of a limited liability company formed under Alaska law, the assignment of such title shall constitute the delegation to such person of the authorities and duties that are normally associated with that office.

1. *Chairman* . The Chairman shall be the chief executive officer of the Company, shall preside at all meetings of the Members, shall be responsible for the general and active management of the business of the Company and shall see that all orders and resolutions of the Members are carried into effect. The Chairman shall execute all contracts on behalf of the Company, except:
 - i. where required or permitted by law or this Agreement to be otherwise signed and executed;
 - ii. where signing and execution thereof shall be expressly delegated by the Members to some other Officer or agent of the Company.
2. *President* . In the absence of the Chairman or in the event of the Chairman's inability to act, the President shall perform the duties of the Chairman, and when so acting, shall have all the powers of and be subject to all the restrictions upon the Chairman. The President shall perform such other duties and have such other powers as the Members may from time to time prescribe.
3. *Vice-Presidents* . In the absence of the Chairman and President or in the event of their inability to act, any Vice-Presidents in the order designated by the Members (or, in the absence of any designation, in the order of their election) shall perform the duties of the Chairman, and when so acting, shall have all the powers of and be subject to all the restrictions upon the Chairman. Vice-Presidents, if any, shall perform such other duties and have such other powers as the Members may from time to time prescribe.
4. *Secretary and Assistant Secretary* . The Secretary shall be responsible for filing legal documents and maintaining records for the Company. The Secretary shall attend all meetings of the Members and record all the proceedings of the meetings of the Company and of the Members in a book to be kept for that purpose. The Secretary

shall give, or cause to be given, notice of all meetings of the Members, as required in this Agreement or by Alaska law, and shall perform such other duties as may be prescribed by the Members or the Chairman, under whose supervision the Secretary shall serve. The Secretary shall cause to be prepared such reports and/or information as the Company is required to prepare by applicable law, other than financial reports. The Assistant Secretary, or if there be more than one, the Assistant Secretaries in the order determined by the Members (or if there be no such determination, then in order of their election), shall, in the absence of the Secretary or in the event of the Secretary's inability to act, perform the duties and exercise the powers of the Secretary and shall perform such other duties and have such other powers as the Members may from time to time prescribe.

5. *Treasurer and Assistant Treasurer* . The Treasurer shall have the custody of the Company funds and securities and shall keep full and accurate accounts of receipts and disbursements in books belonging to the Company according to generally accepted accounting practices, using a fiscal year ending on the last day of the month of December. The Treasurer shall deposit all moneys and other valuable effects in the name and to the credit of the Company in such depositories as may be designated by the Members. The Treasurer shall distribute the Company's profits to the Members. The Treasurer shall disburse the funds of the Company as may be ordered by the Members and shall render to the Chairman and to the Members, at their regular meetings or when the Members so require, an account of all of the Treasurer's transactions and of the financial condition of the Company. As soon as practicable after the end of each fiscal year of the Company, the Treasurer shall prepare a statement of financial condition as of the last day of the Company's fiscal year, and a statement of income and expenses for the fiscal year then ended, together with supporting schedules. Each of said annual statements shall be prepared on an income tax basis and delivered to the Members forthwith upon its preparation. In addition, the Treasurer shall keep all financial records required to be kept pursuant to Alaska law. The Assistant Treasurer, or if there shall be more than one, the Assistant Treasurers in the order determined by the Members (or if there be no such determination, then in the order of their election), shall, in the absence of the Treasurer or in the event of the Treasurer's inability to act, perform the duties and exercise the powers of the Treasurer and shall perform such other duties and have such other powers as the Members may from time to time prescribe.

- B. Officers as Agents . The Officers, to the extent of their powers set forth in this Agreement or otherwise vested in them by action of the Members not inconsistent with this Agreement, are agents of the Company for the purpose of the Company's business, and the actions of the Officers taken in accordance with such powers shall bind the Company.

C. Fiduciary Duties of the Officers.

1. *Loyalty and Care.* Except to the extent otherwise provided herein, each Officer shall have a fiduciary duty of loyalty and care similar to that of officers of limited liability companies organized under the laws of Alaska.
2. *Competition with the Company.* The Officers shall refrain from dealing with the Company in the conduct of the Company's business as or on behalf of a party having an interest adverse to the Company unless a majority, by individual vote, of the Members, excluding the interested Officer if that Officer is a Member, consents thereto. The Officers shall refrain from competing with the Company in the conduct of the Company's business unless a majority, by individual vote, of the Members, excluding the interested Officer if that Officer is a Member, consents thereto. In the event that the interested Officer is the sole Member, no vote shall be required.
3. *Duties Only to the Company.* The Officers' fiduciary duties of loyalty and care are to the Company and not to the Members or other Officers. The Officers shall owe fiduciary duties of disclosure, good faith and fair dealing to the Company and to the Members, but shall owe no such duties to Officers unless the Officer is a Member. An Officer who so performs their duties shall not have any liability by reason of being or having been an Officer.
4. *Reliance on Reports.* In discharging the Officer's duties, an Officer is entitled to rely on information, opinions, reports, or statements, including financial statements and other financial data, if prepared or presented by any of the following:
 - i. One or more Members, Officers, or employees of the Company whom the Officer reasonably believes to be reliable and competent in the matters presented.
 - ii. Legal counsel, public accountants, or other persons as to matters the Officer reasonably believes are within the persons' professional or expert competence.
 - iii. A committee of Members of which the affected Officer is not a participant, if the Officer reasonably believes the committee merits confidence.

VII. Dissolution.

- A. Limits on Dissolution . The Company shall have a perpetual existence, and shall be dissolved, and its affairs shall be wound up only upon the provisions established in Section II(C) above.

Notwithstanding any other provision of this Agreement, the Bankruptcy of any Member shall not cause such Member to cease to be a Member of the Company and upon the occurrence of such an event, the business of the Company shall continue without dissolution.

Each Member waives any right that it may have to agree in writing to dissolve the Company upon the Bankruptcy of any Member or the occurrence of any event that causes any Member to cease to be a Member of the Company.

- B. Winding Up . Upon the occurrence of any event specified in Section II(C), the Company shall continue solely for the purpose of winding up its affairs in an orderly manner, liquidating its assets, and satisfying the claims of its creditors. One or more Members, selected by the remaining Members, shall be responsible for overseeing the winding up and liquidation of the Company, shall take full account of the liabilities of the Company and its assets, shall either cause its assets to be distributed as provided under this Agreement or sold, and if sold as promptly as is consistent with obtaining the fair market value thereof, shall cause the proceeds therefrom, to the extent sufficient therefor, to be applied and distributed as provided under this Agreement.
- C. Distributions in Kind . Any non-cash asset distributed to one or more Members in liquidation of the Company shall first be valued at its fair market value (net of any liability secured by such asset that such Member assumes or takes subject to) to determine the profits or losses that would have resulted if such asset were sold for such value, such profit or loss shall then be allocated as provided under this Agreement. The fair market value of such asset shall be determined by the Members or, if any Member objects, by an independent appraiser (any such appraiser must be recognized as an expert in valuing the type of asset involved) approved by the Members.
- D. Termination . The Company shall terminate when (i) all of the assets of the Company, after payment of or due provision for all debts, liabilities and obligations of the Company, shall have been distributed to the Members in the manner provided for under this Agreement and (ii) the Company's registration with the state of Alaska shall have been canceled in the manner required by Alaska law.
- E. Accounting . Within a reasonable time after complete liquidation, the Company Treasurer shall furnish the Members with a statement which shall set forth the assets and liabilities of the Company as at the date of dissolution and the proceeds and expenses of the disposition thereof.
- F. Limitations on Payments Made in Dissolution . Except as otherwise specifically provided in this Agreement, each Member shall only be entitled to look solely to the assets of the

Company for the return of its Initial Contribution and shall have no recourse for its Initial Contribution and/or share of profits (upon dissolution or otherwise) against any other Member.

- G. Notice to Alaska Authorities . Upon the winding up of the Company, the Member with the highest percentage of Membership Interest in the Company shall be responsible for the filing of all appropriate notices of dissolution with Alaska and any other appropriate state or federal authorities or agencies as may be required by law. In the event that two or more Members have equally high percentages of Membership Interest in the Company, the Member with the longest continuous tenure as a Member of the Company shall be responsible for the filing of such notices.

VIII. Exculpation and Indemnification.

- A. No Member, Officer, employee or agent of the Company and no employee, agent or affiliate of a Member (collectively, the "Covered Persons") shall be liable to the Company or any other person who has an interest in or claim against the Company for any loss, damage or claim incurred by reason of any act or omission performed or omitted by such Covered Person in good faith on behalf of the Company and in a manner reasonably believed to be within the scope of the authority conferred on such Covered Person by this Agreement, except that a Covered Person shall be liable for any such loss, damage or claim incurred by reason of such Covered Person's gross negligence or willful misconduct.
- B. To the fullest extent permitted by applicable law, a Covered Person shall be entitled to indemnification from the Company for any loss, damage or claim incurred by such Covered Person by reason of any act or omission performed or omitted by such Covered Person in good faith on behalf of the Company and in a manner reasonably believed to be within the scope of the authority conferred on such Covered Person by this Agreement. Expenses, including legal fees, incurred by a Covered Person defending any claim, demand, action, suit or proceeding shall be paid by the Company. The Covered Person shall be liable to repay such amount if it is determined that the Covered Person is not entitled to be indemnified as authorized in this Agreement. No Covered Person shall be entitled to be indemnified in respect of any loss, damage or claim incurred by such Covered Person by reason of such Covered Person's gross negligence or willful misconduct with respect to such acts or omissions. Any indemnity under this Agreement shall be provided out of and to the extent of Company assets only.
- C. A Covered Person shall be fully protected in relying in good faith upon the records of the Company and upon such information, opinions, reports or statements presented to the Company by any person as to matters the Covered Person reasonably believes are within such other person's professional or expert competence and who has been selected with reasonable care by or on behalf of the Company, including information, opinions, reports

or statements as to the value and amount of the assets, liabilities, or any other facts pertinent to the existence and amount of assets from which distributions to the Members might properly be paid.

- D. To the extent that, at law or in equity, a Covered Person has duties (including fiduciary duties) and liabilities relating thereto to the Company or to any other Covered Person, a Covered Person acting under this Agreement shall not be liable to the Company or to any other Covered Person for its good faith reliance on the provisions of this Agreement. The provisions of the Agreement, to the extent that they restrict the duties and liabilities of a Covered Person otherwise existing at law or in equity, are agreed by the Members to replace such other duties and liabilities of such Covered Person.
- E. The foregoing provisions of this Article VIII shall survive any termination of this Agreement.

IX. Insurance.

The Company shall have the power to purchase and maintain insurance, including insurance on behalf of any Covered Person against any liability asserted against such person and incurred by such Covered Person in any such capacity, or arising out of such Covered Person's status as an agent of the Company, whether or not the Company would have the power to indemnify such person against such liability under the provisions of Article VIII or under applicable law.

X. Settling Disputes.

All Members agree to enter into mediation before filing suit against any other Member or the Company for any dispute arising from this Agreement or Company. Members agree to attend one session of mediation before filing suit. If any Member does not attend mediation, or the dispute is not settled after one session of mediation, the Members are free to file suit. Any law suits will be under the jurisdiction of the state of Alaska.

XI. General Provisions.

- A. Notices . All notices, offers or other communications required or permitted to be given pursuant to this Agreement shall be in writing and may be personally served or sent by United States mail and shall be deemed to have been given when delivered in person or three (3) business days after deposit in United States mail, registered or certified, postage prepaid, and properly addressed, by or to the appropriate party.
- B. Number of Days . In computing the number of days (other than business days) for purposes of this Agreement, all days shall be counted, including Saturdays, Sundays and holidays; provided, however, that if the final day of any time period falls on a Saturday,

Sunday or holiday on which national banks are or may elect to be closed, then the final day shall be deemed to be the next day which is not a Saturday, Sunday or such holiday.

- C. Execution of Counterparts . This Agreement may be executed in any number of counterparts, each of which shall be an original, and all of which shall together constitute one and the same instrument.
- D. Severability . The provisions of this Agreement are independent of and separable from each other, and no provision shall be affected or rendered invalid or unenforceable by virtue of the fact that for any reason any other or others of them may be invalid or unenforceable in whole or in part.
- E. Headings . The Article and Section headings in this Agreement are for convenience and they form no part of this Agreement and shall not affect its interpretation.
- F. Controlling Law . This Agreement shall be governed by and construed in all respects in accordance with the laws of the state of Alaska (without regard to conflicts of law principles thereof).
- G. Application of Alaska Law . Any matter not specifically covered by a provision of this Agreement shall be governed by the applicable provisions of Alaska law.
- H. Amendment . This Agreement may be amended only by written consent of all the Members. Upon obtaining the approval of any such amendment, supplement or restatement as to the Certificate, the Company shall cause a Certificate of Amendment or Amended and Restated Certificate to be prepared, executed and filed in accordance with Alaska law.
- I. Entire Agreement . This Agreement contains the entire understanding among the parties hereto with respect to the subject matter hereof, and supersedes all prior and contemporaneous agreements and understandings, inducements or conditions, express or implied, oral or written, except as herein contained.

ATTACHMENT A
Initial Contributions of the Members

The Initial Contributions of the Members of Pharma Initiative LLC are as follows:

David E Huskey

Contribution:

Cash: \$115,000

Kerry Teekell

Contribution:

Cash: \$115,000.00

This LLC Operating Agreement is executed and agreed to by:



David E Huskey
dhuskey25@gmail.com
May 09, 2017 at 04:37pm

Kerry W Teekell
akpk2468@hotmail.com
May 09, 2018 at 04:43 pm

Scan this code with your
smartphone to manage
your LLC Operating
Agreement online.

