Alaska Entity #10082379

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

Higher by Bad Gramm3r, LLC

IN TESTIMONY WHEREOF, I execute the certificate and affix the Great Seal of the State of Alaska effective April 13, 2018.

Mike Navarre
Commissioner

AMCO Received 7.5.23

AK Entity #: 10082379
Date Filed: 04/13/2018
State of Alaska, DCCED

THE STATE of ALASKA

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

FOR DIVISION USE ONLY

Articles of Organization

Domestic Limited Liability Company

Web-4/13/2018 2:31:57 PM

1 - Entity Name

Legal Name: Higher by Bad Gramm3r, LLC

2 - Purpose

Purpose of the corporation is to open a retail recreational cannabis and paraphernalia store.

3 - NAICS Code

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

4 - Registered Agent

Name: Teresa Zell
Mailing Address: 5850 East Alder Circle, Wasilla, AK 99654
Physical Address: 5850 East Alder Circle, Wasilla, AK 99654

5 - Entity Addresses

Mailing Address: 5850 East Alder Circle, Wasilla, AK 99654
Physical Address: 1204 North Hyer Spur Road, Palmer, AK 99645

6 - Management

The limited liability company is managed by a manager.

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7 - Officials

Name	Address	% Owned	Titles
Teresa Zell			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: Teresa Zell

AMCO Received 7.5.23

AK Entity #: 10082379
Date Filed: 10/05/2021
State of Alaska, DCCED

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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
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Domestic Limited Liability Company

2022 Biennial Report

For the period ending December 31, 2021

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Due Date: This report along with its fees are due by January 2, 2022

Fees: If postmarked before February 2, 2022, the fee is $100.00.
If postmarked on or after February 2, 2022 then this report is delinquent and the fee is $137.50.

Entity Name: Higher by Bad Gramm3r, LLC

Entity Number: 10082379

Home Country: UNITED STATES

Home State/Prov.: ALASKA

Physical Address: 1204 NORTH HYER SPUR ROAD, PALMER, AK 99645

Mailing Address: 5850 EAST ALDER CIRCLE, WASILLA, AK 99654

Registered Agent information cannot be changed on this form. Per Alaska Statutes, to update or change the Registered Agent information this entity must submit the Statement of Change form for this entity type along with its filing fee.

Name: Teresa Zell

Physical Address: 5850 EAST ALDER CIRCLE, WASILLA, AK 99654

Mailing Address: 5850 EAST ALDER CIRCLE, WASILLA, AK 99654

Officials: The following is a complete list of officials who will be on record as a result of this filing.

- **Provide all officials and required information. Use only the titles provided.**
- **Mandatory Members:** this entity must have at least one (1) Member. A Member must own a %. In addition, this entity must provide all Members who own 5% or more of the entity. A Member may be an individual or another entity.
- **Manager:** If the entity is manager managed (per its articles or amendment) then there must be at least (1) Manager provided. A Manager may be a Member if the Manager also owns a % of the entity.

Full Legal Name	Complete Mailing Address	% Owned	Manager	Member
Teresa Zell	5850 E ALDER CIRCLE, WASILLA, AK 99654	100.00	X	X

If necessary, attach a list of additional officers on a separate 8.5 X 11 sheet of paper.

Purpose: Purpose of the corporation is to open a retail recreational cannabis and paraphernalia store.

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

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

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SINGLE MEMBER LLC OPERATING AGREEMENT
OF
Higher By Bad Gramm3r, LLC

THIS OPERATING AGREEMENT, is formed this 13th day of April, 2018, by Teresa C. Zell to establish a limited liability company whose name is **Higher By Bad Gramm3r, LLC** (the "Company"), pursuant to the Alaska Revised Limited Liability Company Act (the "Act").

WITNESSETH

WHEREAS, the Original Member has established or intended to be established, a limited liability company by filing on the date hereof a Certificate of Organization (the "Certificate") (Exhibit I) under and pursuant to the Act in the office of the Secretary of State for the purpose of conducting business of miscellaneous retail store and for any lawful business, promoting any lawful purpose and engaging in any lawful act or activity for which limited liability companies may be formed under the act; and

WHEREAS, the Original Member agrees that her respective rights, powers, duties and obligations as an Original Member of the Company, and the management, operations and activities of the Company, shall be controlled by this Agreement;

NOW THEREFORE, in consideration of the mutual terms, covenants and conditions contained herein, the Original Member hereby agrees as follows:

ARTICLE I
Formation of the LLC; Original Member

1.01 *Effective Date of Agreement.* This Agreement shall be effective on April 13, 2018 on which the Original Member shall have signed and dated it.

1.02 *Formation of the LLC.* The Original Member shall cause to be filed such Certificates and documents as may be necessary or appropriate to comply with the Act and any other applicable requirements for the operation of a limited liability company in accordance with the laws of the State of Alaska and any other jurisdictions in which the Company shall conduct its business and operations and shall continue to do so for so long as the Company conducts business therein.

1.03 *Admission of Original Member.* Immediately upon the formation of the LLC, the sole member shall be the Original Member.

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ARTICLE II
General

2.01 *Name of the Limited Liability Company.* The name of the limited liability company formed hereby is **"Higher By Bad Gramm3r, LLC"** pursuant to the Act.

2.02 *Purpose.* The purpose of the Company is to engage in operating a retail store or for any lawful act or activity for which limited liabilities may be formed under the Act.

2.03 *Office of the Limited Liability Company; Agent for Service of Process.* The address of the registered office of the Company for purposes of the Act is 5850 E. Alder Circle, Wasilla, Alaska 99654. The name and address of the resident agent for service of process for the Company is Teresa C. Zell, 5850 E. Alder Circle, Wasilla, AK 99654.

2.04 *Principal Place of Business; Offices.* The principal place of business for the Company shall be 1204 North Hyer Spur Road, Palmer, AK 99645.

ARTICLE III
Capital Contributions

3.01 *Initial Capital Contribution.* The initial Capital Contribution of the Original Member as of the date of this Agreement will be $2,000.00.

3.02 *Additional Capital Contributions.* The Members shall have the right, but shall not be obligated, to contribute any additional funds essential to conducting Company operations in such amounts and proportions as the Original Member determines.

3.03 *No Interest; No Return of Contributions.* The Original Member is not entitled to interest on any contribution to the LLC. The Original Member shall not be entitled to the return of any contributions except in connections with the LLC's dissolution.

ARTICLE IV
Allocations and Distributions

Profits and Losses, Distributions. Until the admission of additional Members, the Original Member shall be entitled to all allocations of LLC profits and losses and to allocations of distributions.

ARTICLE V
Management of the LLC

5.01 *Participation in LLC Management.* The LLC shall be member managed.

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5.02 *Allocation of Votes.* The Original Member shall have the exclusive right to vote on LLC matters; provided that upon admission of additional Members, each Member shall have the right to vote on each LLC matter in accordance with his/her Percentage Interest in the LLC.

5.03 *Agency.* The Original Member shall have the power, right and authority to act as agent for the LLC on all LLC matters.

ARTICLE VI
Assignments and New Members

6.01 *Restrictions on Assignment of Interests.* No member shall make or effect an Assignment of all, or any part of, such Original Member's Interest, except with the consent of the Original Member. A creditor shall only obtain an assignment in membership interest, not the actual transfer of Membership in the LLC.

6.02 *Admission of New Members.* No person or entity shall be admitted as a new Member of the LLC except with the consent of the Original Member, issuance of a new interest in the Company and/or a sale of a current percentage of the Original Member's interest.

ARTICLE VII
Duties of Members

7.01 *Duties of Members.* Each Member shall use his or her best efforts to promote the business of the LLC.

7.02 *Duties of Care, Good Faith and Loyalty.* In their actions as member of the LLC, each Member

(i) shall use the same care as she/he would use in conducting their own affairs;
(ii) shall act in good faith;
(iii) shall act with the utmost loyalty toward the LLC.

ARTICLE VIII
Records and Reports

8.01 *Books of Accounts.* The LLC shall maintain proper books of account, which shall comply with all applicable federal income tax regulation and with generally accepted accounting practices as applicable to limited liability companies.

8.02 *Annual Reports Relating to Tax Return Preparation.* The LLC shall prepare and deliver to the Members written reports which shall contain all information that is reasonably necessary to enable the Members to prepare their federal income tax returns.

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ARTICLE IX
Dissolution

9.01 *Dissolution.* The Original Member may dissolve the LLC at any time. Upon dissolution, the LLC must pay its debts first before distributing cash, assets, and/or initial capital to members or member's interests. The dissolution may only be ordered by a Member, not by the owner of the Member's interests.

9.02 *Filing.* Upon dissolution of the Company, the Original Member shall cause to be executed and filed with the Secretary of the State articles of dissolution in accordance with the Act.

ARTICLE X
Miscellaneous

14.01 *Amendments.* This Agreement may be amended only by the consent of the Original Member.

14.02 *Successors and Assigns.* This Agreement shall be binding upon and inure to the benefit of the Original Member and his respective heirs, administrators, executors, legal representatives, successors and assigns.

14.03 *Entire Agreement.* This Agreement and the schedules attached hereto constitute the entire agreement of the Original Member with respect to the subject matter hereof and supersede all prior and contemporaneous agreements, representations, and understandings of the parties with respect to the Company.

14.04 *Third Parties.* Nothing in this Agreement, express or implied, is intended to confer upon any party, other than the parties hereto, and their respective successors and permitted assigns, any rights, remedies, obligations or liabilities under or by reason of this Agreement, except as expressly provided herein.

14.05 *Governing Law.* This Agreement shall be governed by and construed under the substantive laws of the State of Alaska without regard to its choice-of-law provisions.

14.06 *Titles and Subtitles; Form of Pronouns; Construction and Definitions.* The titles of the sections and paragraphs of this Agreement are for convenience only and are not to be considered in construing the Agreement. All pronouns used in this Agreement shall be deemed to include masculine, feminine and neuter forms; the singular number includes the plural and the plural number includes the singular. Unless the context otherwise requires, the term "including" shall mean "including, without limitation."

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14.07 *Severability.* If one or more provisions of this Agreement are held by a proper court to be unenforceable under applicable law, portions of such provisions, or such provisions in their entirety, to the extent necessary and permitted by law, shall be severed and the balance of this Agreement shall be enforceable in accordance with its terms.

14.08 *Notices.* Any and all notices or elections permitted or required to be made as provided in this Agreement shall be in writing, signed by the Original Member giving such notice or making such election, and shall be delivered by hand or by nationally recognized overnight courier service or sent by registered or certified U.S. Mail, postage prepaid, return receipt requested,.

14.09 *No Waiver.* The failure of any Member to insist upon strict performance of any covenant or obligation under this Agreement shall not be deemed a waiver or relinquishment of such Member's right to demand strict compliance in the future with respect to such covenant or obligation or any other covenant or obligation. No consent or waiver, express or implied, to or of any breach or default in the performance of any obligation under this Agreement shall be deemed to constitute a consent or waiver to or of any breach or default in the performance of the same or any other obligation under this Agreement.

14.10. *Counterparts.* This Agreement may be executed upon an original and one or more duplicate originals, all of which together shall constitute on agreement.

IN WITNESS WHEREOF, the Original Member hereby executes this Limited Liability Company Agreement as of the date first written in this Agreement.

ORIGINAL MEMBER:

Teresa C. Zell

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JAN 30 2015

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HIGHER BY BAD GRAMM3R, LLC
RESOLUTION NUMBER: 0001

RESOLUTION OF HIGHER BY BAD GRAMM3R, LLC
ADDITION OF MANAGER MEMBER PETER ZELL

WHEREAS, upon all member(s) providing their consent, Article 6.02 of HIGHER BY BAD GRAMM3R, LLC Operating Agreement states no person or entity shall be admitted as a new Member of the LLC except with the consent of the Original Member, issuance of a new interest in the Company and/or a sale of a current percentage of the Original Member's interest.

WHEREAS, HIGHER BY BAD GRAMM3R, LLC seeks to add Manager, Member Peter Zell and Peter Zell seeks to be added to HIGHER BY BAD GRAMM3R, LLC under Article 6 of the Operating Agreement.

THEREFORE, IT IS RESOLVED BY HIGHER BY BAD GRAMM3R, LLC AND ITS MANAGER MEMBER, TERESA ZELL AS FOLLOWS:

1. Peter Zell will be added to HIGHER BY BAD GRAMM3R, LLC.
2. This Resolution shall become effective upon the effectuation of License #19178 transfer.

_____
Teresa Zell – Higher by Bad Gramm3r, LLC – Manager, Member

DATE: 6/29/23

AMCO Received 7.5.23

JOINDER AGREEMENT
HIGHER BY BAD GRAMM3R, LLC

THIS JOINDER AGREEMENT TO THE LIMITED LIABILITY COMPANY AGREEMENT of HIGHER BY BAD GRAMM3R, LLC (this "Agreement") is executed and delivered this 29th day of June 2023 by Peter Zell. The purpose of this Agreement is to make clear that Peter Zell, as 48% owner of HIGHER BY BAD GRAMM3R, LLC, upon the effectuation date of transfer, is bound and agrees to all terms in the Operating Agreement of HIGHER BY BAD GRAMM3R, LLC dated as of June 29, 2023, by and among the Members of the Company as defined therein (the "Operating Agreement").

WHEREAS, in connection with the purchase of the Member's Interest, Peter Zell must, among other things, become a party to the Operating Agreement.

NOW, THEREFORE, in consideration of the premises, the mutual covenants contained herein, and other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the parties hereto agree as follows:

Peter Zell, hereby acknowledges and agrees with the Company that he is a signatory and party to the Operating Agreement as of the date first written above and thus subject to all terms and conditions of the Operating Agreement applicable to each Member of the Company.

IN WITNESS WHEREOF, the undersigned has executed this Agreement on the day and year first set forth above.

ACCEPTED:

HIGHER BY BAD GRAMM3R, LLC

BY: Peter Zell – Manager, Member

AMCO Received 7.5.23