OPERATING AGREEMENT

OF

AREA 49 FARMS LLC A Single-Member Limited Liability Company

This Operating Agreement ("Agreement") is made effective as of May 14th 2025, by and between **James Casey Protzman**, the sole member ("Member") of **Area 49 Farms LLC**, a limited liability company organized under the laws of the State of **Alaska**.

ARTICLE I: FORMATION AND ORGANIZATION

1.1 Formation The Member has formed a limited liability company named **Area 49 Farms LLC** (the "Company") pursuant to the **Alaska Limited Liability Company Act** by filing Articles of Organization with the **Division of Corporations, Business and Professional Licensing** on May 14, 2025.

1.2 Name The name of the Company is **Area 49 Farms LLC**. The Company may conduct business under this name or any registered fictitious name (DBA).

1.3 Principal Office The principal office of the Company is: 12262 W Winkler Way, Wasilla, AK. 99623 or such other location as the Member may designate.

1.4 Registered Agent The registered agent for service of process is: James Casey Protzman, 12262 W. Winkler Way, Wasilla, AK. 99632 or as otherwise updated with the state.

1.5 Term The Company commenced on the date the Articles of Organization were filed and shall continue perpetually unless dissolved in accordance with this Agreement or state law.

ARTICLE II: PURPOSE AND POWERS

2.1 Purpose The Company is organized to engage in Food Crops Grown Under Cover and any other lawful business permitted under Alaska law.

2.2 Powers The Company shall have all powers necessary to carry out its purpose, including but not limited to entering contracts, owning property, borrowing money, and suing or being sued.

ARTICLE III: MEMBERSHIP

3.1 Sole Member The sole Member of the Company is: **Name:** James Casey Protzman **Address:** 12262 W Winkler Way, Wasilla, AK. 99623 **Ownership Interest:** 100%

3.2 No Additional Members No additional members may be admitted without amending this Agreement and complying with state law.

3.3 Liability of Member The Member shall not be personally liable for the debts, obligations, or liabilities of the Company, except as required by law.

ARTICLE IV: CAPITAL CONTRIBUTIONS

4.1 Initial Contribution The Member has contributed the following to the Company:

- **Cash: $150,000**
- **Property/Services: $75,000**
- **Total Initial Contribution: $225,000**

4.2 Additional Contributions The Member is not required to make additional contributions unless agreed in writing.

4.3 Capital Accounts A capital account shall be maintained for the Member in accordance with IRS regulations.

ARTICLE V: ALLOCATIONS AND DISTRIBUTIONS

5.1 Profits and Losses All profits, losses, and tax items shall be allocated 100% to the Member.

5.2 Distributions The Member may make distributions of available cash or property at such times and in such amounts as the Member deems appropriate, subject to maintaining adequate working capital and complying with Alaska law.

ARTICLE VI: MANAGEMENT

6.1 Management by Member The Company shall be **member-managed**. The Member shall have full authority to manage and control the business and affairs of the Company.

6.2 Major Decisions The following actions require the Member's written consent:

- Amending the Articles of Organization or this Agreement
- Merging, selling substantially all assets, or dissolving the Company

- Incurring debt over $10,000
- Entering transactions with the Member or affiliates

6.3 Delegation The Member may appoint officers or agents (e.g., Farm Manager, Accountant) to act on behalf of the Company.

ARTICLE VII: BOOKS, RECORDS, AND TAX MATTERS

7.1 Books and Records The Company shall maintain accurate books and records at its principal office, including:

- Financial statements
- Tax returns
- Member information
- This Agreement and amendments
- Inventory of farm assets and crop yields

7.2 Accounting Method The Company shall use the **Cash** method of accounting.

7.3 Tax Classification The Company is a **disregarded entity** for federal income tax purposes. The Member shall report all income and losses on Otherof their personal Form 1040.

7.4 Tax Year The tax year shall be the calendar year.

ARTICLE VIII: DISSOLUTION AND TERMINATION

8.1 Events of Dissolution The Company shall dissolve upon:

- The Member's written election
- Death, incapacity, bankruptcy, or withdrawal of the Member (unless a successor is appointed within 90 days)
- Court order or operation of law

8.2 Winding Up Upon dissolution, the Member (or appointed representative) shall wind up affairs, pay liabilities, and distribute remaining assets to the Member. Farm assets shall be sold or transferred in compliance with USDA and Alaska agricultural regulations.

8.3 Certificate of Cancellation A Certificate of Cancellation shall be filed with the **Division of Corporations, Business and Professional Licensing** upon completion of winding up.

ARTICLE IX: INDEMNIFICATION

The Company shall indemnify the Member, officers, and agents to the fullest extent permitted by Alaska law for actions taken in good faith on behalf of the Company.

ARTICLE X: MISCELLANEOUS

10.1 Governing Law This Agreement shall be governed by the laws of **Alaska**.

10.2 Entire Agreement This Agreement constitutes the entire understanding between the parties and supersedes all prior agreements.

10.3 Amendment This Agreement may be amended only in writing signed by the Member.

10.4 Severability If any provision is invalid, the remainder shall remain in effect.

10.5 Binding Effect This Agreement binds and benefits the Member and their heirs, successors, and assigns.

IN WITNESS WHEREOF, the undersigned has executed this Operating Agreement as of the date first written above.

MEMBER:

James Casey Protzman Sole Member Date: May 14th 2025

Alaska Business License # **2216357**

Alaska Department of Commerce, Community, and Economic Development

Division of Corporations, Business, and Professional Licensing
PO Box 110806, Juneau, AK 99811-0806

This is to certify that the owner

Area 49 Farms LLC

is licensed by the department to do business as

Area 49 Farms LLC

P.O. Box 220083, Anchorage, AK 99522

for the period

May 14, 2025 to December 31, 2026
for the following line(s) of business:

11 - Agriculture, Forestry, Fishing and Hunting

This license shall not be taken as permission to do business in the state without having complied with the other requirements of the laws of the State or of the United States.

This license must be posted in a conspicuous place at the business location.
It is not transferable or assignable.

Julie Sande
Commissioner

Area 49 Farms LLC
P.O. Box 220083
Anchorage, AK 99522