THE STATE of ALASKA
GOVERNOR MIKE DUNLEAVY

Department of Commerce, Community, and Economic Development

Alcohol and Marijuana Control Office
550 West Avenue, Suite 1600
Ancho age, AK 99501
Main: 907.269.0350

October 30, 2025

Kenai Peninsula Borough
City of Kenai
VIA Email: micheleturner@kpb.us; sessert@kpb.us; mjenkins@kpb.us; nscarlett@kpb.us; mboehmler@kpb.us; rraidmae@kpb.us; slopez@kpb.us; bcarter@kpb.us; jrasor@kpb.us; hmills@kpb.us; cityclerk@kenai.city

License Number:	38155
License Type:	Marijuana Concentrate Manufacturing Facility
Licensee:	Grateful Extracts, LLC
Doing Business As:	Grateful Extracts
Physical Address:	53252 Borgen Avenue Building B Kenai, AK 99611
Designated Licensee:	Richard Huffman
Phone Number:	907-283-2837
Email Address:	gratefulbudllc@gmail.com

☒ **New Application** ☐ **New Onsite Consumption Endorsement Application (Retail Only)**
AMCO has received a complete application for a marijuana establishment within your jurisdiction. This notice is required under 3 AAC 306.025(d)(2). Application documents will be sent to you separately via ZendTo.

To protest the approval of this application pursuant to 3 AAC 306.060, you must furnish the director and the applicant with a clear and concise written statement of reasons for the protest within 60 days of the date of this notice, and provide AMCO proof of service of the protest upon the applicant. If the protest is a "conditional protest" as defined in 3 AAC 306.060(d)(2) and the application otherwise meets all the criteria set forth by the regulations, the Marijuana Control Board may approve the license, but require the applicant to show to the board's satisfaction that the requirements of the local government have been met before the director issues the license.

3 AAC 306.010, 3 AAC 306.080, and 3 AAC 306.250 provide that the board will deny an application for a new license if the board finds that the license is prohibited under AS 17.38 as a result of an ordinance or election conducted under AS 17.38 and 3 AAC 306.200, or when a local government protests an application on the grounds that the proposed licensed premises are located in a place within the local government where a local zoning ordinance prohibits the marijuana establishment, unless the local government has approved a variance from the local ordinance.

This application will be in front of the Marijuana Control Board at our **December 3rd-4th, 2025** meeting.

Sincerely,

Kevin Richard, Director
amco.localgovernmentonly@alaska.gov

Public Notice

Application for Marijuana Establishment License

License Number: 38155
License Status: Initiated
License Type: Marijuana Concentrate Manufacturing Facility
Doing Business As: Grateful Extracts
Business License Number: 2196124
Email Address: gratefulbudllc@gmail.com
Latitude, Longitude: 60.589840, -151.329580
Physical Address: 53252 Borgen Avenue
Building B
Kenai, AK 99611
UNITED STATES

Licensee #1

Type: Entity
Alaska Entity Number: 10264576
Alaska Entity Name: Grateful Extracts, LLC
Phone Number: 907-283-2837
Email Address: gratefulbudllc@gmail.com
Mailing Address: 53252 Borgen Avenue
Kenai, AK 99611
UNITED STATES

Entity Official #1

Type: Individual
Name: Richard Huffman
Phone Number: 907-513-9390
Email Address: gratefulbudllc@gmail.com
Mailing Address: 53252 Borgen Avenue
Kenai, AK 99611
UNITED STATES

Entity Official #2

Type: Entity
Alaska Entity Number: 10264121
Alaska Entity Name: GB Holdings, LLC
Phone Number: 907-283-2837
Email Address: gratefulbudllc@gmail.com
Mailing Address: 53252 Borgen Avenue
Kenai, AK 99611
UNITED STATES

Note: *No affiliates entered for this license.*

Interested persons may object to the application by submitting a written statement of reasons for the objection to their local government, the applicant, and the Alcohol & Marijuana Control Office (AMCO) not later than 30 days after the director has determined the application to be complete and has given written notice to the local government. Once an application is determined to be complete, the objection deadline and application information will be posted on AMCO's website at https://www.commerce.alaska.gov/web/amco. Objections should be sent to AMCO at marijuana.licensing@alaska.gov or to 550 W 7th Ave, Suite 1600, Anchorage, AK 99501.

POSTING DATE______________________

Alcohol & Marijuana Control Office

License Number: 38155
License Status: New
License Type: Marijuana Concentrate Manufacturing Facility
Doing Business As: Grateful Extracts
Business License Number: 2196124
Designated Licensee: Richard Huffman
Email Address: gratefulbudllc@gmail.com
Local Government: Kenai Peninsula Borough
Local Government 2: Kenai (City of)
Community Council:
Latitude, Longitude: 60.589840, -151.329580
Physical Address: 53252 Borgen Avenue
Building B
Kenai, AK 99611
UNITED STATES

Licensee #1

Type: Entity
Alaska Entity Number: 10264576
Alaska Entity Name: Grateful Extracts, LLC
Phone Number: 907-283-2837
Email Address: gratefulbudllc@gmail.com
Mailing Address: 53252 Borgen Avenue
Kenai, AK 99611
UNITED STATES

Entity Official #1

Type: Individual
Name: Richard Huffman
[redacted]
Phone Number: 907-513-9390
Email Address: gratefulbudllc@gmail.com
Mailing Address: 53252 Borgen Avenue
Kenai, AK 99611
UNITED STATES

Entity Official #2

Type: Entity
Alaska Entity Number: 10264121
Alaska Entity Name: GB Holdings, LLC
Phone Number: 907-283-2837
Email Address: gratefulbudllc@gmail.com
Mailing Address: 53252 Borgen Avenue
Kenai, AK 99611
UNITED STATES

Note: *No affiliates entered for this license.*

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

Alaska Marijuana Control Board

Form MJ-01: Marijuana Establishment Operating Plan

Why is this form needed?

An operating plan is required for all marijuana establishment license applications. Applicants should review **Title 17.38** of **Alaska Statutes** and **Chapter 306** of the **Alaska Administrative Code.** This form will be used to document how an applicant intends to meet the requirements of those statutes and regulations. If your business has a formal operating plan, you may include a copy of that operating plan with your application, but all fields of this form must still be completed per 3 AAC 306.020(c).

What must be covered in an operating plan?

Applicants must identify how the proposed premises will comply with applicable statutes and regulations regarding the following:

- Control plan for persons under the age of 21
- Security
- Business records
- Inventory tracking of all marijuana and marijuana product on the premises
- Employee qualification and training
- Health and safety standards
- Transportation and delivery of marijuana and marijuana products
- Signage and advertising

Applicants must also complete the corresponding operating plan supplemental forms (**Form MJ-03, Form MJ-04, Form MJ-05,** or **Form MJ-06**) to meet the additional operating plan requirements for each license type.

Section 1 – Establishment & Contact Information

Enter information for the business seeking to be licensed, as identified on the license application.

Licensee:	Grateful Extracts, LLC	**MJ License #:**	38155		
License Type:	Marijuana Concentrate Manufacturing Facility				
Doing Business As:	Grateful Extracts				
Premises Address:	53252 Borgen Ave, Building B				
City:	Kenai	**State:**	Alaska	**ZIP:**	99611

Mailing Address:	53252 Borgen Avenue				
City:	Kenai	**State:**	Alaska	**ZIP:**	99611

Designated Licensee:	Richard Huffman		
Main Phone:	907-283-2837	**Cell Phone:**	907-283-2837
Email:	gratefulbudllc@gmail.com		

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Section 2 – Control Plan for Persons Under the Age of 21

2.1. Describe how the marijuana establishment will prevent persons under the age of 21 from gaining access to any portion of the licensed premises and marijuana items:

The entire Grateful Extracts facility will be designated as a restricted access area and not open to the public. Grateful Extracts will train all employees on procedures and policies to prevent persons under the age of twenty-one (21) from accessing the premises. Grateful Extracts will post a sign at all entries stating, "No one under 21 years of age allowed," "Restricted Access Area," and "Visitors Must Be Escorted." The signs will be at least twelve inches long and twelve inches wide (12"x 12"). The letters will be at least 1/2 inch (0.5") in height and will contrast with the sign's background. Video surveillance cameras will operate 24/7 and capture all activity in the interior and exterior of the premises. Doors will be equipped with audible alarms to prevent illegal or unauthorized access to the facility. Signs will be posted informing the public that they are under video surveillance.

Visitors must show valid, government-issued photo identification proving they are over 21 years of age before being allowed into the licensed premises. Except for law enforcement, AMCO enforcement, or other authorized individuals, visitors must schedule appointments to be admitted into the building. If underage individuals are discovered on the premises, they will not be granted access to the facility and will be directed to leave immediately.

Section 3 – Security

Restricted Access Areas (3 AAC 306.710):

3.1. Describe how you will prevent unescorted members of the public from entering restricted access areas:

Grateful Extracts will post a sign at all entries stating, "No one under 21 years of age allowed," "Restricted Access Area," and "Visitors Must Be Escorted." All doors will have commercial-grade locks that will remain locked at all times. All employees will have their employee ID badge clearly displayed in a readily accessible location on the licensed premises, and any visitors will be required to wear visitor badges. All visitors must be escorted by a Grateful Extracts licensee or staff member throughout their visit. Surveillance cameras will continuously monitor all activities in the restricted access areas, as well as the exterior of the premises. Any unauthorized individuals discovered on the premises will be directed to vacate the premises immediately, law enforcement will be contacted for assistance if needed.

3.2. Describe your recordkeeping and processes for admitting visitors into and escorting them through restricted access areas:

All visitors except for regulatory agents, AMCO enforcement, or law enforcement must be pre-approved and pre-scheduled to enter the facility. Visitors must show valid, government-issued photo identification showing they are 21 or older. Valid forms of identification are an unexpired, unaltered passport; unexpired, unaltered driver's license, instruction permit, and ID card of any U.S. state or Territory, the District of Columbia, or Canadian province; ID cards issued by a state or federal agency authorized to issue driver's licenses or ID cards and tribal ID as outlined in the regulations. All visitors will be given a visitor badge, which they must always display on their person. All employees will have their employee ID badge clearly displayed in a readily accessible location on the licensed premises, and any visitors will be required to wear visitor badges. Visitors will sign into a Visitors log, which will show the date, time in and out, and the purpose of their visit (if necessary). All visitors will be escorted by the licensee or an employee at all times, with at most five (5) visitors per staff member or licensee. Immediately after the visit, visitors must return their badges and leave the premises. Visitor logs will be stored as official business records and readily available for review by AMCO enforcement and law enforcement.

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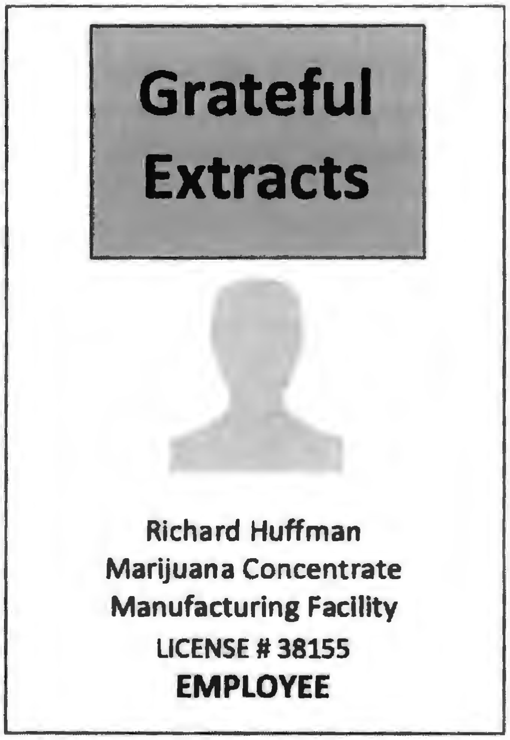
3.3. Provide samples of licensee-produced identification badges that will be displayed by each licensee, employee, or agent while on the premises, and of visitor identification badges that will be worn by all visitors while in restricted access areas:



Security Alarm Systems and Lock Standards (3 AAC 306.715):

3.4. Exterior lighting is required to facilitate surveillance. Describe how the exterior lighting will meet this requirement:

Grateful Extracts will install exterior lighting fixtures that will keep the premises well-lit and assist with security surveillance of the building's outer perimeters, with a twenty foot (20') radius at all entry points to the building. The lighting will be installed with protective coverings and at an inaccessible height to discourage vandalism and prevent common obstructions. The licensee or an employee will frequently check the exterior lighting to ensure all lights remain fully operational and undamaged.

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3.5. An alarm system is required for all license types that must be activated on all exterior doors and windows when the licensed premises is closed for business. Describe the security alarm system for the proposed premises, explain how it will meet all regulatory requirements, and outline your policies and procedures regarding the actions to be taken by a licensee, employee, or agent when the alarm system alerts of an unauthorized breach:

Grateful Extracts or a third-party security agency will install a regulatory-compliant alarm system and perform regular maintenance. The alarm system will be set up with sensors on every exterior door and window. It will set off an audible alarm when disturbed and notify the licensee and/or a designated staff member, such as a manager, via an electronic alert sent to their cellular phones. If needed, law enforcement will be contacted. These alarms will be active any time that the facility is closed. The first employee or the licensee to arrive at the facility in the morning will deactivate the alarm system for business hours. At the close of the business day, the licensee or employee will activate the alarm system. In the event of an unauthorized breach, the employees will be directed by the licensee to evacuate all persons from the building and await law enforcement. Once all persons have been evacuated, the licensee, facility manager, or designated employee will take a head count of all employees and any visitors that may have been on the premises to verify that everyone is accounted for. Employees will await any instruction from law enforcement and comply with all directives. Once it is deemed safe to re-enter the premises, the licensee, facility manager, and employees will return, inspect for any property damage or theft, and take inventory. If any property damage or theft occurs, all necessary documentation will be promptly submitted to law enforcement officials and AMCO enforcement. Per AMCO regulations, any event on the licensed premises involving law enforcement will be reported to AMCO enforcement electronically as soon as reasonably practical - within 24 hours.

3.6. Describe your policies and procedures for preventing diversion of marijuana or marijuana product, including by employees:

Video surveillance cameras will continuously monitor all activities inside and outside the licensed premises. A licensee, facility manager, or designated employee must complete weekly inventory counts to ensure all business records match Metrc generated reports. Weekly counts are documented and maintained as business records and will be available to AMCO enforcement or law enforcement. If it is suspected that a theft, inversion, or diversion has occurred, employees will notify the licensees immediately. Employees will be trained in spotting theft, diversion, and inversion of marijuana. If an employee has been determined to be stealing marijuana or marijuana product, Grateful Extracts will contact local law enforcement and AMCO immediately. Theft will be recorded in Metrc and kept as an official business record.

3.7. Describe your policies and procedures for preventing loitering:

Grateful Extracts will abide by a strict no-loitering policy and promote business practices that discourage loitering. A licensee or a designated employee will perform frequent but random perimeter checks to ensure no loiterers are on the premises. All loiterers will be asked to leave and escorted off the premises. If loiterers do not comply, law enforcement will be contacted for backup. The exterior of the building will be well-lit and equipped with 24/7 video surveillance and signs that state "No Loitering." Signs will also be posted that bring notice to the video surveillance. Employees of Grateful Extracts will view for security footage to identify loiterers and potential vandals. Visitors will not be permitted to remain on the premises after their escorted visit and must leave immediately.

You must be able to certify the statement below. Read the following and then sign your initials in the box to the right: | Initials

3.8. I certify that if any additional security devices are used, such as a motion detector, pressure switch, and duress, panic, or hold-up alarm, to enhance security of the licensed premises, I will have written policies and procedures describing their use. RA

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Video Surveillance (3 AAC 306.720):

You must be able to certify each statement below. Read the following and then sign your initials in the corresponding box: Initials

3.9. The video surveillance and camera recording system for the licensed premises covers each restricted access area, and both the interior and exterior of each entrance to the facility. KAH

3.10. Each video surveillance recording: is preserved for a minimum of 40 days, in a format that can be easily accessed for viewing (consistent with the Alcohol & Marijuana Control Office's approved format list); clearly and accurately displays the time and date; and is archived in a format that does not permit alteration of the recorded image. KAH

3.11. The surveillance room or area is clearly defined on the Form MJ-02: Premises Diagram that is submitted with this application. KAH

3.12. Surveillance recording equipment and video surveillance records are housed in a designated, locked, and secure area or in a lock box, cabinet, closet or other secure area where access is limited to the licensee(s), an authorized employee, and law enforcement personnel (including an agent of the Marijuana Control Board). KAH

3.13. Describe how the video cameras will be placed to produce a clear view adequate to identify any individual inside the licensed premises, or within 20 feet of each entrance to the licensed premises:

Outdoor lighting will be positioned along the building to assist with the video surveillance to capture a twenty-foot (20') radius around the exterior of the licensed premises. The cameras will be checked regularly for obstructions and to ensure that the twenty-foot (20') sight line of all entry points to the building remains unencumbered. Continuous-recording video surveillance cameras will be placed strategically to record all restricted access areas of the facility, including all areas where marijuana is grown, harvested, trimmed, packaged, stored, wasted, received, and shipped. The facility's exterior will also have 24-hour video surveillance to monitor all persons who enter and exit the facility. All doors, safes, and marijuana storage areas will have video surveillance coverage to identify clearly the faces of those accessing the areas. A failure notification system will be installed to provide audible and visual notification of any failure in the surveillance system so that it will be promptly addressed. All video surveillance systems will have a backup battery so that in the event of a power outage, all cameras will continue operation for at least one (1) hour. The licensee will contact AMCO enforcement if a power outage lasts longer than one (1) hour.

3.14. Describe the locked and secure area where video surveillance recording equipment and original copies of surveillance records will be housed and stored, and how you will ensure the area is accessible only to authorized personnel, law enforcement, or an agent of the Marijuana Control Board. If you will be using an offsite monitoring service and offsite storage of video surveillance records, your response must include how the offsite facility will meet these security requirements:

All video surveillance recordings will be stored in the shared office, in a locked cabinet for a minimum of forty (40) days. Surveillance records will be managed as official business records and will be made readily available to law enforcement, AMCO enforcement or agents of the Marijuana Control Board. All surveillance footage will be accessible for upload to a separate hard drive in case it must be stored longer for criminal, civil, or administrative investigations. All recordings will be date and time stamped, and archived in a format that prevents data tampering. Only the licensee or a designated employee will have access to the surveillance system.

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Section 4 – Business Records

Review the requirements under 3 AAC 306.755. All licensed marijuana establishments must maintain, in a format that is readily understood by a reasonably prudent business person, certain business records.

4.1. I certify that the following business records will be maintained and kept on the licensed premises: Initials

a. **all books and records necessary to fully account for each business transaction conducted under my license for the current year and three preceding calendar years** *(records for the last six months must be maintained on the licensed premises; older records may be archived on or off-premises)*; KA

b. **a current employee list setting out the full name and marijuana handler permit number of each licensee, employee, and agent who works at the marijuana establishment;** KA

c. **the business contact information for vendors that maintain video surveillance systems and security alarm systems for the licensed premises;** KA

d. **records related to advertising and marketing;** KA

e. **a current diagram of the licensed premises, including each restricted access area;** KA

f. **a log recording the name, and date and time of entry of each visitor permitted into a restricted access area;** KA

g. **all records normally retained for tax purposes;** KA

h. **accurate and comprehensive inventory tracking records that account for all marijuana inventory activity from seed or immature plant stage until the retail marijuana or retail marijuana product is sold to a consumer, to another marijuana establishment, or destroyed;** KA

i. **transportation records for marijuana and marijuana product, as required by 3 AAC 306.750(f); and** KA

j. **registration and inspection reports of scales registered under the Weights and Measures Act, as required by 3 AAC 306.745.** KA

4.2. A marijuana establishment is required to exercise due diligence in preserving and maintaining all required records. Describe how you will prevent records and data, including electronically maintained records, from being lost or destroyed:

All required business records will be stored in the facility for at least six (6) months, either electronically on a hard drive or in a locked filing cabinet. Records will be stored on the cloud and in the shared office if older than six (6) months. The business records will only be accessible to the Licensee or a designated employee. Access to business records will be readily available to AMCO enforcement, local law enforcement and agents of the MCB. Records will be managed following standard retention policies to ensure that they are stored in a consistent and accessible manner. These stored records include, but are not limited to, inventory logs, employment logs, manifests, financial books, diagrams, surveillance records, operational documents, regulatory documents, and communications materials.

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Section 5 – Inventory Tracking of All Marijuana and Marijuana Product

Review the requirements under 3 AAC 306.730. All licensed marijuana establishments must use a marijuana inventory tracking system capable of sharing information with Metrc to ensure all marijuana cultivated and sold in the state, and each marijuana product processed and sold in the state, is identified and tracked from the time the marijuana is propagated from seed or cutting, through transfer to another licensed marijuana establishment, or use in manufacturing a marijuana product, to a completed sale of marijuana or marijuana product, or disposal of the harvest batch of marijuana or production lot of marijuana product.

You must be able to certify each statement below. Read the following and then sign your initials in the corresponding box: Initials

5.1. My marijuana establishment will be using Metrc, and if any other tracking software is used, it will be capable of sharing information with Metrc. RM

5.2. All marijuana delivered to a marijuana establishment will be weighed on a scale registered in compliance with 3 AAC 306.745. RM

5.3. My marijuana establishment will use registered scales in compliance with AS 45.75.080 (Weights and Measures Act), as required by 3 AAC 306.745. RM

Section 6 – Employee Qualification and Training

Review the requirements under 3 AAC 306.700. All licensees, and every employee or agent of the marijuana establishment who sells, cultivates, manufactures, tests, or transports marijuana or a marijuana product, or who checks the identification of a consumer or visitor, must obtain a marijuana handler permit from the board before being licensed or beginning employment at a marijuana establishment.

You must be able to certify each statement below. Read the following and then sign your initials in the corresponding box: Initials

6.1. All licensees, and each employee or agent of the marijuana establishment who sells, cultivates, manufactures, tests, or transports marijuana or marijuana product, or who checks the identification of a consumer or visitor, shall obtain a marijuana handler permit from the board before being licensed or beginning employment at the marijuana establishment. RM

6.2. Each licensee, employee, or agent who is required to have a marijuana handler permit shall keep that person's marijuana handler permit card in that person's immediate possession (or a valid copy on file on the licensed premises) when on the licensed premises. RM

6.3. Each licensee, employee, or agent who is required to have a marijuana handler permit shall ensure that that person's marijuana handler permit card is valid and has not expired. RM

6.4. Describe any in-house training that will be provided to employees and agents (apart from a marijuana handler course):

Grateful Extracts employees must have a current marijuana handler permit before starting their employment. Handler cards must be kept current for the duration of employment. The licensee or a designated staff member will periodically verify that all employee handler cards are current and updated in the business records when renewed. Grateful Extracts training will include but is not limited to internal policies and procedures, employee safety measures, diversion, theft and inversion prevention, manufacturing techniques, safety and sanitation, equipment maintenance, using Metrc software, state statutes and regulations, and any local ordinances. Training will commence upon initial employment and will be refreshed as needed.

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Section 7 – Health and Safety Standards

Review the requirements under 3 AAC 306.735.

You must be able to certify each statement below. Read the following and then sign your initials in the corresponding box: Initials

7.1. I understand that a marijuana establishment is subject to inspection by the local fire department, building inspector, or code enforcement officer to confirm that health or safety concerns are not present. RH

7.2. I have policies regarding health and safety standards (including: ensuring a person with an illness or infection does not come into contact with marijuana or marijuana product; good hygienic practices; cleaning and maintenance of equipment and the premises; pest deterrence; chemical storage; sanitation principles; and proper handling of marijuana and marijuana product) and will take all reasonable measures and precautions to ensure that they are met or exceeded. RH

7.3. I have policies to ensure that any marijuana or marijuana product that has been stored beyond its usable life, or was stored improperly, is not salvaged and returned to the marketplace. RH

7.4. I have policies to ensure that in the event information about the age or storage conditions of marijuana or marijuana product is unreliable, the marijuana or marijuana product will be handled in accordance with 3 AAC 306.735(d). RH

Answer "Yes" or "No" to each of the following questions:	Yes	No
7.5. Adequate and readily accessible toilet facilities that are maintained and in good repair and sanitary condition are clearly indicated on my Form MJ-02: Premises Diagram.	☑	☐
7.6. Convenient handwashing facilities with running water at a suitable temperature are clearly indicated on my Form MJ-02: Premises Diagram.	☑	☐

7.7. If you answered "No" to either 7.5 or 7.6 above, describe how toilet and/or handwashing facilities are made accessible, as required by 3 AAC 306.735(b)(2):

Section 8 – Transportation and Delivery of Marijuana and Marijuana Products

Review the requirements under 3 AAC 306.750.

8.1. Describe how marijuana or marijuana product will be prepared, packaged, and secured for shipment. Include a description of the type of locked, safe, and secure storage compartments to be used in vehicles transporting marijuana or marijuana product:

All packaging materials to be sold to retail marijuana establishments for sale to consumers will be child-resistant and unappealing to children. All packaging done at the facility will be performed in a specific 24-hour surveillance monitored area and then packaged in a uniform fashion with secured, clearly displayed labels. Marijuana and marijuana products will be individually packaged immediately after manufacturing, and subsequent to positive third-party testing, further packaged with approved exterior packaging, health, and safety labeling methods. Marijuana concentrates will be stored in the secured, restricted-access, locked production, and packaging room in the facility with 24hr surveillance. For all transports of marijuana products, Grateful Extracts will create a Metrc generated trip manifest. All trip manifests will be sent with the products, and an additional copy will be stored and filed on the premises as an official business record. The manifest documents will clearly have the strain name, type of product, batch number, weight, transporter's name and handler's ID, time of departure and expected delivery, and the make, model, and license plate of the transporting vehicle. All marijuana products will be in a sealed package or container not exceeding ten (10) pounds and then stored in a locked storage compartment within the transport vehicle. The vehicle will travel directly between destinations without making unnecessary stops and at no time during transit will marijuana products be visible. All marijuana product packaging will have a label stating that a licensed testing facility has tested each batch in the shipment. Grateful Extracts understands that the transportation policies of marijuana and/or marijuana products applies to the co-located cultivation facility and Retail Store.

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You must be able to certify each statement below. Read the following and then sign your initials in the corresponding box: Initials

8.2. The marijuana establishment from which a shipment of marijuana or marijuana product originates will ensure that any individual transporting marijuana shall have a marijuana handler permit required under 3 AAC 306.700.

8.3. The marijuana establishment that originates the transport of any marijuana or marijuana product will use the marijuana inventory tracking system to record the type, amount, and weight of marijuana or marijuana product being transported, the name of the transporter, the time of departure and expected delivery, and the make, model, and license plate number of the transporting vehicle.

8.4. The marijuana establishment that originates the transport of any marijuana or marijuana product will ensure that a complete printed transport manifest on a form prescribed by the board must be kept with the marijuana or marijuana product at all times during transport.

8.5. During transport, any marijuana or marijuana product will be in a sealed package or container in a locked, safe, and secure storage compartment in the vehicle transporting the marijuana or marijuana product, and the sealed package will not be opened during transport.

8.6. Any vehicle transporting marijuana or marijuana product will travel directly from the shipping marijuana establishment to the receiving marijuana establishment, and will not make any unnecessary stops in between except to deliver or pick up marijuana or marijuana product at any other licensed marijuana establishment.

8.7. When the marijuana establishment receives marijuana or marijuana product from another licensed marijuana establishment, the recipient of the shipment will use the marijuana inventory tracking system to report the type, amount, and weight of marijuana or marijuana product received.

8.8. The marijuana establishment will refuse to accept any shipment of marijuana or marijuana product that is not accompanied by the transport manifest.

Section 9 – Signage and Advertising

Review the requirements under 3 AAC 306.770.

9.1. Describe any signs that you intend to post on your establishment, including quantity, dimensions, graphics, and location on your establishment (photos or drawings may be attached):

Grateful Extracts will not be posting any signs with a business name or logo on the exterior of the Concentrate Manufacturing facility.

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9.2. Describe any advertising you intend to distribute for your establishment. Include medium types and business logos (photos or drawings may be attached):

Grateful Extracts may utilize the following medium types when distributing advertisements:

- Newspaper Ads
- Radio Ads
- Social Media to feature specific products
- Magazine Ads
- Sponsorships and Fundraisers
- Website
- Platforms such as; Leaflinks, Weed Maps, etc.

All advertisements will contain the five AMCO required warning statements verbatim.

I hereby certify that I am the person herein named and subscribing to this application and that I have read the complete application, and I know the full content thereof. I declare that all of the information contained herein, and evidence or other documents submitted are true and correct. I understand that any falsification or misrepresentation of any item or response in this application, or any attachment, or documents to support this application, is sufficient grounds for denying or revoking a license/permit. I further understand that it is a Class A misdemeanor under Alaska Statute 11.56.210 to falsify an application and commit the crime of unsworn falsification.

RH

Richard Huffman
Printed name of licensee

Signature of licensee

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(Additional Space as Needed):

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

Alaska Marijuana Control Board

Form MJ-02: Premises Diagram

Why is this form needed?

A detailed diagram of the proposed licensed premises is required for all marijuana establishment license applications, per 3 AAC 306.020(b)(8). **All areas designated as the licensed premises of a single license must be contiguous. <u>All diagrams must have the licensed premises area labeled, and outlined or shaded as appropriate.</u>**

What must be submitted with this form?

Applicants must attach multiple diagrams to this form, including (as applicable):

- <u>Diagram 1:</u>
  A diagram showing only the licensed premises areas that will be ready to be **operational at the time of your preliminary inspection** and license issuance;
- <u>Diagram 2:</u>
  If different than Diagram 1, a diagram outlining **all areas for which the licensee has legal right of possession** (a valid lease or deed), and clearly showing those areas' relationship to the current proposed licensed premises *(details of any planned expansion areas do not need to be included; a complete copy of Form MJ-14: Licensed Premises Diagram Change or Form MJ-31: Walk-Up or Drive-Through Exterior Window Pick-Up Diagram and Operating Plan must be submitted and approved before any planned expansion area may be added to the licensed premises);*
- <u>Diagram 3:</u>
  A site plan or as-built of the entire lot, showing all structures on the property and clearly indicating which area(s) will be part of the licensed premises;
- <u>Diagram 4:</u>
  An **aerial photo of the entire lot and surrounding lots**, showing a view of the entire property and surrounding properties, and clearly indicating which area(s) will be part of the licensed premises *(this can be obtained from sources like Google Earth)*; and
- <u>Diagram 5:</u>
  A diagram of the **entire building in which the licensed premises is located**, clearly distinguishing the licensed premises from unlicensed areas and/or premises of other licenses within the building. If your proposed licensed premises is located within a building or building complex that contains multiple business and/or tenants, please provide the addresses and/or suite numbers of the other businesses and/or tenants *(a separate diagram is not required for an establishment that is designating the entire building as a single licensed premises).*

This form, and all necessary diagrams that meet the requirements on Page 2 of this form, must be completed and submitted to AMCO's Anchorage office before any new or transfer license application will be considered complete.

Section 1 – Establishment Information

Enter information for the business seeking to be licensed, as identified on the license application.

Licensee:	Grateful Extracts, LLC	**MJ License #:**	38155		
License Type:	Marijuana Concentrates Manufacturing Facility				
Doing Business As:	Grateful Extracts				
Premises Address:	53252 Borgen Ave, Building B				
City:	Kenai	**State:**	Alaska	**ZIP:**	99611

License # 38155

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Alaska Marijuana Control Board

Form MJ-02: Premises Diagram

Section 2 – Required Information

For your security, do not include locations of security cameras, motion detectors, panic buttons, and other security devices. However, AMCO will require full coverage of the walk-up or drive-through exterior window area as required by 3 AAC 306.380(b) and (g) for marijuana retail establishments. *Items marked with a double asterisks (**) are only required for those retail marijuana establishments that are also applying for an onsite consumption endorsement.*

The following details must be included in all diagrams:

- ☐ License number and DBA
- ☐ Legend or key
- ☐ Color coding
- ☐ Licensed Premises Area Labeled and Shaded, or Outlined as appropriate
- ☐ Dimensions
- ☐ Labels
- ☐ True north arrow

The following additional details must be included in Diagram 1:

- ☐ Surveillance room
- ☐ Restricted access areas
- ☐ Storage areas
- ☐ Entrances, exits, and windows, including walk-up or drive-through exterior window for marijuana retail establishments
- ☐ Walls, partitions, and counters
- ☐ Any other areas that must be labeled for specific license or endorsement types
- ☐ ** Serving area(s)
- ☐ **Employee monitoring area(s)
- ☐ **Ventilation exhaust points, if applicable

The following additional details must be included in Diagram 2:

- ☐ Areas of ingress and egress
- ☐ Entrances and exits
- ☐ Walls and partitions

The following additional details must be included in Diagrams 3 and 4:

- ☐ Areas of ingress and egress
- ☐ Cross streets and points of reference

The following additional details must be included in Diagram 5:

- ☐ Areas of ingress and egress
- ☐ Entrances and exits
- ☐ Walls and partitions
- ☐ Cross streets and points of reference

Initial: RH

I hereby certify that I am the person herein named and subscribing to this application and that I have read the complete application, and I know the full content thereof. I declare that all of the information contained herein, and evidence or other documents submitted are true and correct. I understand that any falsification or misrepresentation of any item or response in this application, or any attachment, or documents to support this application, is sufficient grounds for denying or revoking a license/permit. I further understand that it is a Class A misdemeanor under Alaska Statute 11.56.210 to falsify an application and commit the crime of unsworn falsification.

Richard Huffman
Printed name of licensee

Richard Huffman
Signature of licensee

AMCO Received 9.4.25

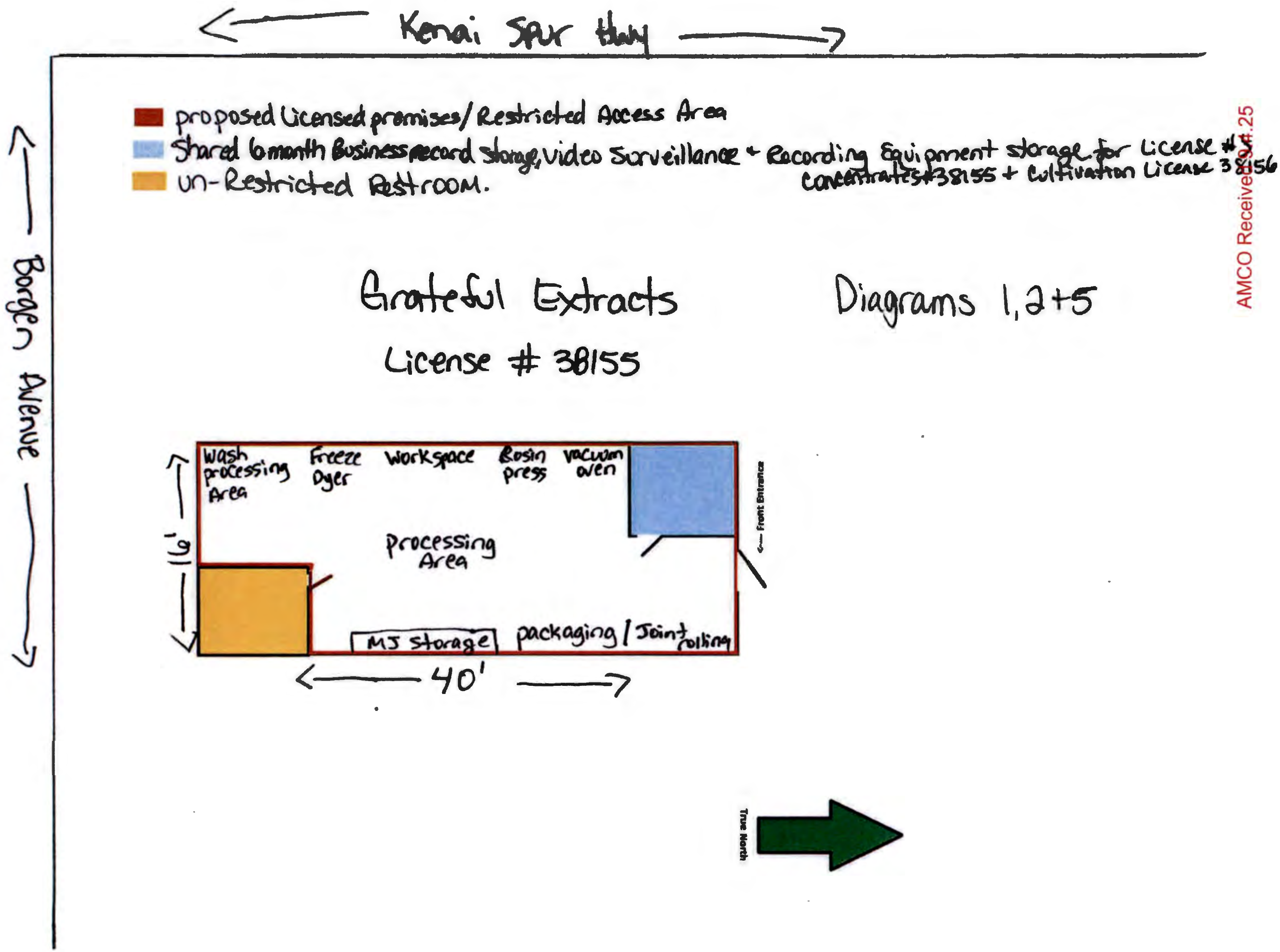
Section 3 – Cultivation Applicants ONLY

Review the requirements under 3 AAC 306.420 and 3 AAC 306.430.

3.1. Describe the site of the space(s) the marijuana cultivation facility intends to be under cultivation, including dimensions and overall square footage. Provide your calculations below:

License # 38155

AMCO Received 9.4.25



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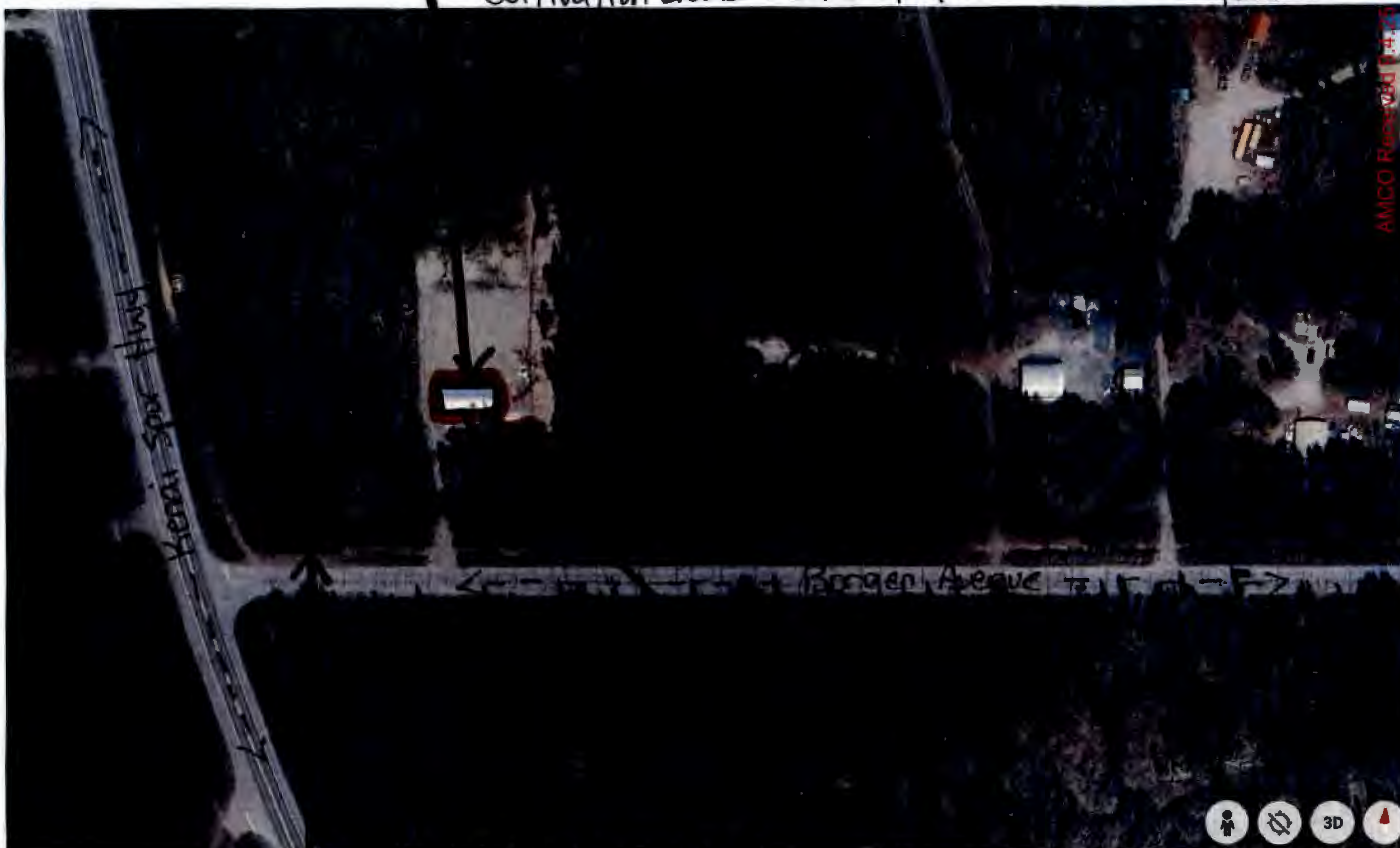
Diagrams 3+4

Grateful Buds - Building C
Cultivation License #38156 - proposed Licensed premises/Right to possession



Grateful Buds - Building A
Retail License # 38156 - proposed Licensed premises/Right to possession

Grateful Extracts - Building B
Concentrates License # 38155 - proposed Licensed premises/Right to possession

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

AMCO

Alaska Marijuana Control Board

Operating Plan Supplemental

Form MJ-05: Marijuana Product Manufacturing Facility

Why is this form needed?

This operating plan supplemental form is required for all applicants seeking a marijuana product manufacturing facility license and must accompany **Form MJ-01: Marijuana Establishment Operating Plan**, per 3 AAC 306.020(b)(11). Applicants should review **Chapter 306: Article 5** of the **Alaska Administrative Code.** This form will be used to document how an applicant intends to meet the requirements of the statutes and regulations.

If your business has a formal operating plan, you may include a copy of that operating plan with your application, but all fields of this form must still be completed per 3 AAC 306.020 and 3 AAC 306.520(3).

What additional information is required for cultivation facilities?

Applicants must identify how the proposed establishment will comply with applicable regulations regarding the following:

- Equipment, compounds, and processes to be used
- Waste disposal
- Testing procedure and protocols
- Proposed marijuana concentrates and marijuana products
- Proposed product packaging and sample labels
- Prohibitions

This form must be completed and submitted to AMCO's Anchorage office before any new or transfer application for a marijuana product manufacturing facility or marijuana concentrate manufacturing facility license will be considered complete.

Section 1 – Establishment Information

Enter information for the business seeking to be licensed, as identified on the license application.

Licensee:	Grateful Extracts, LLC	**MJ License #:**	38155		
License Type:	Marijuana Concentrate Manufacturing Facility				
Doing Business As:	Grateful Extracts				
Premises Address:	53252 Borgen Ave, Building B				
City:	Kenai	**State:**	Alaska	**ZIP:**	99611

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Section 2 – Overview of Operations

2.1. Provide an overview of your proposed facility's operations. Include information regarding the intake, flow, and transfer of marijuana, marijuana concentrate, and marijuana product at and from your premises:

All marijuana and marijuana products will be tracked in Metrc from the intake into the facility to use in the facility, manifested out of the facility to another licensed establishment, or waste disposal. The marijuana and marijuana products received by the facility shall be used as-is and/or re-packaged for direct consumer sale by a licensed retail establishment or used to create manufactured products in the Grateful Extracts facility. The licensee or designated employee will first inspect all shipments of marijuana or marijuana products that arrive at the facility before being accepted and entered as inventory. The shipment contents will be weighed with scales to reconcile with the transport manifest, shipment labels, and packaging labels to ensure consistency. Any shipments with discrepancies will be rejected. Shipments that pass initial inspection will be accepted into the facility, entered into Metrc, and added to the inventory log. Grateful Extracts may purchase marijuana or marijuana products in bulk from other licensed facilities and then re-package the bulk marijuana or marijuana products into appropriate unit sizes for retail sale following the transferring licensed facilities operating plan and approved packaging/labeling. Any waste will be disposed of and tracked in Metrc, and the waste reporting form will be sent to Enforcement. Final products will be transferred to another licensed facility for sale to consumers. Grateful Extracts intends to be both a producer of marijuana products and a distributor for other producers who lack the facilities and employees to package their products for direct consumer sales Grateful Extracts seeks to fill the marketplace gap to assist smaller licensed operators in achieving compliant packaging and labeling for retail sales without those licensees needing to invest in the required infrastructure. At the end of each business day, a designated staff member will reconcile each transfer to or from another licensed facility with Metrc and the inventory on hand to ensure consistency and resolve discrepancies immediately.

Section 3 – Equipment and Compounds to be Used

Review the requirements under 3 AAC 306.555.

3.1. Describe the equipment and solvents, gases, chemicals, and other compounds the marijuana product manufacturing facility will use to create marijuana concentrates:

Grateful Extracts intends to use the following chemicals, gases, compounds, and equipment: rotary evaporator, vacuum ovens, freezers, centrifuges, grinders, chillers, short path distillation equipment, water bath, ultra-sonic cleaner, ethanol, isopropyl alcohol, recovery pump, solvent recovery tank, solvent scale, heated water circulator, and chiller, vacuum pumps, extraction washing machine, homogenizers, certified scales, ultra-sonic homogenizer, kief drum tumbler, nano-emulsifier, and cryo-freezer. The facility may also use non-solvent extraction methods, such as kief sifting, cold water/dry ice methods, and a heat press for rosin.

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Section 4 – Waste Disposal

Review the requirements under 3 AAC 306.740.

4.1. Describe how you will store, manage, and dispose of any solid or liquid marijuana waste, including expired or outdated marijuana or marijuana product, in compliance with any applicable laws. Include details about the material(s) you will mix with ground marijuana waste and the processes that you will use to make the marijuana waste unusable for any purpose for which it was grown or produced:

Grateful Extracts expects the following marijuana plant and product waste at the manufacturing facility:(1) contaminated or infected marijuana products, (2) marijuana or marijuana products deemed by the licensee or a designated employee as unsuitable for sale or consumption for any reason, (3) marijuana product that fails testing,(4) marijuana plant waste created during the extraction process, (5) expired marijuana or marijuana product,(6) other marijuana or marijuana product waste as determined by the MCB or Director. When marijuana or marijuana product is classified as waste, it will be separated from all other marijuana and marijuana products and securely stored in locked bins on the licensed premises. An email notification will then be sent to AMCO Enforcement before rendering the waste unusable and recording it in Metrc. All solid marijuana plant waste (plant matter waste from the extraction process, such as plant matter that is pressed or squeezed to extract oil) and marijuana product waste will be ground and mixed with other solid compostable materials such as; food waste, yard waste, vegetable-based grease/oils, or non-compostable waste such as paper waste, plastic waste, cardboard waste, and soil until the mixture is not more than 50% marijuana waste. Liquid marijuana waste, such as concentrates, will be mixed with at least equal parts of non-marijuana waste and stored separately from all other marijuana and marijuana products in locked containers on the premises and inside the facility in the locked waste container. It will then be transferred to the outdoor locked container once rendered unusable. The waste will then be picked up by the local waste truck and taken to the landfill. The logged information will be securely stored and available to AMCO upon request.

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Section 5 – Testing Procedure and Protocols

Review the requirements under 3 AAC 306.520 and 3 AAC 306.550.

You must be able to certify the statement below. Read the following and then sign your initials in the box to the right: Initials

5.1. I will ensure that any individual responsible for collecting random samples for required laboratory testing under 3 AAC 306.550 will prepare the necessary accompanying signed statement, provide the signed statement to the marijuana testing facility, and maintain a copy as a business record under 3 AAC 306.755. RW

Answer "Yes" or "No" to the following question: Yes No

5.2. Will the marijuana product manufacturing facility be performing in-house testing (as defined under 3 AAC 306.990(b)(20)? ☐ Yes ☑ No

If "Yes" to 5.2, you must be able to certify the statement below. Read the following and then sign your initials in the box: Initials

5.3. The area where in-house testing will occur is clearly identified on the Form MJ-02: Premises Diagram that is submitted with this application. ☐

5.4. Describe the testing procedures and protocols the marijuana product manufacturing facility will follow:

The Licensee or a designated employee will collect the random sample(s) from each production lot to be sent to a licensed testing facility. The Licensee or designated employee will sign a statement certifying that the sample was randomly selected. A copy of the signed statement will accompany the sample to the testing facility, and another copy will be maintained on-site as a business record. The sample will be transported to the testing facility by an employee who holds a valid marijuana handler permit or by a third party transport company that has valid marijuana handler permits. The remainder of the production lot will be quarantined in secure containers, separate from all other marijuana and marijuana products, until the testing results are received. During the quarantine period, all product will be securely stored on-site and kept cool and dry to prevent contamination or loss of efficacy. Testing facility results will be stored on-site as an official business record and made available to AMCO upon request. Any products failing to pass testing will be rendered unusable ensuring compliance with regulations.

AMCO Received 9.4.25

Section 6 – Proposed Marijuana Concentrates and Marijuana Products

Review the requirements under 3 AAC 306.520, 3 AAC 306.525, and 3 AAC 306.560.
Attach a completed copy of this page for each proposed marijuana concentrate or marijuana product.

Product Name:	Bubble Hash Rosin		
Product Type: Choose one.	Marijuana Concentrate		
Perishable: Yes/No	No	**Shelf Life:** If perishable.	N/A
Intended Use: Smokable/ edible/topical/wholesale/etc.	Smokable/Wholesale/In-House		

Product Description: Details must include the color, shape, and texture.	Bubble Hash Rosin is sap-like or crumbly in texture, with a free-form shape. Bubble Hash Rosin ranges in color from translucent to opaque yellow, brown, and gold.
Ingredients: If a hemp derived product/CBD is an ingredient, what is the quantity and you must provide the SOA Department of Agriculture's registration number.	N/A
Flavors: List all current and potential future flavors:	N/A
Standard Production Procedure and Detailed Manufacturing Process:	To create Bubble Hash Rosin, load Bubble Hash (a proposed Grateful Extracts Product) into rosin bags and apply pressure with heat with a heat press until desired result. The final product, Bubble Hash Rosin, is properly packaged and stored until testing and sale.
Depiction: Provide a photograph, drawing, or graphic representation of the expected appearance of the final product.	

Section 7 – Proposed Product Packaging and Sample Labels

Review the requirements under 3 AAC 306.520, 3 AAC 306.565, and 3 AAC 306.570.

Attach a completed copy of this page for each proposed marijuana concentrate or marijuana product.

Product Name:	Bubble Hash Rosin
Product Type:	Marijuana Concentrate

Packaging Description: Details must include the color(s), size, packaging materials used, total amount of THC, individual serving sizes (if multiple), and other specifics showing compliance with 3 AAC 306.565. Please include photos, drawings, or graphic representations.

Bubble Hash Rosin, in amounts of not more than seven (7) grams, will be placed into small CR plastic, glass, or silicone containers and then packaged into resealable, child-resistant, windowed, or non-windowed mylar bags, an opaque cardboard box with a tamper seal, or a child resistant cardboard box. THC will range from 25-99%. The actual amount of total THC will be listed on the label per testing results. Another packaging option is to package Bubble Hash Rosin in a folded sheet of parchment, wax, or PTFE paper and place it in a child-resistant mylar bag. Products packaged in windowed mylar bags will be placed in opaque exit packaging by the retailer before the customer leaves the store. One or more pounds of Bubble Hash Rosin may be stored in food-grade containers for in-house use and wholesale sales. Total THC per package will not exceed legal limits per regulation.

Sample Labels: Provide sample labels showing how the labeling requirements set forth in 3 AAC 306.570 will be met.

Produced By: Grateful Extracts

License Number: 38155

Product Name: Bubble Hash Rosin **Strain**:

Batch/Lot Number: **Gross Weight**: **Net MJ Weight**: **OZ(g)**

Best By Date: **Packaging Date**:

Tested By: **License Number**:

Total THC: **THCA**: **CBD**: **CBDA**: **CBN**:

Microbial Test: **Pesticides**: **Herbicides**:

Fungicides:

Residual Solvent Test: **Contaminants Test Result**:

Retailer: License Number:

Alaska Safety Warning: **Marijuana has intoxicating effects and may be habit forming and addictive. Marijuana impairs concentration, coordination and judgment. Do not operate a vehicle or machinery under its influence. There are health risks associated with consumption of marijuana. For use only by adults twenty-one and older. Keep out of the reach of children. Marijuana should not be used by women who are pregnant or breast feeding.**

Section 6 – Proposed Marijuana Concentrates and Marijuana Products

Review the requirements under 3 AAC 306.520, 3 AAC 306.525, and 3 AAC 306.560.

Attach a completed copy of this page for each proposed marijuana concentrate or marijuana product.

Product Name:	Budder		
Product Type: Choose one.	Marijuana Concentrate		
Perishable: Yes/No	No	**Shelf Life:** If perishable.	N/A
Intended Use: Smokable/ edible/topical/wholesale/etc.	Smokable/Wholesale/In-House		

Product Description: Details must include the color, shape, and texture.	Budder ranges in color from yellow, gold, and brown; it has a free-form shape and a smooth and creamy texture.
Ingredients: If a hemp derived product/CBD is an ingredient, what is the quantity and you must provide the SOA Department of Agriculture's registration number.	N/A
Flavors: List all current and potential future flavors:	N/A
Standard Production Procedure and Detailed Manufacturing Process:	Budder will be extracted from the flower or trim using a closed-loop machine with permitted solvents (Butane, N-Butane, Iso-Butane, Propane and/or Ethanol.) Plant material will be loaded into an extraction column that will be jacketed. A mixture of butane/propane will be released into the extraction column and recollected into a collection canister. Most of the solvents will be recaptured, and the end material will go through several post-processes. The final product, Budder, is packaged and stored until testing and sale. Actual solvents used will be indicated on the final product label.
Depiction: Provide a photograph, drawing, or graphic representation of the expected appearance of the final product.	

Section 7 – Proposed Product Packaging and Sample Labels

Review the requirements under 3 AAC 306.520, 3 AAC 306.565, and 3 AAC 306.570.
Attach a completed copy of this page for each proposed marijuana concentrate or marijuana product.

Product Name:	Budder
Product Type:	Marijuana Concentrate

Packaging Description: Details must include the color(s), size, packaging materials used, total amount of THC, individual serving sizes (if multiple), and other specifics showing compliance with 3 AAC 306.565. Please include photos, drawings, or graphic representations.	Up to seven (7) grams of budder will be placed into small glass, plastic, or silicone containers and then packaged into heat-sealed, resealable, child-resistant (CR) mylar bags, a cardboard box with a tamper seal, a CR cardboard box, or blister pack. Another packaging option is to package Budder in a folded sheet of parchment, wax, or PTFE paper and place it in a child-resistant mylar bag. The actual amount of total THC will be listed on the label per testing results. THC will range between 25-99%. The actual THC content will be listed on the label per the testing results. One or more pounds of Budder may be stored in food-grade containers for In-house use and wholesale sales. Total THC per package will not exceed legal limits per regulation. 

Sample Labels: Provide sample labels showing how the labeling requirements set forth in 3 AAC 306.570 will be met.	**Produced By:** Grateful Extracts **License Number:** 38155 **Product Name:** Budder **Strain:** **Batch/Lot Number:** **Gross Weight:** **Net MJ Weight:** **OZ(g)** **Best By Date:** **Packaging Date:** **Tested By:** **License Number:** **Total THC:** **THCA:** **CBD:** **CBDA:** **CBN:** **Microbial Test:** **Pesticides:** **Herbicides:** **Fungicides:** **Residual Solvent Test:** **Contaminants Test Result:** Retailer: License Number: **Alaska Safety Warning: Marijuana has intoxicating effects and may be habit forming and addictive. Marijuana impairs concentration, coordination and judgment. Do not operate a vehicle or machinery under its influence. There are health risks associated with consumption of marijuana. For use only by adults twenty-one and older. Keep out of the reach of children. Marijuana should not be used by women who are pregnant or breast feeding.**

Section 6 – Proposed Marijuana Concentrates and Marijuana Products

Review the requirements under 3 AAC 306.520, 3 AAC 306.525, and 3 AAC 306.560.
Attach a completed copy of this page for each proposed marijuana concentrate or marijuana product.

Product Name:	BHO - Butane Hash Oil		
Product Type: Choose one.	Marijuana Concentrate		
Perishable: Yes/No	No	**Shelf Life:** If perishable.	
Intended Use: Smokable/ edible/topical/wholesale/etc.	Smokable/Wholesale/In-House		

Product Description: Details must include the color, shape, and texture.	BHO - Butane Hash Oil is smooth, hard and brittle when cold and sticky and pliable when warm. The color of BHO - Butane Hash Oil can range from a translucent yellow to a rich amber.
Ingredients: If a hemp derived product/CBD is an ingredient, what is the quantity and you must provide the SOA Department of Agriculture's registration number.	
Flavors: List all current and potential future flavors:	
Standard Production Procedure and Detailed Manufacturing Process:	BHO is extracted using a closed loop BHO machine and marijuana flower/trim and one or a combination of Butane, N-Butane, Iso-Butane, and/or Ethanol. Once the oil is extracted, it will either be winterized or placed into a vacuum. The winterization process begins by dissolving the BHO in ethanol and then freezing. The BHO is then filtered using a vacuum and evaporator. Additional cannabis terpenes purchased from licensed facilities or from production run off will be added to BHO.
Depiction: Provide a photograph, drawing, or graphic representation of the expected appearance of the final product.	

Section 7 – Proposed Product Packaging and Sample Labels

Review the requirements under 3 AAC 306.520, 3 AAC 306.565, and 3 AAC 306.570.
Attach a completed copy of this page for each proposed marijuana concentrate or marijuana product.

Product Name:	BHO (Butane Hash Oil)
Product Type:	Marijuana Concentrate

Packaging Description: Details must include the color(s), size, packaging materials used, total amount of THC, individual serving sizes (if multiple), and other specifics showing compliance with 3 AAC 306.565. Please include photos, drawings, or graphic representations.	Up to 7 grams of BHO will be packaged in small silicone or glass containers and placed in a heat sealed, resealable mylar bags cardboard box or child resistant blister packs. BHO may also be packaged in a vape pen (.5g, 1g, 1.5g or 2g) or syringe (.5g, 1g, 1.5g or 2g) and placed in a heat sealed, resealable mylar bag, cardboard box or blister pack. One or more pounds of BHO may be stored in food-grade containers for wholesale and in-house use. BHO's total THC will range from 20-99%. The actual amount of THC content will be listed on the label per testing results. All products must be placed in an opaque exit bag by the retailer prior to the customer exiting the retail store. Total THC per package will not exceed legal limits. 

Sample Labels:
Provide sample labels showing how the labeling requirements set forth in 3 AAC 306.570 will be met.

Produced By: Grateful Extracts
License Number: 38155
Product Name: BHO **Strain:**
Batch/Lot Number: **Gross Weight:** **Net MJ Weight:** **OZ(g)**
Best By Date: **Packaging Date:**
Tested By: **License Number:**
Total THC: **THCA:** **CBD:** **CBDA:** **CBN:**
Microbial Test: **Pesticides:** **Herbicides:**
Fungicides:
Residual Solvent Test: **Contaminants Test Result:**
Retailer: License Number:
Alaska Safety Warning: Marijuana has intoxicating effects and may be habit forming and addictive. Marijuana impairs concentration, coordination and judgment. Do not operate a vehicle or machinery under its influence. There are health risks associated with consumption of marijuana. For use only by adults twenty-one and older. Keep out of the reach of children. Marijuana should not be used by women who are pregnant or breast feeding.

Section 6 – Proposed Marijuana Concentrates and Marijuana Products

Review the requirements under 3 AAC 306.520, 3 AAC 306.525, and 3 AAC 306.560.

Attach a completed copy of this page for each proposed marijuana concentrate or marijuana product.

Product Name:	Bubble Hash		
Product Type: Choose one.	Marijuana Concentrate		
Perishable: Yes/No	No	**Shelf Life:** If perishable.	N/A
Intended Use: Smokable/ edible/topical/wholesale/etc.	Smokable/Wholesale/In-House		

Product Description: Details must include the color, shape, and texture.	Bubble hash can be crumbly and granular or sticky and waxy. It ranges in color from light yellow to green to light brown and is soft and malleable.
Ingredients: If a hemp derived product/CBD is an ingredient, what is the quantity and you must provide the SOA Department of Agriculture's registration number.	N/A
Flavors: List all current and potential future flavors:	N/A
Standard Production Procedure and Detailed Manufacturing Process:	Either ground marijuana or whole marijuana flower is put into buckets lined with mesh screens. Ice or dry ice is added to the buckets, and the mixture is manually agitated. Once the ice melts or the dry ice achieves the desired reaction, the screens are removed, and the concentrate is manually separated from the screens. The hash is then allowed to air dry. Bubble Hash will be packaged, sent for testing, and stored until test results are received.
Depiction: Provide a photograph, drawing, or graphic representation of the expected appearance of the final product.	

Section 7 – Proposed Product Packaging and Sample Labels

Review the requirements under 3 AAC 306.520, 3 AAC 306.565, and 3 AAC 306.570.

Attach a completed copy of this page for each proposed marijuana concentrate or marijuana product.

Product Name:	Bubble Hash
Product Type:	Marijuana Concentrate

Packaging Description: Details must include the color(s), size, packaging materials used, total amount of THC, individual serving sizes (if multiple), and other specifics showing compliance with 3 AAC 306.565. Please include photos, drawings, or graphic representations.

Bubble hash, in amounts no more than 7 grams, will be packaged in small silicone or glass containers and placed in heat-sealed, resealable, child-resistant mylar bags, cardboard boxes or blister packs. THC will range from 20% to 99%.The actual THC content will be listed on the label per the testing results. One or more pounds of Bubble Hash may be stored in food-grade containers for In-house use and wholesale sales. Total THC per package will not exceed legal limits. Products will be placed in an opaque exit bag by the retailer prior to customer exiting retail store.

Sample Labels: Provide sample labels showing how the labeling requirements set forth in 3 AAC 306.570 will be met.

Produced By: Grateful Extracts

License Number: 38155

Product Name: Bubble Hash **Strain:**

Batch/Lot Number: **Gross Weight**: **Net MJ Weight**: **OZ(g)**

Best By Date: **Packaging Date:**

Tested By: **License Number**:

Total THC: THCA: CBD: CBDA: CBN:

Microbial Test: **Pesticides**: **Herbicides**:

Fungicides:

Residual Solvent Test: **Contaminants Test Result**:

Retailer: License Number:

Alaska Safety Warning: **Marijuana has intoxicating effects and may be habit forming and addictive. Marijuana impairs concentration, coordination and judgment. Do not operate a vehicle or machinery under its influence. There are health risks associated with consumption of marijuana. For use only by adults twenty-one and older. Keep out of the reach of children. Marijuana should not be used by women who are pregnant or breast feeding.**

Section 6 – Proposed Marijuana Concentrates and Marijuana Products

Review the requirements under 3 AAC 306.520, 3 AAC 306.525, and 3 AAC 306.560.

Attach a completed copy of this page for each proposed marijuana concentrate or marijuana product.

Product Name:	Cannabis Oil		
Product Type: Choose one.	Marijuana Concentrate		
Perishable: Yes/No	No	**Shelf Life:** If perishable.	N/A
Intended Use: Smokable/ edible/topical/wholesale/etc.	Smokable/Wholesale/In-House		

Product Description: Details must include the color, shape, and texture.	Cannabis Oil will vary in color from a very light amber to a dark amber. Cannabis Oil is a thick, sticky liquid that takes the shape of its container.
Ingredients: If a hemp derived product/CBD is an ingredient, what is the quantity and you must provide the SOA Department of Agriculture's registration number.	N/A
Flavors: List all current and potential future flavors:	N/A
Standard Production Procedure and Detailed Manufacturing Process:	Cannabis oil will be extracted from the flower or trim using a closed-loop machine with the use of permitted solvents such as hydrocarbons, butane, N butane, ISO Butane, Co2, and/or Ethanol, depending on the selected process. The residual solvent in the solution is then purged below regulated ranges (3 AAC 306.645) under specified pressures and temperatures with the use of pressure vessels and a vacuum oven to achieve the desired consistency and appearance. The concentrated oil is packaged and stored until testing is complete and sold. The actual solvent used in production will be clearly indicated on the final product label.
Depiction: Provide a photograph, drawing, or graphic representation of the expected appearance of the final product.	

Section 7 – Proposed Product Packaging and Sample Labels

Review the requirements under 3 AAC 306.520, 3 AAC 306.565, and 3 AAC 306.570.

Attach a completed copy of this page for each proposed marijuana concentrate or marijuana product.

Product Name:	Cannabis Oil
Product Type:	Marijuana Concentrate

Packaging Description: Details must include the color(s), size, packaging materials used, total amount of THC, individual serving sizes (if multiple), and other specifics showing compliance with 3 AAC 306.565. Please include photos, drawings, or graphic representations.

Cannabis Oil will be packaged in carts or syringes ranging from .3g to 7g. Each cartridge or syringe will be packaged in an opaque child-resistant cardboard box, a child-resistant blister package, or a small, opaque, child-resistant, heat-sealed windowed or non-windowed mylar bag. THC will range between 25-99%. The actual THC content will be listed on the label per the testing results. Products packaged in a windowed mylar bag or blister package will be placed in an opaque exit package by the retailer before the customer leaves the store. One or more pounds of Cannabis Oil may be stored in sealed containers for wholesale sales and in-house use. Total THC per package will not exceed legal limits per regulation.

Sample Labels: Provide sample labels showing how the labeling requirements set forth in 3 AAC 306.570 will be met.

Produced By: Grateful Extracts

License Number: 38155

Product Name: Cannabis Oil **Strain:**

Batch/Lot Number: **Gross Weight:** **Net MJ Weight:** **OZ(g)**

Best By Date: **Packaging Date:**

Tested By: **License Number:**

Total THC: **THCA:** **CBD:** **CBDA:** **CBN:**

Microbial Test: **Pesticides:** **Herbicides:**

Fungicides:

Residual Solvent Test: **Contaminants Test Result:**

Retailer: License Number:

Alaska Safety Warning: Marijuana has intoxicating effects and may be habit forming and addictive. Marijuana impairs concentration, coordination and judgment. Do not operate a vehicle or machinery under its influence. There are health risks associated with consumption of marijuana. For use only by adults twenty-one and older. Keep out of the reach of children. Marijuana should not be used by women who are pregnant or breast feeding.

Section 6 – Proposed Marijuana Concentrates and Marijuana Products

Review the requirements under 3 AAC 306.520, 3 AAC 306.525, and 3 AAC 306.560.

Attach a completed copy of this page for each proposed marijuana concentrate or marijuana product.

Product Name:	Crumble		
Product Type: Choose one.	Marijuana Concentrate		
Perishable: Yes/No	No	**Shelf Life:** If perishable.	N/A
Intended Use: Smokable/ edible/topical/wholesale/etc.	Smokable/Wholesale/In-House		

Product Description: Details must include the color, shape, and texture.	Crumble concentrate has a soft, brittle, crumbly texture with a free-form shape. Crumble ranges in color from yellow to brown and gold.
Ingredients: If a hemp derived product/CBD is an ingredient, what is the quantity and you must provide the SOA Department of Agriculture's registration number.	N/A
Flavors: List all current and potential future flavors:	N/A
Standard Production Procedure and Detailed Manufacturing Process:	Crumble will be extracted from flower or trim using a closed-loop machine with permitted solvents, butane, n-butane, ISO-butane, propane, and/or ethanol. The solution is purged using a vacuum over and/or a rota/evaporator under specified conditions to remove residual solvents bringing solvent levels below the regulated ranges in 3 AAC 306.545 and achieving the desired consistency. The final product is then properly packaged and stored until testing and sale. The final product label will indicate the actual solvent and all test results.
Depiction: Provide a photograph, drawing, or graphic representation of the expected appearance of the final product.	

Section 7 – Proposed Product Packaging and Sample Labels

Review the requirements under 3 AAC 306.520, 3 AAC 306.565, and 3 AAC 306.570.

Attach a completed copy of this page for <u>each</u> proposed marijuana concentrate or marijuana product.

Product Name:	Crumble
Product Type:	Marijuana Concentrate

Packaging Description: Details must include the color(s), size, packaging materials used, total amount of THC, individual serving sizes (if multiple), and other specifics showing compliance with 3 AAC 306.565. Please include photos, drawings, or graphic representations.	Crumble, in amounts of not more than seven (7) grams, will be placed into small glass, plastic, or silicone containers and then packaged into heat-sealed, resealable, child-resistant mylar bags, blister packs, or opaque cardboard boxes with a tamper seal or child-resistant design. The actual amount of total THC will be listed on the label per testing results. Products packaged in a windowed mylar bag or blister pack will be placed in opaque exit packaging by the retailer before the customer exits the retail store. THC will range between 25-99%. One or more pounds of Crumble may be stored in a food-grade container for wholesale sales and In-house use. Total THC per package will not exceed legal limits per regulation. 
Sample Labels: Provide sample labels showing how the labeling requirements set forth in 3 AAC 306.570 will be met.	**Produced By:** Grateful Extracts **License Number:** 38155 **Product Name:** Crumble **Strain:** **Batch/Lot Number: Gross Weight: Net MJ Weight: OZ(g)** **Best By Date: Packaging Date:** **Tested By: License Number:** **Total THC: THCA: CBD: CBDA: CBN:** **Microbial Test: Pesticides: Herbicides:** **Fungicides:** **Residual Solvent Test: Contaminants Test Result:** Retailer: License Number: **Alaska Safety Warning: Marijuana has intoxicating effects and may be habit forming and addictive. Marijuana impairs concentration, coordination and judgment. Do not operate a vehicle or machinery under its influence. There are health risks associated with consumption of marijuana. For use only by adults twenty-one and older. Keep out of the reach of children. Marijuana should not be used by women who are pregnant or breast feeding.**

Section 6 – Proposed Marijuana Concentrates and Marijuana Products

Review the requirements under 3 AAC 306.520, 3 AAC 306.525, and 3 AAC 306.560.

Attach a completed copy of this page for each proposed marijuana concentrate or marijuana product.

Product Name:	Diamonds		
Product Type: Choose one.	Marijuana Concentrate		
Perishable: Yes/No	No	**Shelf Life:** If perishable.	N/A
Intended Use: Smokable/ edible/topical/wholesale/etc.	Smokable/Wholesale/In-House		

Product Description: Details must include the color, shape, and texture.	Diamonds have a gritty texture with sparkly crystals that are hard to the touch. Diamond colors can range from crystal transparent to golden yellow. The crystals vary in size and shape, resembling natural uncut diamonds.
Ingredients: If a hemp derived product/CBD is an ingredient, what is the quantity and you must provide the SOA Department of Agriculture's registration number.	N/A
Flavors: List all current and potential future flavors:	N/A
Standard Production Procedure and Detailed Manufacturing Process:	Diamonds will be extracted from flower or trim using a closed-loop machine with permitted solvents, such as Co2, Butane, N-butane, ISO-Butane, Propane, and/or ethanol. The actual solvent used will be indicated on the final product label. The solutions are purged with the use of a vacuum oven and pressure vessels under specified temperatures and pressures to remove residual solvents (bringing solvent levels below the regulated ranges listed in 3 AAC 306.645) and to achieve the desired consistency of a sticky-liquid-like substance. The crystallized solid parts of the substance will separate from the liquid portion. The final "diamond" product will be packaged and stored until testing and sale.
Depiction: Provide a photograph, drawing, or graphic representation of the expected appearance of the final product.	

Section 7 – Proposed Product Packaging and Sample Labels

Review the requirements under 3 AAC 306.520, 3 AAC 306.565, and 3 AAC 306.570.

Attach a completed copy of this page for each proposed marijuana concentrate or marijuana product.

Product Name:	Diamonds
Product Type:	Marijuana Concentrate

Packaging Description:
Details must include the color(s), size, packaging materials used, total amount of THC, individual serving sizes (if multiple), and other specifics showing compliance with 3 AAC 306.565. Please include photos, drawings, or graphic representations.

Diamonds will be placed into small glass, plastic, or silicone Child Resistant (CR) containers in amounts of no more than seven (7) grams and then packaged into heat-sealed, resealable, CR windowed or non-windowed mylar bags, a blister pack, and/or opaque cardboard boxes with a tamper seal or an opaque child-resistant cardboard box. Products packaged in a windowed mylar bag will be placed in an opaque exit package by the retailer before the customer exits the retail store. THC will range between 25-99%. The actual amount of total THC will be listed on the label per testing results. One or more pounds of Diamonds will be stored in food-grade containers for In-house use and wholesale sales. Total THC per package will not exceed legal limits per regulation.

Sample Labels:
Provide sample labels showing how the labeling requirements set forth in 3 AAC 306.570 will be met.

Produced By: Grateful Extracts
License Number: 38155
Product Name: Diamonds **Strain:**
Batch/Lot Number: **Gross Weight:** **Net MJ Weight:** **OZ(g)**
Best By Date: **Packaging Date:**
Tested By: **License Number:**
Total THC: **THCA:** **CBD:** **CBDA:** **CBN:**
Microbial Test: **Pesticides:** **Herbicides:**
Fungicides:
Residual Solvent Test: **Contaminants Test Result:**
Retailer: License Number:
Alaska Safety Warning: Marijuana has intoxicating effects and may be habit forming and addictive. Marijuana impairs concentration, coordination and judgment. Do not operate a vehicle or machinery under its influence. There are health risks associated with consumption of marijuana. For use only by adults twenty-one and older. Keep out of the reach of children. Marijuana should not be used by women who are pregnant or breast feeding.

Section 6 – Proposed Marijuana Concentrates and Marijuana Products

Review the requirements under 3 AAC 306.520, 3 AAC 306.525, and 3 AAC 306.560.

Attach a completed copy of this page for each proposed marijuana concentrate or marijuana product.

Product Name:	Distillate Oil		
Product Type: Choose one.	Marijuana Concentrate		
Perishable: Yes/No	No	**Shelf Life:** If perishable.	N/A
Intended Use: Smokable/ edible/topical/wholesale/etc.	Smokable/Wholesale/In-House		

Product Description: Details must include the color, shape, and texture.	Distillate Oil has a color ranging from a clear light yellow to a dark amber. Distillate Oil is viscous in nature and will take the shape of its container.
Ingredients: If a hemp derived product/CBD is an ingredient, what is the quantity and you must provide the SOA Department of Agriculture's registration number.	N/A
Flavors: List all current and potential future flavors:	N/A
Standard Production Procedure and Detailed Manufacturing Process:	Depending on the selected process, Distillate Oil will be extracted from the flower or trim using a closed-loop machine using permitted solvents such as hydrocarbons, butane, butane, n-butane, ISO butane, propane, Co2, and/or ethanol, depending on the selected process. The residual solvent in the solution is then purged below regulated ranges (3 AAC 306.645) under specified pressures and temperatures using pressure vessels and a vacuum oven to achieve the desired consistency and appearance. The cannabis concentrate will then be distilled or winterized, resulting in Distillate Oil. The distillate oil will then be packaged in cartridges, syringes, or storage jars for in-house use, stored until final test results are obtained, and then for sale. The actual solvent used will be clearly indicated on the final product label.
Depiction: Provide a photograph, drawing, or graphic representation of the expected appearance of the final product.	

Section 7 – Proposed Product Packaging and Sample Labels

Review the requirements under 3 AAC 306.520, 3 AAC 306.565, and 3 AAC 306.570.
Attach a completed copy of this page for each proposed marijuana concentrate or marijuana product.

Product Name:	Distillate Oil
Product Type:	Marijuana Concentrate

Packaging Description: Details must include the color(s), size, packaging materials used, total amount of THC, individual serving sizes (if multiple), and other specifics showing compliance with 3 AAC 306.565. Please include photos, drawings, or graphic representations.

Distillate Oil will be packaged in vape carts or syringes between .3 and 7 grams of Distillate Oil. Each cart or syringe will be placed in a child-resistant blister pack or heat-sealed, resealable mylar bag (windowed or non-windowed), or CR cardboard box. THC will range from 25-99%, with the actual THC content will be listed on the label per the testing results. Products in windowed mylar bags or blister packs will be placed in opaque exit bags before the customer exits the retail store. One or more pounds of Distillate Oil will be stored in sanitized jars for wholesale sales and in-house use. Total THC per package will not exceed legal limits per regulation.

Sample Labels: Provide sample labels showing how the labeling requirements set forth in 3 AAC 306.570 will be met.

Produced By: Grateful Extracts
License Number: 38155
Product Name: Distillate Oil **Strain:**
Batch/Lot Number: **Gross Weight:** **Net MJ Weight** **OZ(g)**
Best By Date: **Packaging Date:**
Tested By: **License Number:**
Total THC: **THCA:** **CBD:** **CBDA:** **CBN:**
Microbial Test: **Pesticides:** **Herbicides:**
Fungicides:
Residual Solvent Test: **Contaminants Test Result:**
Retailer: License Number:
Alaska Safety Warning: **Marijuana has intoxicating effects and may be habit forming and addictive. Marijuana impairs concentration, coordination and judgment. Do not operate a vehicle or machinery under its influence. There are health risks associated with consumption of marijuana. For use only by adults twenty-one and older. Keep out of the reach of children. Marijuana should not be used by women who are pregnant or breast feeding.**

Section 6 – Proposed Marijuana Concentrates and Marijuana Products

Review the requirements under 3 AAC 306.520, 3 AAC 306.525, and 3 AAC 306.560.

Attach a completed copy of this page for each proposed marijuana concentrate or marijuana product.

Product Name:	Crystalline / Wizard Stones		
Product Type: Choose one.	Marijuana Concentrate		
Perishable: Yes/No	No	**Shelf Life:** If perishable.	N/A
Intended Use: Smokable/ edible/topical/wholesale/etc.	Smokable/wholesale/in-house		

Product Description: Details must include the color, shape, and texture.	Crystalline / Wizard Stones color ranges from yellow to gold and clear. Its structure resembles that of diamonds. Crystalline / Wizard Stones have a coarse and granular texture. The crystalline crystals come in a range of sizes, typically small or slightly larger than raw sugar.
Ingredients: If a hemp derived product/CBD is an ingredient, what is the quantity and you must provide the SOA Department of Agriculture's registration number.	N/A
Flavors: List all current and potential future flavors:	N/A
Standard Production Procedure and Detailed Manufacturing Process:	Crystalline/Wizard Stones will be extracted from the flower or trim using a closed-loop machine with the use of permitted solvents such as hydrocarbons, butane, n-butane, ISO-butane, Co2, and/or ethanol, depending on the selected process. The residual solvent in the solution is then purged below regulated ranges (3 AAC 306.645) under specified pressures and temperatures using pressure vessels and a vacuum oven to achieve the desired consistency and appearance. After processing plant material using an approved extraction method, the product is created using a proprietary method involving filtering and evaporating to complete re-crystallization. The Crystalline / Wizard Stones are packaged into MCB-approved packaging, stored until testing is complete, and then for sale. The actual solvent used will be clearly indicated on the final product label.
Depiction: Provide a photograph, drawing, or graphic representation of the expected appearance of the final product.	

Section 7 – Proposed Product Packaging and Sample Labels

Review the requirements under 3 AAC 306.520, 3 AAC 306.565, and 3 AAC 306.570.

Attach a completed copy of this page for each proposed marijuana concentrate or marijuana product.

Product Name:	Crystalline / Wizard Stones
Product Type:	Marijuana Concentrate

Packaging Description: Details must include the color(s), size, packaging materials used, total amount of THC, individual serving sizes (if multiple), and other specifics showing compliance with 3 AAC 306.565. Please include photos, drawings, or graphic representations.	Up to seven (7) grams of Crystalline / Wizard Stones will be placed into small glass, plastic, or silicone containers and then packaged into heat-sealed, resealable, child-resistant (CR) mylar bags, blister packs, cardboard box with a tamper seal, or a CR cardboard box. The actual amount of total THC will be listed on the label per testing results. One or more pounds of Crystalline / Wizard Stones may be stored in food-grade containers for wholesale sales and in-house use. Total THC per package will not exceed legal limits per regulation. 

Sample Labels: Provide sample labels showing how the labeling requirements set forth in 3 AAC 306.570 will be met.	**Produced By:** Grateful Extracts **License Number:** 38155 **Product Name:** Crystalline / Wizard Stones **Strain:** **Batch/Lot Number:** **Gross Weight:** **Net MJ Weight:** **OZ(g)** **Best By Date:** **Packaging Date:** **Tested By:** **License Number:** **Total THC:** **THCA:** **CBD:** **CBDA:** **CBN:** **Microbial Test:** **Pesticides:** **Herbicides:** **Fungicides:** **Residual Solvent Test:** **Contaminants Test Result:** Retailer: License Number: Alaska Safety Warning: **Marijuana has intoxicating effects and may be habit forming and addictive. Marijuana impairs concentration, coordination and judgment. Do not operate a vehicle or machinery under its influence. There are health risks associated with consumption of marijuana. For use only by adults twenty-one and older. Keep out of the reach of children. Marijuana should not be used by women who are pregnant or breast feeding.**

Section 6 – Proposed Marijuana Concentrates and Marijuana Products

Review the requirements under 3 AAC 306.520, 3 AAC 306.525, and 3 AAC 306.560.

Attach a completed copy of this page for each proposed marijuana concentrate or marijuana product.

Product Name:	Dry Sift Rosin		
Product Type: Choose one.	Marijuana Concentrate		
Perishable: Yes/No	No	**Shelf Life:** If perishable.	N/A
Intended Use: Smokable/ edible/topical/wholesale/etc.	Smokable/Wholesale/In-House		

Product Description: Details must include the color, shape, and texture.	Dry Sift Rosin is sap-like or crumbly in texture, with a free-form shape. Dry Sift Rosin ranges in color from translucent to opaque yellow, brown, and gold.
Ingredients: If a hemp derived product/CBD is an ingredient, what is the quantity and you must provide the SOA Department of Agriculture's registration number.	N/A
Flavors: List all current and potential future flavors:	N/A
Standard Production Procedure and Detailed Manufacturing Process:	To create Dry Sift Rosin, take Dry Sift (a pending MCB Approved Concentrate) and extract the rosin using only heat and pressure from a powered press. Desired consistency can be achieved through the controlled heating of the product in a sealed container. The final product, Dry Sift Rosin, is properly packaged and stored until testing and sale.
Depiction: Provide a photograph, drawing, or graphic representation of the expected appearance of the final product.	 

Section 7 – Proposed Product Packaging and Sample Labels

Review the requirements under 3 AAC 306.520, 3 AAC 306.565, and 3 AAC 306.570.

Attach a completed copy of this page for each proposed marijuana concentrate or marijuana product.

Product Name:	Dry Sift Rosin
Product Type:	Marijuana Concentrate

Packaging Description: Details must include the color(s), size, packaging materials used, total amount of THC, individual serving sizes (if multiple), and other specifics showing compliance with 3 AAC 306.565. Please include photos, drawings, or graphic representations.

Dry Sift Rosin, in amounts of not more than seven (7) grams, will be placed into small plastic, glass, or silicone containers and then packaged into heat-sealed, resealable mylar bags, an opaque cardboard box with a tamper seal, blister pack or an opaque cardboard box. All packaging will be child-resistant. THC will range from 25-99%. The actual amount of total THC will be listed on the label per testing results. Another packaging option is to place Dry Sift Rosin in a folded sheet of parchment, wax, or PTFE paper and place it in a child-resistant mylar bag. Products packaged in windowed mylar bags will be placed in opaque exit packaging by the retailer before the customer leaves the store. One or more pounds of Dry Sift Rosin may be stored in food-grade jars for wholesale sales or in-house use. Total THC per package will not exceed legal limits per regulation.

Sample Labels: Provide sample labels showing how the labeling requirements set forth in 3 AAC 306.570 will be met.

Produced By: Grateful Extracts
License Number: 38155
Product Name: Dry Sift Rosin **Strain:**
Batch/Lot Number: **Gross Weight** **Net MJ Weight:** **OZ(g)**
Best By Date: **Packaging Date:**
Tested By: **License Number:**
Total THC: **THCA:** **CBD:** **CBDA:** **CBN:**
Microbial Test: **Pesticides:** **Herbicides:**
Fungicides:
Residual Solvent Test: **Contaminants Test Result:**
Retailer: License Number:

Alaska Safety Warning: **Marijuana has intoxicating effects and may be habit forming and addictive. Marijuana impairs concentration, coordination and judgment. Do not operate a vehicle or machinery under its influence. There are health risks associated with consumption of marijuana. For use only by adults twenty-one and older. Keep out of the reach of children. Marijuana should not be used by women who are pregnant or breast feeding.**

Section 6 – Proposed Marijuana Concentrates and Marijuana Products

Review the requirements under 3 AAC 306.520, 3 AAC 306.525, and 3 AAC 306.560.

Attach a completed copy of this page for each proposed marijuana concentrate or marijuana product.

Product Name:	Dry Sift		
Product Type: Choose one.	Marijuana Concentrate		
Perishable: Yes/No	No	**Shelf Life:** If perishable.	N/A
Intended Use: Smokable/ edible/topical/wholesale/etc.	Smokable/Wholesale/In-House		

Product Description: Details must include the color, shape, and texture.	Dry Sift has a fine, sand-like consistency with a free-form shape. Dry Sift ranges in color from a whitish color to yellow, brown, or gold.
Ingredients: If a hemp derived product/CBD is an ingredient, what is the quantity and you must provide the SOA Department of Agriculture's registration number.	N/A
Flavors: List all current and potential future flavors:	N/A
Standard Production Procedure and Detailed Manufacturing Process:	Dry Sift is a natural concentrate product that is shaken off of marijuana flower/bud. Marijuana buds and trim will be placed on a series of mesh screens. Once shaken, Sift, or siftings will be collected under the mesh screens in a tray or similar. Dry Sift will be sold as is or used in the production of Grateful Extracts approved marijuana products.
Depiction: Provide a photograph, drawing, or graphic representation of the expected appearance of the final product.	

Section 7 – Proposed Product Packaging and Sample Labels

Review the requirements under 3 AAC 306.520, 3 AAC 306.565, and 3 AAC 306.570.

Attach a completed copy of this page for each proposed marijuana concentrate or marijuana product.

Product Name:	Dry Sift
Product Type:	Marijuana Concentrate

Packaging Description: Details must include the color(s), size, packaging materials used, total amount of THC, individual serving sizes (if multiple), and other specifics showing compliance with 3 AAC 306.565. Please include photos, drawings, or graphic representations.

Up to seven (7) grams of Dry Sift will be placed into small glass, plastic, or silicone containers and then packaged into heat-sealed, resealable, child-resistant (CR) mylar bags, a cardboard box with a tamper seal, blister pack, or a CR cardboard box. The actual amount of total THC will be listed on the label per testing results. One or more pounds of Dry Sift may also be stored in food-grade containers for wholesale and in-house use. THC will range between 25-99%. The actual THC content will be listed on the label per the testing results. Products packaged in a windowed mylar bag will be placed in an opaque exit package by the retailer before the customer leaves the store. One or more pounds of Dry Sift may be stored in food-grade containers for in-house use and wholesale sales. Total THC per package will not exceed legal limits per regulation.

Sample Labels: Provide sample labels showing how the labeling requirements set forth in 3 AAC 306.570 will be met.

Produced By: Grateful Extracts
License Number: 38155
Product Name: Dry Sift **Strain:**
Batch/Lot Number: **Gross Weight:** **Net MJ Weight:** **OZ(g)**
Best By Date: **Packaging Date:**
Tested By: **License Number:**
Total THC: **THCA:** **CBD:** **CBDA:** **CBN:**
Microbial Test: **Pesticides:** **Herbicides:**
Fungicides:
Residual Solvent Test: **Contaminants Test Result:**
Retailer: License Number:

Alaska Safety Warning: Marijuana has intoxicating effects and may be habit forming and addictive. Marijuana impairs concentration, coordination and judgment. Do not operate a vehicle or machinery under its influence. There are health risks associated with consumption of marijuana. For use only by adults twenty-one and older. Keep out of the reach of children. Marijuana should not be used by women who are pregnant or breast feeding.

Section 6 – Proposed Marijuana Concentrates and Marijuana Products

Review the requirements under 3 AAC 306.520, 3 AAC 306.525, and 3 AAC 306.560.

Attach a completed copy of this page for each proposed marijuana concentrate or marijuana product.

Product Name:	Flower Rosin		
Product Type: Choose one.	Marijuana Concentrate		
Perishable: Yes/No	No	**Shelf Life:** If perishable.	N/A
Intended Use: Smokable/ edible/topical/wholesale/etc.	Smokable/Wholesale/In-House		

Product Description: Details must include the color, shape, and texture.	Flower Rosin's color ranges from translucent to an opaque brown, gold, or pale yellow. Flower Rosin is a thick, sticky, sap-like texture that takes the shape of its container.
Ingredients: If a hemp derived product/CBD is an ingredient, what is the quantity and you must provide the SOA Department of Agriculture's registration number.	N/A
Flavors: List all current and potential future flavors:	N/A
Standard Production Procedure and Detailed Manufacturing Process:	Flower Rosin is extracted from cannabis flower or trim using only heat and pressure from a powered press. Consistency is reached through specific heat/pressure settings. Flower Rosin is collected in a sealed container, packaged, sent for testing, and stored until final test results are obtained.
Depiction: Provide a photograph, drawing, or graphic representation of the expected appearance of the final product.	

Section 7 – Proposed Product Packaging and Sample Labels

Review the requirements under 3 AAC 306.520, 3 AAC 306.565, and 3 AAC 306.570.

Attach a completed copy of this page for <u>each</u> proposed marijuana concentrate or marijuana product.

Product Name:	Flower Rosin
Product Type:	Marijuana Concentrate

Packaging Description:
Details must include the color(s), size, packaging materials used, total amount of THC, individual serving sizes (if multiple), and other specifics showing compliance with 3 AAC 306.565. Please include photos, drawings, or graphic representations.

Up to seven (7) gram portions of Flower Rosin will be placed into small glass, silicone, or plastic screw top containers and then packaged into either; a heat-sealed, resealable, child resistant (CR) mylar bags (windowed or non windowed), blister packs, a cardboard box with a tamper seal, or a CR cardboard box. Another packaging option is to package the product in a folded sheet of PTFE/wax/parchment paper and place it into a resealable CR mylar bag. THC levels will range between 25-99%. The actual amount of total THC will be listed on the label per testing results. Non-opaque packaging will be placed in opaque exit packages by the retailer before the customer exits the retail store. One or more pounds of Flower Rosin may be stored in food-grade containers for In-house use or wholesale sales. Total THC per package will not exceed legal limits per regulation.

Sample Labels:
Provide sample labels showing how the labeling requirements set forth in 3 AAC 306.570 will be met.

Produced By: Grateful Extracts

License Number: 38155

Product Name: Flower Rosin **Strain**:

Batch/Lot Number: **Gross Weight**: **Net MJ Weight**: **OZ(g)**

Best By Date: **Packaging Date**:

Tested By: **License Number**:

Total THC: **THCA**: **CBD**: **CBDA**: **CBN**:

Microbial Test: **Pesticides**: **Herbicides**:

Fungicides:

Residual Solvent Test: **Contaminants Test Result**:

Retailer: License Number:

Alaska Safety Warning: **Marijuana has intoxicating effects and may be habit forming and addictive. Marijuana impairs concentration, coordination and judgment. Do not operate a vehicle or machinery under its influence. There are health risks associated with consumption of marijuana. For use only by adults twenty-one and older. Keep out of the reach of children. Marijuana should not be used by women who are pregnant or breast feeding.**

Section 6 – Proposed Marijuana Concentrates and Marijuana Products

Review the requirements under 3 AAC 306.520, 3 AAC 306.525, and 3 AAC 306.560.
Attach a completed copy of this page for each proposed marijuana concentrate or marijuana product.

Product Name:	Full Melt		
Product Type: Choose one.	Marijuana Concentrate		
Perishable: Yes/No	No	**Shelf Life:** If perishable.	N/A
Intended Use: Smokable/ edible/topical/wholesale/etc.	Smokable/Wholesale/In-House		

Product Description: Details must include the color, shape, and texture.	Full Melt (also known as full melt hash) has a sandy-like consistency, viscous in nature, that takes the shape of its container. Full Melt's color varies depending on the strain used in production and can range from a pale yellow to a rich amber.
Ingredients: If a hemp derived product/CBD is an ingredient, what is the quantity and you must provide the SOA Department of Agriculture's registration number.	N/A
Flavors: List all current and potential future flavors:	N/A
Standard Production Procedure and Detailed Manufacturing Process:	Full Melt is produced by taking cannabis flower or trim and freezing it. Frozen flower and/or trim is then washed or sifted to separate trichomes. Once complete, the product is freeze-dried to remove moisture and placed in a micron bag. The full micron bag then undergoes specific heat and pressure, and the final product, Full Melt, is collected, packaged, and stored until final test results are obtained.
Depiction: Provide a photograph, drawing, or graphic representation of the expected appearance of the final product.	

Section 7 – Proposed Product Packaging and Sample Labels

Review the requirements under 3 AAC 306.520, 3 AAC 306.565, and 3 AAC 306.570.

Attach a completed copy of this page for each proposed marijuana concentrate or marijuana product.

Product Name:	Full Melt
Product Type:	Marijuana Concentrate

Packaging Description: Details must include the color(s), size, packaging materials used, total amount of THC, individual serving sizes (if multiple), and other specifics showing compliance with 3 AAC 306.565. Please include photos, drawings, or graphic representations.

Full Melt, in amounts of not more than seven grams (7g), will be placed into small glass, plastic, or silicone containers and then packaged into a heat-sealed, resealable mylar bag, an opaque cardboard box with a tamper seal, blister packs, or a child resistant cardboard box. All packaging will be child-resistant. THC will range between 25-99%. The actual amount of total THC will be listed on the label per testing results. Products packaged in windowed mylar bags or blister packs will be placed in opaque exit packaging by the retailer before the customer exits the retail store. One or more pounds of Full Melt may be stored in food-grade containers for In-house use and wholesale sales. Total THC per package will not exceed legal limits per regulation.

Sample Labels: Provide sample labels showing how the labeling requirements set forth in 3 AAC 306.570 will be met.

Produced By: Grateful Extracts

License Number: 38155

Product Name: Flower Rosin **Strain:**

Batch/Lot Number: Gross Weight: Net MJ Weight: OZ(g)

Best By Date: Packaging Date:

Tested By: License Number:

Total THC: THCA: CBD: CBDA: CBN:

Microbial Test: Pesticides: Herbicides:

Fungicides:

Residual Solvent Test: Contaminants Test Result:

Retailer: License Number:

Alaska Safety Warning: Marijuana has intoxicating effects and may be habit forming and addictive. Marijuana impairs concentration, coordination and judgment. Do not operate a vehicle or machinery under its influence. There are health risks associated with consumption of marijuana. For use only by adults twenty-one and older. Keep out of the reach of children. Marijuana should not be used by women who are pregnant or breast feeding.

Section 6 – Proposed Marijuana Concentrates and Marijuana Products

Review the requirements under 3 AAC 306.520, 3 AAC 306.525, and 3 AAC 306.560.

Attach a completed copy of this page for each proposed marijuana concentrate or marijuana product.

Product Name:	Hash Rosin		
Product Type: Choose one.	Marijuana Concentrate		
Perishable: Yes/No	No	**Shelf Life:** If perishable.	N/A
Intended Use: Smokable/ edible/topical/wholesale/etc.	Smokable/Wholesale/In-House		

Product Description: Details must include the color, shape, and texture.	Hash Rosin is a thick, waxy substance ranging in colors from pale yellow, green, or gold. Hash Rosin is pliable and can be formed in its container.
Ingredients: If a hemp derived product/CBD is an ingredient, what is the quantity and you must provide the SOA Department of Agriculture's registration number.	N/A
Flavors: List all current and potential future flavors:	N/A
Standard Production Procedure and Detailed Manufacturing Process:	Marijuana flower or trim is frozen, and then freshly frozen marijuana flower/trim is washed or sifted to separate trichomes. Once complete, the product is then freeze-dried to remove moisture. The last step is to place freeze-dried product into a micron bah and apply heat and pressure. The final product, Hash Rosin, is then collected, packaged, and stored until final test results are obtained.
Depiction: Provide a photograph, drawing, or graphic representation of the expected appearance of the final product.	

Alaska Marijuana Control Board

Form MJ-05: Marijuana Product Manufacturing Facility Operating Plan Supplemental

Section 7 – Proposed Product Packaging and Sample Labels

Review the requirements under 3 AAC 306.520, 3 AAC 306.565, and 3 AAC 306.570.

Attach a completed copy of this page for each proposed marijuana concentrate or marijuana product.

Product Name:	Hash Rosin
Product Type:	Marijuana Concentrate

Packaging Description: Details must include the color(s), size, packaging materials used, total amount of THC, individual serving sizes (if multiple), and other specifics showing compliance with 3 AAC 306.565. Please include photos, drawings, or graphic representations.

Hash Rosin, in amounts of not more than seven grams (7g.), will be placed into small glass, plastic, or silicone containers and then packaged into a heat-sealed, resealable mylar bag, a cardboard box with a tamper seal, blister packs, or a CR cardboard box. All packaging will be child-resistant. THC will range between 25-99%. The actual amount of total THC will be listed on the label per testing results. Products packaged in windowed mylar bags or blister packs will be placed in opaque exit packaging by the retailer before the customer exits the retail store. One or more pounds of Hash Rosin may be stored in food-grade containers for In-house use and wholesale sales. Total THC per package will not exceed legal limits per regulation.

Sample Labels: Provide sample labels showing how the labeling requirements set forth in 3 AAC 306.570 will be met.

Produced By: Grateful Extracts
License Number: 38155
Product Name: Hash Rosin **Strain:**
Batch/Lot Number: **Gross Weight:** **Net MJ Weight:** **OZ(g)**
Best By Date: **Packaging Date:**
Tested By: **License Number:**
Total THC: **THCA:** **CBD:** **CBDA:** **CBN:**
Microbial Test: **Pesticides:** **Herbicides:**
Fungicides:
Residual Solvent Test: **Contaminants Test Result:**
Retailer: License Number:

Alaska Safety Warning: Marijuana has intoxicating effects and may be habit forming and addictive. Marijuana impairs concentration, coordination and judgment. Do not operate a vehicle or machinery under its influence. There are health risks associated with consumption of marijuana. For use only by adults twenty-one and older. Keep out of the reach of children. Marijuana should not be used by women who are pregnant or breast feeding.

Section 6 – Proposed Marijuana Concentrates and Marijuana Products

Review the requirements under 3 AAC 306.520, 3 AAC 306.525, and 3 AAC 306.560.

Attach a completed copy of this page for each proposed marijuana concentrate or marijuana product.

Product Name:	FECO (Full Extract Cannabis Oil)		
Product Type: Choose one.	Marijuana Concentrate		
Perishable: Yes/No	No	**Shelf Life:** If perishable.	
Intended Use: Smokable/ edible/topical/wholesale/etc.	Smokable/Wholesale/In-House		

Product Description: Details must include the color, shape, and texture.	FECO is a thick, dark green to brown thick liquid that is sticky to the touch and takes the shape of its container.
Ingredients: If a hemp derived product/CBD is an ingredient, what is the quantity and you must provide the SOA Department of Agriculture's registration number.	
Flavors: List all current and potential future flavors:	
Standard Production Procedure and Detailed Manufacturing Process:	Marijuana Flower is soaked in ethanol and placed in a jar until Cannabinoids are dissolved into the solution. Remaining solids are strained from the concentrate and disposed of. The remaining solution is evaporated in a roto-evaporator or by air. The oil will then be decarboxylated using a hot plate. The resulting FECO will be labeled and stored until testing results are achieved.
Depiction: Provide a photograph, drawing, or graphic representation of the expected appearance of the final product.	

Section 7 – Proposed Product Packaging and Sample Labels

Review the requirements under 3 AAC 306.520, 3 AAC 306.565, and 3 AAC 306.570.

Attach a completed copy of this page for each proposed marijuana concentrate or marijuana product.

Product Name:	FECO (Full Extract Cannabis Oil)
Product Type:	Marijuana Concentrate

Packaging Description: Details must include the color(s), size, packaging materials used, total amount of THC, individual serving sizes (if multiple), and other specifics showing compliance with 3 AAC 306.565. Please include photos, drawings, or graphic representations.	FECO, in amounts not more than 7 grams will be placed into small glass, plastic or silicone containers of syringes, and then packed into heat-sealed, resealable mylar bags, blister packs or cardboard boxes. All packaging will be child resistant (CR.) THC will range between 25-99% Actual THC will be listed on the label per the final testing results. Products packaged in a windowed mylar bag or blister pack will be placed in opaque exit packaging by the retailer before the customer leaves the store. One or more pounds of FECO may be stored in food-grade containers for in-house or wholesale use. Total THC per package will not exceed legal limits per regulation. 
Sample Labels: Provide sample labels showing how the labeling requirements set forth in 3 AAC 306.570 will be met.	**Produced By**: Grateful Extracts **License Number**: 38155 **Product Name**: FECO **Strain**: **Batch/Lot Number**: **Gross Weight**: **Net MJ Weight**: **OZ(g)** **Best By Date**: **Packaging Date**: **Tested By**: **License Number**: **Total THC**: **THCA**: **CBD**: **CBDA**: **CBN**: **Microbial Test**: **Pesticides**: **Herbicides**: **Fungicides**: **Residual Solvent Test**: **Contaminants Test Result**: Retailer: License Number: **Alaska Safety Warning**: **Marijuana has intoxicating effects and may be habit forming and addictive. Marijuana impairs concentration, coordination and judgment. Do not operate a vehicle or machinery under its influence. There are health risks associated with consumption of marijuana. For use only by adults twenty-one and older. Keep out of the reach of children. Marijuana should not be used by women who are pregnant or breast feeding.**

Section 6 – Proposed Marijuana Concentrates and Marijuana Products

Review the requirements under 3 AAC 306.520, 3 AAC 306.525, and 3 AAC 306.560.

Attach a completed copy of this page for each proposed marijuana concentrate or marijuana product.

Product Name:	Live Rosin		
Product Type: Choose one.	Marijuana Concentrate		
Perishable: Yes/No	No	**Shelf Life:** If perishable.	N/A
Intended Use: Smokable/ edible/topical/wholesale/etc.	Smokable/Wholesale/In-House		

Product Description: Details must include the color, shape, and texture.	Live Rosin has a sand-like and gooey consistency and a transparent, yellow, gold, or brown color. Live Rosin has a free-form shape, which molds to its container.
Ingredients: If a hemp derived product/CBD is an ingredient, what is the quantity and you must provide the SOA Department of Agriculture's registration number.	N/A
Flavors: List all current and potential future flavors:	N/A
Standard Production Procedure and Detailed Manufacturing Process:	Live Rosin is created by taking cannabis flower and freezing it. Once frozen, wash or sift freshly frozen product to separate trichomes. Once complete, freeze the product to remove moisture, place the dried product in a micron bag, and apply heat and pressure. Once collected, the product will packaged and stored until final test results are obtained.
Depiction: Provide a photograph, drawing, or graphic representation of the expected appearance of the final product.	

Section 7 – Proposed Product Packaging and Sample Labels

Review the requirements under 3 AAC 306.520, 3 AAC 306.565, and 3 AAC 306.570.
Attach a completed copy of this page for <u>each</u> proposed marijuana concentrate or marijuana product.

Product Name:	Live Rosin
Product Type:	Marijuana Concentrate

Packaging Description: Details must include the color(s), size, packaging materials used, total amount of THC, individual serving sizes (if multiple), and other specifics showing compliance with 3 AAC 306.565. Please include photos, drawings, or graphic representations.	Live Rosin, in amounts not more than seven (7) grams, will be placed into small glass, plastic, or silicone containers and then packaged into heat-sealed, resealable mylar bags, blister packs, or cardboard boxes with a tamper evident seal or child-resistant design. All final packaging will be child-resistant. THC will range between 25-99%. The actual amount of total THC will be listed on the label per testing results. Products packaged in windowed mylar bags or blister packs will be placed in opaque exit packaging by the retailer before the customer exits the store. Another packaging option is to place the product on a folded sheet of parchment/ wax/PTFE paper and then place it into child-resistant packaging. One or more pounds of Live Rosin may be stored in food-grade containers for In-house use and wholesale sales. Total THC per package will not exceed legal limits per regulation. 

Sample Labels: Provide sample labels showing how the labeling requirements set forth in 3 AAC 306.570 will be met.	**Produced By**: Grateful Extracts **License Number**: 38155 **Product Name**: Live Rosin **Strain:** **Batch/Lot Number**: **Gross Weight**: **Net MJ Weight**: **OZ(g)** **Best By Date**: **Packaging Date**: **Tested By**: **License Number**: **Total THC**: **THCA**: **CBD**: **CBDA**: **CBN**: **Microbial Test**: **Pesticides**: **Herbicides**: **Fungicides**: **Residual Solvent Test**: **Contaminants Test Result**: Retailer: License Number: **Alaska Safety Warning**: **Marijuana has intoxicating effects and may be habit forming and addictive. Marijuana impairs concentration, coordination and judgment. Do not operate a vehicle or machinery under its influence. There are health risks associated with consumption of marijuana. For use only by adults twenty-one and older. Keep out of the reach of children. Marijuana should not be used by women who are pregnant or breast feeding.**

Section 6 – Proposed Marijuana Concentrates and Marijuana Products

Review the requirements under 3 AAC 306.520, 3 AAC 306.525, and 3 AAC 306.560.

Attach a completed copy of this page for each proposed marijuana concentrate or marijuana product.

Product Name:	Infused Cannagar		
Product Type: Choose one.	Marijuana Concentrate		
Perishable: Yes/No	No	**Shelf Life:** If perishable.	N/A
Intended Use: Smokable/ edible/topical/wholesale/etc.	Smokable		

Product Description: Details must include the color, shape, and texture.	Infused Cannagar will be conical in shape, with the appearance of a blunt or rolled dried marijuana leaf. It will be brown and green in color, depending on the rolling leaf and strain(s) used.
Ingredients: If a hemp derived product/CBD is an ingredient, what is the quantity and you must provide the SOA Department of Agriculture's registration number.	N/A
Flavors: List all current and potential future flavors:	N/A
Standard Production Procedure and Detailed Manufacturing Process:	Infused Cannagar will be produced by rolling cannabis flower around a stick and then coating it in any Grateful Extracts-approved concentrate. Final concentrates used in production will be clearly indicated on the final product label.
Depiction: Provide a photograph, drawing, or graphic representation of the expected appearance of the final product.	

Section 7 – Proposed Product Packaging and Sample Labels

Review the requirements under 3 AAC 306.520, 3 AAC 306.565, and 3 AAC 306.570.

Attach a completed copy of this page for each proposed marijuana concentrate or marijuana product.

Product Name:	Infused Cannagar
Product Type:	Marijuana Concentrate

Packaging Description: Details must include the color(s), size, packaging materials used, total amount of THC, individual serving sizes (if multiple), and other specifics showing compliance with 3 AAC 306.565. Please include photos, drawings, or graphic representations.	Infused Cannagar(s) will be packaged in single units in either a plastic pop-top tube labeled and sold, or, for large quantities (not exceeding legal limits), placed in a child resistant cardboard box, or glass tube inside a small windowed or non-windowed mylar bag. All packaging will be child-resistant. Infused Cannagars may weigh up to seven (7) grams each. THC will range from 25-99% with the actual amount of THC will be listed on the label per testing results. All products packaged in windowed mylar bags or glass tubes will be placed in opaque exit packaging by the retailer prior to the customer exiting the retail store. 

Sample Labels:
Provide sample labels showing how the labeling requirements set forth in 3 AAC 306.570 will be met.

Produced By: Grateful Extracts
License Number: 38155
Product Name: Infused Cannagar **Strain:**
Batch/Lot Number: **Gross Weight:** **Net MJ Weight** **OZ(g)**
Best By Date: **Packaging Date:**
Tested By: **License Number:**
Total THC: **THCA:** **CBD:** **CBDA:** **CBN:**
Microbial Test: **Pesticides:** **Herbicides:**
Fungicides:
Residual Solvent Test: **Contaminants Test Result:**
Retailer: License Number:

Alaska Safety Warning: Marijuana has intoxicating effects and may be habit forming and addictive. Marijuana impairs concentration, coordination and judgment. Do not operate a vehicle or machinery under its influence. There are health risks associated with consumption of marijuana. For use only by adults twenty-one and older. Keep out of the reach of children. Marijuana should not be used by women who are pregnant or breast feeding.

Section 6 – Proposed Marijuana Concentrates and Marijuana Products

Review the requirements under 3 AAC 306.520, 3 AAC 306.525, and 3 AAC 306.560.

Attach a completed copy of this page for each proposed marijuana concentrate or marijuana product.

Product Name:	Infused Joint		
Product Type: Choose one.	Marijuana Concentrate		
Perishable: Yes/No	No	**Shelf Life:** If perishable.	N/A
Intended Use: Smokable/ edible/topical/wholesale/etc.	Smokable		

Product Description: Details must include the color, shape, and texture.	Infused joints will be conical in shape, with the appearance of a joint and rolled in Kief, Dry Sift or a similar approved Grateful Extracts concentrate. It will be brown and green in color, depending on the rolling paper and concentrate used.
Ingredients: If a hemp derived product/CBD is an ingredient, what is the quantity and you must provide the SOA Department of Agriculture's registration number.	N/A
Flavors: List all current and potential future flavors:	N/A
Standard Production Procedure and Detailed Manufacturing Process:	Infused Joints will be produced by placing ground marijuana flower on a rolling paper and then coated with a thin layer of approved concentrate and may or may not be rolled in Kief, Dry Sift or another approved Grateful Extracts concentrate. Infused Joints will be set out to dry and then properly tested, labeled, and packaged. Final concentrates used in production will be clearly indicated on the final product label.
Depiction: Provide a photograph, drawing, or graphic representation of the expected appearance of the final product.	

Section 7 – Proposed Product Packaging and Sample Labels

Review the requirements under 3 AAC 306.520, 3 AAC 306.565, and 3 AAC 306.570.

Attach a completed copy of this page for <u>each</u> proposed marijuana concentrate or marijuana product.

Product Name:	Infused Joints
Product Type:	Marijuana Concentrate

Packaging Description: Details must include the color(s), size, packaging materials used, total amount of THC, individual serving sizes (if multiple), and other specifics showing compliance with 3 AAC 306.565. Please include photos, drawings, or graphic representations.

Infused Joints will be packaged in single units in a small glass or plastic pop-top tube and labeled or in multi-packs in cardboard or plastic boxes or mylar bags. Infused Joints may be placed in mylar bags (windowed or non-windowed). All packaging will be child-resistant. Infused Joints will weigh up to seven (7) grams each. THC will range from 25-99%, with the actual amount of THC will be listed on the label per testing results. All products packaged in windowed mylar bags or glass tubes will be placed in opaque exit packaging by the retailer before the customer exits the retail store. Total THC per package will not exceed legal limits per regulation.

Sample Labels: Provide sample labels showing how the labeling requirements set forth in 3 AAC 306.570 will be met.

Produced By: Grateful Extracts
License Number: 38155
Product Name: Infused Joints **Strain:**
Batch/Lot Number: **Gross Weight:** **Net MJ Weight:** **OZ(g)**
Best By Date: **Packaging Date:**
Tested By: **License Number:**
Total THC: **THCA:** **CBD:** **CBDA:** **CBN:**
Microbial Test: **Pesticides:** **Herbicides:**
Fungicides:
Residual Solvent Test: **Contaminants Test Result:**
Retailer: License Number:

Alaska Safety Warning: Marijuana has intoxicating effects and may be habit forming and addictive. Marijuana impairs concentration, coordination and judgment. Do not operate a vehicle or machinery under its influence. There are health risks associated with consumption of marijuana. For use only by adults twenty-one and older. Keep out of the reach of children. Marijuana should not be used by women who are pregnant or breast feeding.

Section 6 – Proposed Marijuana Concentrates and Marijuana Products

Review the requirements under 3 AAC 306.520, 3 AAC 306.525, and 3 AAC 306.560.

Attach a completed copy of this page for each proposed marijuana concentrate or marijuana product.

Product Name:	Shatter		
Product Type: Choose one.	Marijuana Concentrate		
Perishable: Yes/No	No	**Shelf Life:** If perishable.	N/A
Intended Use: Smokable/ edible/topical/wholesale/etc.	Smokable/Wholesale/In-House		

Product Description: Details must include the color, shape, and texture.	Shatter is solid, glass-like in texture and shape. Color ranges from clear to yellow and gold to brown.
Ingredients: If a hemp derived product/CBD is an ingredient, what is the quantity and you must provide the SOA Department of Agriculture's registration number.	N/A
Flavors: List all current and potential future flavors:	N/A
Standard Production Procedure and Detailed Manufacturing Process:	Shatter will be extracted from either flower or trim using a closed-loop machine with the use of permitted solvents, such as hydrocarbons, Butane, N-Butane, Iso-Butane, Propane, CO2, and/or ethanol. The actual solvent used will be indicated on the final product label. The solutions are purged with the use of a vacuum oven and/or roto-evaporator under specified conditions to remove residual solvents (bringing solvent levels below the regulated ranges listed in 3 AAC 306.645) and to achieve the desired consistency. The final product will then be packaged and stored until testing and sale. Actual solvents used in the manufacturing process will be listed on the final product label.
Depiction: Provide a photograph, drawing, or graphic representation of the expected appearance of the final product.	

Section 7 – Proposed Product Packaging and Sample Labels

Review the requirements under 3 AAC 306.520, 3 AAC 306.565, and 3 AAC 306.570.
Attach a completed copy of this page for each proposed marijuana concentrate or marijuana product.

Product Name:	Shatter
Product Type:	Marijuana Concentrate

Packaging Description: Details must include the color(s), size, packaging materials used, total amount of THC, individual serving sizes (if multiple), and other specifics showing compliance with 3 AAC 306.565. Please include photos, drawings, or graphic representations.

Shatter will be placed into small glass, plastic, or silicone child resistant(CR) containers in amounts of no more than seven (7) grams, and then packaged into resealable, windowed or non-windowed mylar bags, a cardboard box with a tamper seal, or a CR cardboard box. Another option is to package the product in a folded piece of parchment wax/PTFE paper and then placed in a mylar bag. All packaging will be child-resistant. THC levels will range 25-99%. The actual amount of total THC will be listed on the label per testing results. Products packaged in a windowed mylar bag will be stored in an opaque exit package by the retailer before the customer exits the retail store. One or more pounds of Shatter may be stored in food grade containers for in-house use and wholesale sales. Total THC per package will not exceed legal limits per regulation.

Sample Labels: Provide sample labels showing how the labeling requirements set forth in 3 AAC 306.570 will be met.

Produced By: Grateful Extracts
License Number: 38155
Product Name: Shatter **Strain:**
Batch/Lot Number: Gross Weight: Net MJ Weight: OZ(g)
Best By Date: Packaging Date:
Tested By: License Number:
Total THC: THCA: CBD: CBDA: CBN:
Microbial Test: Pesticides: Herbicides:
Fungicides:
Residual Solvent Test: Contaminants Test Result:
Retailer: License Number:

Alaska Safety Warning: Marijuana has intoxicating effects and may be habit forming and addictive. Marijuana impairs concentration, coordination and judgment. Do not operate a vehicle or machinery under its influence. There are health risks associated with consumption of marijuana. For use only by adults twenty-one and older. Keep out of the reach of children. Marijuana should not be used by women who are pregnant or breast feeding.

Section 6 – Proposed Marijuana Concentrates and Marijuana Products

Review the requirements under 3 AAC 306.520, 3 AAC 306.525, and 3 AAC 306.560.

Attach a completed copy of this page for each proposed marijuana concentrate or marijuana product.

Product Name:	Tincture		
Product Type: Choose one.	Marijuana Concentrate		
Perishable: Yes/No	No	**Shelf Life:** If perishable.	N/A
Intended Use: Smokable/ edible/topical/wholesale/etc.	Smokable/Wholesale/In-House		

Product Description: Details must include the color, shape, and texture.	Tincture is a watery-consistency liquid that varies in color, from clear to a golden amber.
Ingredients: If a hemp derived product/CBD is an ingredient, what is the quantity and you must provide the SOA Department of Agriculture's registration number.	N/A
Flavors: List all current and potential future flavors:	N/A
Standard Production Procedure and Detailed Manufacturing Process:	The tincture will be made via one of two processes (depending on available materials), either with raw plant material or cannabis concentrate. Raw plant material will be heated in ethanol to extract active compounds. The plant matter is then strained out of the mixture, resulting in Tincture. If it's made using concentrate, an approved cannabis concentrate is heated in ethanol in prescribed amounts to reach the desired potency. The resulting tincture is then cooled, properly labeled, and stored until testing is completed.
Depiction: Provide a photograph, drawing, or graphic representation of the expected appearance of the final product.	

Section 7 – Proposed Product Packaging and Sample Labels

Review the requirements under 3 AAC 306.520, 3 AAC 306.565, and 3 AAC 306.570.

Attach a completed copy of this page for each proposed marijuana concentrate or marijuana product.

Product Name:	Tincture
Product Type:	Marijuana Concentrate

Packaging Description: Details must include the color(s), size, packaging materials used, total amount of THC, individual serving sizes (if multiple), and other specifics showing compliance with 3 AAC 306.565. Please include photos, drawings, or graphic representations.

Tincture will be placed into 2oz glass bottles for retail sale. THC will range between 25-99%. Tincture will be used inside our facility to produce Grateful Extracts products or sold wholesale with the intent to be used in other facilities' products or packaged in 2 oz bottles with serving pipettes (filled with 50mg or 100mg of Tincture) and packaged in a child-resistant, opaque cardboard box. Each bottle of Tincture has a total of 50-100 mg of THC per retail package. A single serving of Tincture is 5 or 10 mg of THC. Each Retail bottle will contain 50mg or 100mg of THC. The actual THC content will be listed on the label per the testing results. One or more pounds of Tincture for wholesale or in-house use will be stored in sanitized food-grade containers with their respective labels and test results until sold or used. Total sales per customer will not exceed legal limits per regulation.

Sample Labels: Provide sample labels showing how the labeling requirements set forth in 3 AAC 306.570 will be met.

Produced By: Grateful Extracts

License Number: 38155

Product Name: Tincture **Strain**:

Batch/Lot Number: **Gross Weight**: **Net MJ Weight**: **OZ(g)**

Best By Date: **Packaging Date**:

Tested By: **License Number**:

Total THC: **THCA**: **CBD**: **CBDA**: **CBN**:

Microbial Test: **Pesticides**: **Herbicides**:

Fungicides:

Residual Solvent Test: **Contaminants Test Result**:

Retailer: License Number:

Alaska Safety Warning: **Marijuana has intoxicating effects and may be habit forming and addictive. Marijuana impairs concentration, coordination and judgment. Do not operate a vehicle or machinery under its influence. There are health risks associated with consumption of marijuana. For use only by adults twenty-one and older. Keep out of the reach of children. Marijuana should not be used by women who are pregnant or breast feeding.**

Section 6 – Proposed Marijuana Concentrates and Marijuana Products

Review the requirements under 3 AAC 306.520, 3 AAC 306.525, and 3 AAC 306.560.

Attach a completed copy of this page for each proposed marijuana concentrate or marijuana product.

Product Name:	Moon Rocks		
Product Type: Choose one.	Marijuana Concentrate		
Perishable: Yes/No	No	**Shelf Life:** If perishable.	N/A
Intended Use: Smokable/ edible/topical/wholesale/etc.	Smokable/Wholesale/In-House		

Product Description: Details must include the color, shape, and texture.	Moon Rocks will have the appearance of a sand-covered cannabis bud, with a hard shell on the outside and a soft interior. The external color will be green or tan.
Ingredients: If a hemp derived product/CBD is an ingredient, what is the quantity and you must provide the SOA Department of Agriculture's registration number.	N/A
Flavors: List all current and potential future flavors:	N/A
Standard Production Procedure and Detailed Manufacturing Process:	Fresh cannabis flower and/or trim will be dipped in an approved Grateful Extracts Distillate (or any of the Grateful Extracts approved concentrate) and rolled in Kief or Dry Sift. After Distillate (or similar) has been absorbed, the "rock" will be rolled in an approved Grateful Extracts Kief or Dry Sift and then set to dry. The final product, Moon Rocks, will be properly packaged and stored until testing and sale. Actual concentrates used in production will be indicated on the final product label.
Depiction: Provide a photograph, drawing, or graphic representation of the expected appearance of the final product.	

Section 7 – Proposed Product Packaging and Sample Labels

Review the requirements under 3 AAC 306.520, 3 AAC 306.565, and 3 AAC 306.570.

Attach a completed copy of this page for each proposed marijuana concentrate or marijuana product.

Product Name:	Moon Rocks
Product Type:	Marijuana Concentrate

Packaging Description: Details must include the color(s), size, packaging materials used, total amount of THC, individual serving sizes (if multiple), and other specifics showing compliance with 3 AAC 306.565. Please include photos, drawings, or graphic representations.

Up to seven (7) grams of Moon Rocks will be packaged into small glass, plastic, or silicone containers and then packaged into heat-sealed, resealable, child-resistant mylar bags, a cardboard box with a tamper seal, CR blister pack, or a child-resistant cardboard box. The actual amount of total THC will be listed on the product label on the back of the package per testing results. THC will range between 25-99%. Total THC per package will not exceed legal limits per regulation.

Sample Labels: Provide sample labels showing how the labeling requirements set forth in 3 AAC 306.570 will be met.

Produced By: Grateful Extracts
License Number: 38155
Product Name: Moon Rocks **Strain:**
Batch/Lot Number: **Gross Weight:** **Net MJ Weight:** **OZ(g)**
Best By Date: **Packaging Date:**
Tested By: **License Number:**
Total THC: **THCA:** **CBD:** **CBDA:** **CBN:**
Microbial Test: **Pesticides:** **Herbicides:**
Fungicides:
Residual Solvent Test: **Contaminants Test Result:**
Retailer: License Number:

Alaska Safety Warning: Marijuana has intoxicating effects and may be habit forming and addictive. Marijuana impairs concentration, coordination and judgment. Do not operate a vehicle or machinery under its influence. There are health risks associated with consumption of marijuana. For use only by adults twenty-one and older. Keep out of the reach of children. Marijuana should not be used by women who are pregnant or breast feeding.

Section 6 – Proposed Marijuana Concentrates and Marijuana Products

Review the requirements under 3 AAC 306.520, 3 AAC 306.525, and 3 AAC 306.560.

Attach a completed copy of this page for each proposed marijuana concentrate or marijuana product.

Product Name:	Vape Carts		
Product Type: Choose one.	Marijuana Concentrate		
Perishable: Yes/No	No	**Shelf Life:** If perishable.	N/A
Intended Use: Smokable/ edible/topical/wholesale/etc.	Smokable		

Product Description: Details must include the color, shape, and texture.	Vape Carts are concentrate-filled vape pen cartridges, ranging in color from clear to dark amber.
Ingredients: If a hemp derived product/CBD is an ingredient, what is the quantity and you must provide the SOA Department of Agriculture's registration number.	N/A
Flavors: List all current and potential future flavors:	N/A
Standard Production Procedure and Detailed Manufacturing Process:	Grateful Extracts will fill, either by hand or a machine, vape pen cartridges with a Grateful Extracts approved concentrates such as, but not limited to; budder, crumble, shatter, sugar wax, distillate, rosin, resin, live rosin, or wax etc. Actual concentrate used in production will be clearly indicated on the final product label.
Depiction: Provide a photograph, drawing, or graphic representation of the expected appearance of the final product.	

Section 7 – Proposed Product Packaging and Sample Labels

Review the requirements under 3 AAC 306.520, 3 AAC 306.565, and 3 AAC 306.570.

Attach a completed copy of this page for each proposed marijuana concentrate or marijuana product.

Product Name:	Vape Carts
Product Type:	Marijuana Concentrate

Packaging Description: Details must include the color(s), size, packaging materials used, total amount of THC, individual serving sizes (if multiple), and other specifics showing compliance with 3 AAC 306.565. Please include photos, drawings, or graphic representations.	Vape Carts will range in size from .3g-7g. Only AMCO-approved concentrates will be packaged in Vape carts and then placed into heat-sealed, resealable, Child-resistant mylar bags, blister packs, or cardboard boxes. Total THC will range from 25-99%. Any packaging that is not opaque will be placed in opaque packaging by the retail store prior to the customer's exit. Actual concentrate used, and all test results will be indicated on the final product label. Total THC per package will not exceed legal limits per regulation. 

Sample Labels:
Provide sample labels showing how the labeling requirements set forth in 3 AAC 306.570 will be met.

Produced By: Grateful Extracts
License Number: 38155
Product Name: Vape Carts **Strain:**
Batch/Lot Number: **Gross Weight:** **Net MJ Weight:** **OZ(g)**
Best By Date: **Packaging Date:**
Tested By: **License Number:**
Total THC: **THCA:** **CBD:** **CBDA:** **CBN:**
Microbial Test: **Pesticides:** **Herbicides:**
Fungicides:
Residual Solvent Test: **Contaminants Test Result:**
Retailer: License Number:

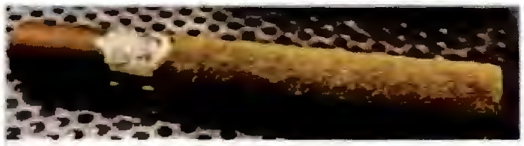
Alaska Safety Warning: Marijuana has intoxicating effects and may be habit forming and addictive. Marijuana impairs concentration, coordination and judgment. Do not operate a vehicle or machinery under its influence. There are health risks associated with consumption of marijuana. For use only by adults twenty-one and older. Keep out of the reach of children. Marijuana should not be used by women who are pregnant or breast feeding.

Section 6 – Proposed Marijuana Concentrates and Marijuana Products

Review the requirements under 3 AAC 306.520, 3 AAC 306.525, and 3 AAC 306.560.

Attach a completed copy of this page for each proposed marijuana concentrate or marijuana product.

Product Name:	Infused Blunt		
Product Type: Choose one.	Marijuana Concentrate		
Perishable: Yes/No	No	**Shelf Life:** If perishable.	N/A
Intended Use: Smokable/ edible/topical/wholesale/etc.	Smokable		

Product Description: Details must include the color, shape, and texture.	Infused Blunts will be conical in shape, with the appearance of a blunt rolled in Hash, Kief, or coated with another Grateful Extracts MCB Approved Concentrate.) It will be brown and green in color, depending on the rolling leaf and strain(s) used.
Ingredients: If a hemp derived product/CBD is an ingredient, what is the quantity and you must provide the SOA Department of Agriculture's registration number.	N/A
Flavors: List all current and potential future flavors:	N/A
Standard Production Procedure and Detailed Manufacturing Process:	Infused Blunts will be produced using the following production process: Ground marijuana flower will be wrapped in marijuana leaves or a standard blunt wrap and then coated with a thin layer of any approved concentrate product(s) and may or may not be rolled in Kief/dry sift. The Infused Blunts will be set out to dry, properly tested, labeled, and packaged. Final concentrates used In production, will be clearly indicated on the final product label.
Depiction: Provide a photograph, drawing, or graphic representation of the expected appearance of the final product.	

Section 7 – Proposed Product Packaging and Sample Labels

Review the requirements under 3 AAC 306.520, 3 AAC 306.565, and 3 AAC 306.570.

Attach a completed copy of this page for each proposed marijuana concentrate or marijuana product.

Product Name:	Infused Blunts
Product Type:	Marijuana Concentrate

Packaging Description: Details must include the color(s), size, packaging materials used, total amount of THC, individual serving sizes (if multiple), and other specifics showing compliance with 3 AAC 306.565. Please include photos, drawings, or graphic representations.	Infused Blunts will be packaged in single units in either a glass or plastic pop-top tube and labeled or multi-packs in mylar bags (windowed or non-windowed) or cardboard packaging. All packaging will be child-resistant (CR). Infused Blunts will weigh up to seven (7) grams each. THC will range from 25-99% with the actual amount of THC will be listed on the label per testing results. All products packaged in windowed mylar bags or glass tubes will be placed in opaque exit packaging by the retailer prior to the customer exiting the retail store. Total THC per package will not exceed legal limits per regulation. 

Sample Labels:
Provide sample labels showing how the labeling requirements set forth in 3 AAC 306.570 will be met.

Produced By: Grateful Extracts
License Number: 38155
Product Name: Infused Blunts **Strain:**
Batch/Lot Number: Gross Weight: Net MJ Weight: OZ(g)
Best By Date: Packaging Date:
Tested By: License Number:
Total THC: THCA: CBD: CBDA: CBN:
Microbial Test: Pesticides: Herbicides:
Fungicides:
Residual Solvent Test: Contaminants Test Result:
Retailer: License Number:
Alaska Safety Warning: Marijuana has intoxicating effects and may be habit forming and addictive. Marijuana impairs concentration, coordination and judgment. Do not operate a vehicle or machinery under its influence. There are health risks associated with consumption of marijuana. For use only by adults twenty-one and older. Keep out of the reach of children. Marijuana should not be used by women who are pregnant or breast feeding.

Section 6 – Proposed Marijuana Concentrates and Marijuana Products

Review the requirements under 3 AAC 306.520, 3 AAC 306.525, and 3 AAC 306.560.

Attach a completed copy of this page for each proposed marijuana concentrate or marijuana product.

Product Name:	HTE (High Terpene Extract)		
Product Type: Choose one.	Marijuana Concentrate		
Perishable: Yes/No	No	**Shelf Life:** If perishable.	
Intended Use: Smokable/ edible/topical/wholesale/etc.	Smokable/Wholesale/In-House		

Product Description: Details must include the color, shape, and texture.	HTE contains 13%-30% total terpenes which produces a thick, sticky extract, which can contain solids or just liquid, depending on the method in which HTE is made, which also results in ranges in color from amber to gold. HTE conforms to its container.
Ingredients: If a hemp derived product/CBD is an ingredient, what is the quantity and you must provide the SOA Department of Agriculture's registration number.	
Flavors: List all current and potential future flavors:	
Standard Production Procedure and Detailed Manufacturing Process:	Closed Loop Extraction system using Butane and Propane mixes to extract cannabinoids and terpenes. Liquid solvent is injected and washed over where cannabis material is housed. Solvent and extract are passed through de-waxing column to extraction recovery vessel. From the recovery vessel the extract and liquid solvent are heated to set temperature to boil off residual solvent and recover butane gas back into liquid solvent with use of solvent recovery pump, heat exchangers, and dry ice. Once extract has reached desired recovery point extract is removed from collection vessel and placed in vacuum oven at a set temperature and pressure to reach desired consistency, remove and let dry.
Depiction: Provide a photograph, drawing, or graphic representation of the expected appearance of the final product.	

Section 7 – Proposed Product Packaging and Sample Labels

Review the requirements under 3 AAC 306.520, 3 AAC 306.565, and 3 AAC 306.570.

Attach a completed copy of this page for <u>each</u> proposed marijuana concentrate or marijuana product.

Product Name:	HTE
Product Type:	Marijuana Concentrate

Packaging Description:
Details must include the color(s), size, packaging materials used, total amount of THC, individual serving sizes (if multiple), and other specifics showing compliance with 3 AAC 306.565. Please include photos, drawings, or graphic representations.

HTE will be packaged in carts or syringes ranging in size from .3g to 7g. Each cartridge/syringe will be packaged in either a child-resistant cardboard box, cardboard box with tamper-evident seal, child-resistant blister package, or a small, child-resistant, heat-sealed windowed or non windowed mylar bag. THC will range between 25-99%. The actual THC content will be listed on the label per the testing results. Products packaged in a windowed mylar bag or blister package will be placed in an opaque exit package by the retailer prior to customer leaving the retail store. One or more pounds of HTE may be stored in food-grade containers for In-house use or wholesale sales. Total THC per package will not exceed legal limits per regulation.

Sample Labels:
Provide sample labels showing how the labeling requirements set forth in 3 AAC 306.570 will be met.

Produced By: Grateful Extracts

License Number: 38155

Product Name: HTE **Strain**:

Batch/Lot Number: **Gross Weight**: **Net MJ Weight**: **OZ(g)**

Best By Date: **Packaging Date**:

Tested By: **License Number**:

Total THC: **THCA**: **CBD**: **CBDA**: **CBN**:

Microbial Test: **Pesticides**: **Herbicides**:

Fungicides:

Residual Solvent Test: **Contaminants Test Result**:

Retailer: License Number:

Alaska Safety Warning: **Marijuana has intoxicating effects and may be habit forming and addictive. Marijuana impairs concentration, coordination and judgment. Do not operate a vehicle or machinery under its influence. There are health risks associated with consumption of marijuana. For use only by adults twenty-one and older. Keep out of the reach of children. Marijuana should not be used by women who are pregnant or breast feeding.**

Section 6 – Proposed Marijuana Concentrates and Marijuana Products

Review the requirements under 3 AAC 306.520, 3 AAC 306.525, and 3 AAC 306.560.

Attach a completed copy of this page for each proposed marijuana concentrate or marijuana product.

Product Name:	Wax		
Product Type: Choose one.	Marijuana Concentrate		
Perishable: Yes/No	No	**Shelf Life:** If perishable.	N/A
Intended Use: Smokable/ edible/topical/wholesale/etc.	Smokable/Wholesale/In-House		

Product Description: Details must include the color, shape, and texture.	The color of Wax varies from a light yellow to a dark golden brown. ThThe texture can be smooth or sticky and is always soft, pliable and takes the shape of its container.
Ingredients: If a hemp derived product/CBD is an ingredient, what is the quantity and you must provide the SOA Department of Agriculture's registration number.	N/A
Flavors: List all current and potential future flavors:	N/A
Standard Production Procedure and Detailed Manufacturing Process:	Wax is created using a closed-loop extraction machine and various post-processing equipment with specific parameters set for wax. Ground marijuana material is loaded into a stainless steel vessel, and the pressurized solvent is passed through the material to remove the cannabinoids, terpenes, plant waxes, and other volatile organic compounds. The output from extraction will need different post-processing, if any, depending on the solvent used. The actual solvent (CO2, Butane, ISO-butane, N-butane, propane, or Ethanol) used will be indicated on the final product label.
Depiction: Provide a photograph, drawing, or graphic representation of the expected appearance of the final product.	

Section 7 – Proposed Product Packaging and Sample Labels

Review the requirements under 3 AAC 306.520, 3 AAC 306.565, and 3 AAC 306.570.
Attach a completed copy of this page for each proposed marijuana concentrate or marijuana product.

Product Name:	Wax
Product Type:	Marijuana Concentrate

Packaging Description: Details must include the color(s), size, packaging materials used, total amount of THC, individual serving sizes (if multiple), and other specifics showing compliance with 3 AAC 306.565. Please include photos, drawings, or graphic representations.	Up to 7 grams of Wax will be packaged into non-stick, silicone, plastic, or glass containers with a lid. The container will then be packaged into a heat-sealed, resealable mylar bag, cardboard box, or blister package. The product's complete packaging will be resealable and child-resistant. Retail stores will ensure purchases in windowed mylar bags or blister packs are in opaque exit bags. The total THC content will range from 25-99%, with the actual THC content listed on the label per the testing results. One or more pounds of Wax for wholesale or in-house use will be stored in sanitized food-grade containers with their respective labels and test results until sold or used. Total THC per package will not exceed legal limits per regulation. 
Sample Labels: Provide sample labels showing how the labeling requirements set forth in 3 AAC 306.570 will be met.	**Produced By:** Grateful Extracts **License Number:** 38155 **Product Name:** Vape Carts **Strain:** **Batch/Lot Number:** **Gross Weight:** **Net MJ Weight:** **OZ(g)** **Best By Date:** **Packaging Date:** **Tested By:** **License Number:** **Total THC:** **THCA:** **CBD:** **CBDA:** **CBN:** **Microbial Test:** **Pesticides:** **Herbicides:** **Fungicides:** **Residual Solvent Test:** **Contaminants Test Result:** Retailer: License Number: **Alaska Safety Warning: Marijuana has intoxicating effects and may be habit forming and addictive. Marijuana impairs concentration, coordination and judgment. Do not operate a vehicle or machinery under its influence. There are health risks associated with consumption of marijuana. For use only by adults twenty-one and older. Keep out of the reach of children. Marijuana should not be used by women who are pregnant or breast feeding.**

Section 6 – Proposed Marijuana Concentrates and Marijuana Products

Review the requirements under 3 AAC 306.520, 3 AAC 306.525, and 3 AAC 306.560.

Attach a completed copy of this page for each proposed marijuana concentrate or marijuana product.

Product Name:	Sugar Wax		
Product Type: Choose one.	Marijuana Concentrate		
Perishable: Yes/No	No	**Shelf Life:** If perishable.	N/A
Intended Use: Smokable/ edible/topical/wholesale/etc.	Smokable/Wholesale/In-House		

Product Description: Details must include the color, shape, and texture.	Sugar Wax resembles granulated sugar in look and texture; it is also sticky and crumbly and takes a free-form shape in its container. Sugar Wax colors range from clear to yellow and gold to brown.
Ingredients: If a hemp derived product/CBD is an ingredient, what is the quantity and you must provide the SOA Department of Agriculture's registration number.	N/A
Flavors: List all current and potential future flavors:	N/A
Standard Production Procedure and Detailed Manufacturing Process:	Sugar Wax will be extracted from either flower or trim using a closed-loop machine with the use of permitted solvents, such as hydrocarbons, Butane, N-Butane, Iso-Butane, Propane, CO2, and/or ethanol. The actual solvent used will be indicated on the final product label. The solutions are purged with the use of a vacuum oven and/or rota-evaporator under specified conditions to remove residual solvents (bringing solvent levels below the regulated ranges listed in 3 AAC 306.645) and to achieve the desired consistency. The final product will then be packaged and stored until testing and sale. Actual solvents used in the manufacturing process will be listed on the final product label.
Depiction: Provide a photograph, drawing, or graphic representation of the expected appearance of the final product.	

License # 38155

AMCO Received 9.4.25

Section 7 – Proposed Product Packaging and Sample Labels

Review the requirements under 3 AAC 306.520, 3 AAC 306.565, and 3 AAC 306.570.

Attach a completed copy of this page for each proposed marijuana concentrate or marijuana product.

Product Name:	Sugar Wax
Product Type:	Marijuana Concentrate

Packaging Description: Details must include the color(s), size, packaging materials used, total amount of THC, individual serving sizes (if multiple), and other specifics showing compliance with 3 AAC 306.565. Please include photos, drawings, or graphic representations.

Sugar Wax will be placed into small glass, plastic, or silicone Child Resistant (CR) containers in amounts of no more than seven (7) grams, and then packaged into a resealable, CR windowed or non-windowed mylar bags, an opaque cardboard box with a tamper seal, blister package or an opaque child-resistant cardboard box. Another option is to package the product in a folded piece of parchment/wax/PTFE paper and then place it in child-resistant packaging. THC levels will range from 25-99%. The actual amount of total THC will be listed on the label per testing results. Products packaged in a windowed mylar bag will be stored in an opaque exit package by the retailer before the customer exits the retail store. One or more pounds of Sugar Wax may be stored in food-grade containers for In-house use and wholesale sales. Total THC per package will not exceed legal limits per regulation

Sample Labels: Provide sample labels showing how the labeling requirements set forth in 3 AAC 306.570 will be met.

Produced By: Grateful Extracts

License Number: 38155

Product Name: Sugar Wax **Strain:**

Batch/Lot Number: **Gross Weight:** **Net MJ Weight:** **OZ(g)**

Best By Date: **Packaging Date:**

Tested By: **License Number:**

Total THC: **THCA:** **CBD:** **CBDA:** **CBN:**

Microbial Test: **Pesticides:** **Herbicides:**

Fungicides:

Residual Solvent Test: **Contaminants Test Result:**

Retailer: License Number:

Alaska Safety Warning: Marijuana has intoxicating effects and may be habit forming and addictive. Marijuana impairs concentration, coordination and judgment. Do not operate a vehicle or machinery under its influence. There are health risks associated with consumption of marijuana. For use only by adults twenty-one and older. Keep out of the reach of children. Marijuana should not be used by women who are pregnant or breast feeding.

Section 8 – Prohibitions

Review the requirements under 3 AAC 306.510.

8.1. I certify that the marijuana product manufacturing facility will not: Initials

a. Sell, deliver, distribute, or transfer any marijuana, marijuana concentrate, or marijuana product directly to a consumer, with or without compensation; RH

b. Allow any person, including a licensee, employee, or agent, to consume marijuana, marijuana concentrate, or marijuana product on the licensed premises; or RH

c. Manufacture or sell any product that is an adulterated food or drink, closely resembles a familiar food or drink item including candy, or is packaged to look like candy, or in bright colors or with cartoon characters or other pictures or images that would appeal to children. RH

I hereby certify that I am the person herein named and subscribing to this application and that I have read the complete application, and I know the full content thereof. I declare that all of the information contained herein, and evidence or other documents submitted are true and correct. I understand that any falsification or misrepresentation of any item or response in this application, or any attachment, or documents to support this application, is sufficient grounds for denying or revoking a license/permit. I further understand that it is a Class A misdemeanor under Alaska Statute 11.56.210 to falsify an application and commit the crime of unsworn falsification. RH

Richard Huffman

Printed name of licensee

Richard Huffman

Signature of licensee

AMCO Received 9.4.25

(Additional Space as Needed):

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

Alaska Marijuana Control Board

Form MJ-07: Public Notice Posting Affidavit

Why is this form needed?

A public notice posting affidavit is required for all marijuana establishment license applications, per 3 AAC 306.020(b)(10). As soon as practical after initiating a marijuana establishment license application, an applicant must give notice of the application to the public by posting a true copy of the application for ten (10) days at the location of the proposed licensed premises and one other conspicuous location in the area of the proposed premises, per 3 AAC 306.025(b)(1).

This form must be completed and submitted to AMCO's Anchorage office before any new or transfer license application will be considered complete.

Section 1 – Establishment Information

Enter information for the business seeking to be licensed, as identified on the license application.

Licensee:	Grateful Extracts, LLC	**License Number:**	38155		
License Type:	Marijuana Concentrate Manufacturing Facility				
Doing Business As:	Grateful Extracts				
Premises Address:	53252 Borgen Ave, Building B				
City:	Kenai	**State:**	Alaska	**ZIP:**	99611

Section 2 – Certification

I certify that I have met the public notice requirement set forth under 3 AAC 306.025(b)(1) by posting a copy of my application for the following 10-day period at the location of the proposed licensed premises and at the following conspicuous location in the area of the proposed premises:

Start Date: August 19, 2025 End Date: August 29, 2025

Other conspicuous location: Country Foods Bulletin Board - 140 S Willow St, Unit A, Kenai, AK 99611

I hereby certify that I am the person herein named and subscribing to this application and that I have read the complete application, and I know the full content thereof. I declare that all of the information contained herein, and evidence or other documents submitted are true and correct. I understand that any falsification or misrepresentation of any item or response in this application, or any attachment, or documents to support this application, is sufficient grounds for denying or revoking a license/permit. I further understand that it is a Class A misdemeanor under Alaska Statute 11.56.210 to falsify an application and commit the crime of unsworn falsification.

Richard Huffman
Signature of licensee

Richard Huffman
Printed name of licensee

BRENDA MILLS
My Commission Expires
NOTARY PUBLIC
May 27, 2029
STATE OF ALASKA

Brenda Mills
Signature of Notary Public

Notary Public in and for the State of Alaska.

My commission expires: May 27, 2029

Subscribed and sworn to before me this 29th day of August, 2025.

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

Alaska Marijuana Control Board

Form MJ-08: Local Government Notice

Why is this form needed?

A local government notice is required for all marijuana establishment license applications with a proposed premises that is located within a local government, per 3 AAC 306.025(b)(3). As soon as practical after initiating a marijuana establishment license application, an applicant must give notice of the application to the public by submitting a copy of the application to each local government and any community council in the area of the proposed licensed premises. For an establishment located inside the boundaries of city that is within a borough, both the city and the borough must be notified.

This form must be completed and submitted to AMCO's Anchorage office before any new or transfer license application will be considered complete.

Section 1 – Establishment Information

Enter information for the business seeking to be licensed, as identified on the license application.

Licensee:	Grateful Extracts, LLC	**License Number:**	38155		
License Type:	Marijuana Concentrate Manufacturing Facility				
Doing Business As:	Grateful Extracts				
Premises Address:	53252 Borgen Ave, Building B				
City:	Kenai	**State:**	Alaska	**ZIP:**	99611

Section 2 – Certification

I certify that I have met the local government notice requirement set forth under 3 AAC 306.025(b)(3) by submitting a copy of my application to the following local government (LG) official(s) and community council (if applicable):

Local Government(s): Kenai Peninsula Borough/City of Kenai Date Submitted: 08/19/2025

Name/Title of LG Official 1: Michele Turner/Borough Clerk Name/Title of LG Official 2: Shellie Saner/City Clerk

Community Council: N/A Date Submitted: ____________

(Municipality of Anchorage and Matanuska-Susitna Borough only)

You must be able to certify the statement below. Read the following and then sign your initials in the box to the right: Initials

I hereby certify that I am the person herein named and subscribing to this application and that I have read the complete application, and I know the full content thereof. I declare that all of the information contained herein, and evidence or other documents submitted are true and correct. I understand that any falsification or misrepresentation of any item or response in this application, or any attachment, or documents to support this application, is sufficient grounds for denying or revoking a license/permit. I further understand that it is a Class A misdemeanor under Alaska Statute 11.56.210 to falsify an application and commit the crime of unsworn falsification.

Richard Huffman

Printed name of licensee

Signature of licensee

AMCO Received 9.4.25

MASTER REAL ESTATE
LEASE

This Real Estate Lease Agreement (" Lease") is dated 8 - 1, 2025, by and between Richard Huffman ("Landlord"), and GB Holdings, LLC, an Alaskan Limited Liability Company ("Tenant"). The parties agree as follows:

PREMISES. Landlord, in consideration of the lease payments provided in this Lease, leases to Tenant (the "Premises") buildings A, B & C and associated parking, located at 53252 Borgen Avenue, Kenai, Alaska 99611.

TERM. The Lease begins on 8 1, 2025 and shall be a two-year (2) term ("Initial Term"), with automatic renewals for two (2) additional two (2) year terms. The parties shall negotiate in good faith to agree upon rent increases for each term. In the event either party opts not to renew this Lease, said non-renewing party shall notice the other not less than thirty (30) days (prior to expiration of the initial term). Either party may terminate the Lease upon substantial breach of this Agreement and prior to written notice to the other party giving a ten (10) day notice to cure the defect to avoid the termination.

LEASE PAYMENTS. Tenant shall pay to Landlord monthly installments of $____.00 per month on or before the 1st of each month. A late charge of $20.00 per day thereafter will be charged. Landlord shall give Tenant written notice of the past due lease payment. On the 15th, the Landlord may give notice of breach, as stated above and Tenant shall agree to vacate the premise if the breach is not remedied within ten (10) days.

USE OF PREMISES. Tenant may sublease this property with written consent of the Landlord. Tenant or its subtenant, may use the Premises for the commercial cultivation, manufacturing and sales of cannabis and cannabis products. Tenant shall buildout the premises in a manner necessary for its or its subtenant's intended use. Tenant shall be responsible for all costs and expenses associated with such buildout.

Tenant shall notify Landlord of any anticipated extended absence of 5 days or more from the Premises not later than the first day of the extended absence.

UTILITIES AND SERVICES. Tenant shall be responsible for all utilities and services in connection with the Premises.

TAXES. Taxes attributable to the Premises or the use of the Premises shall be allocated as follows:

> REAL ESTATE TAXES. Tenant shall pay pro-rata share of the property's real estate taxes and assessments for the Premises.
>
> PERSONAL TAXES. Tenant shall pay all personal taxes and any other charges which may be levied against the Premises and which are attributable to Tenant's use of the Premises, along with all sales and/or use taxes (if any) that may be due in connection with

lease payments.

PROPERTY INSURANCE. At all times during the Lease Term, Tenant shall procure and maintain, at its sole expense, special form ("all risk") property insurance, in an amount not less than one hundred percent (100%) of the replacement cost, covering the Premises (including all leasehold improvements), the contents thereof, and the Building in which the Premises are located (collectively, the "Property Insurance"). The Property Insurance shall contain business income ("loss of rents") coverage for a period of time not less than twelve (12) months following the insured casualty. Landlord shall be named as an additional insured on the Property Insurance. Landlord and Landlord's mortgagee each shall be named as loss payees on the Property Insurance with respect to proceeds attributable to damage to the Premises and the Building. Landlord shall be named as loss payee on the Property Insurance with respect to business income coverage. Tenant shall not be a loss payee with respect to proceeds attributable to damage to the Premises or the Building or with respect to business income coverage, but Tenant shall be the loss payee for its personal property located in the Premises. The proceeds of the Property Insurance shall be used for the repair or replacement of the property so insured except that if this Lease is terminated following a casualty, the proceeds applicable to the Building, Premises and leasehold improvements contained therein shall be paid to Landlord and the proceeds applicable to Tenant's personal property shall be paid to Tenant. The Property Insurance policy shall be in a form and contain such endorsements as are normal and customary for property insurance policies carried on similar property or properties or by similarly situated parties.

DEFAULTS. Tenant shall be in default of this Lease if Tenant fails to fulfill any lease obligation or term by which Tenant is bound. Subject to any governing provisions of law to the contrary, if Tenant fails to cure any financial obligation within 15 days (or any other obligation within 30 days) after written notice of such default is provided by Landlord to Tenant, Landlord may take possession of the Premises without further notice (to the extent permitted by law), and without prejudicing Landlord's rights to damages. In the alternative, Landlord may elect to cure any default and the cost of such action shall be added to Tenant's financial obligations under this Lease. Tenant shall pay all costs, damages, and expenses (including reasonable attorney fees and expenses) suffered by Landlord by reason of Tenant's defaults. All sums of money or charges required to be paid by Tenant under this Lease shall be additional rent, whether or not such sums or charges are designated as "additional rent". The rights provided by this paragraph are cumulative in nature and are in addition to any other rights afforded by law. In the event of a default by Tenant, ***Landlord will contact the Alaska Marijuana Control Office and ensure Enforcement for AMCO removes all marijuana and marijuana product from facility.***

HOLDOVER. If Tenant maintains possession of the Premises for any period after the termination of this Lease ("Holdover Period"), Tenant shall pay to Landlord lease payment(s) during the Holdover Period at a rate equal to the most recent rate preceding the Holdover Period. Such holdover shall constitute a month-to-month extension of this Lease.

CUMULATIVE RIGHTS. The rights of the parties under this Lease are cumulative and shall not be construed as exclusive unless otherwise required by law.

NON-SUFFICIENT FUNDS. Tenant shall be charged $100.00 for each check that is returned to Landlord for lack of sufficient funds.

REMODELING OR STRUCTURAL IMPROVEMENTS. Tenant shall have the obligation to conduct any construction or remodeling (at Tenant's expense) that may be required to use the Premises as specified above. Tenant may also construct such fixtures on the Premises (at Tenant's expense) that appropriately facilitate its use for such purposes. All improvements shall belong to Landlord unless the parties agree otherwise in writing.

ACCESS BY LANDLORD TO PREMISES. Subject to Tenant's consent (which shall not be unreasonably withheld), Landlord shall have the right to enter the Premises to make inspections, provide necessary services, or show the unit to prospective buyers, mortgagees, tenants, or workers. However, Landlord does not assume any liability for the care or supervision of the Premises. As provided by law, in the case of an emergency, Landlord may enter the Premises without Tenant's consent. During the last three months of this Lease, or any extension of this Lease, Landlord shall be allowed to display the usual "To Let" signs and show the Premises to prospective tenants. Landlord must abide by Tenant's visitor policy and ensure that no agent or prospective tenant of Landlord attempts to enter the property that is under the age of 21, presents a valid state or federal identification card, signs into and out of the visitor's log, visibly wears a visitor badge, and always remains in eyesight of a designated agent of Tenant. Landlord may not bring more than 5 persons at a time per supervising licensee/employee into the facility.

INDEMNITY REGARDING USE OF PREMISES. To the extent permitted by law, Tenant agrees to indemnify, hold harmless, and defend Landlord from and against any and all losses, claims, liabilities, and expenses, including reasonable attorney fees, if any, which Landlord may suffer or incur in connection with Tenant's possession, use or misuse of the Premises, except Landlord's act or negligence.

COMPLIANCE WITH REGULATIONS. Tenant or Tenant's subtenant shall promptly comply with all laws, ordinances, requirements and regulations of the state, county, municipal and other authorities, and the fire insurance underwriters.

ACKNOWLEDGEMENT OF USE FOR MARIJAUNA COMMERICAL ACTIVITIES AND WAIVER OF ANY DEFENSES OF ILLEGALITY DUE TO FEDERAL LAW OR VOID FOR PUBLIC POLICY. Landlord is aware of and agrees this premise shall be used for marijuana state and local licensed commercial activities. The parties are aware that marijuana sales are illegal under federal law and therefore waive all defenses of non-performance of this contract related to defenses such as void for public policy and illegality under federal law.

MECHANICS LIENS/CLAIM OF LIEN. Neither the Tenant nor anyone claiming through the Tenant shall have the right to file mechanics liens/claim of lien or any other kind of lien on the Premises and the filing of this Lease constitutes notice that such liens are invalid. Further, Tenant agrees to (1) give actual advance notice to any contractors, subcontractors or suppliers of goods, labor, or services that such liens will not be valid, and (2) take whatever additional steps that are necessary in order to keep the premises free of all liens resulting from construction done by or for the Tenant.

AMCO Received 9.4.25

ARBITRATION. Any controversy or claim relating to this contract, including the construction or application of this contract, will be settled by binding arbitration under the rules of the American Arbitration Association, and any judgment granted by the arbitrator(s) may be enforced in any court of proper jurisdiction.

NOTICE. Notices under this Lease shall not be deemed valid unless given or served in writing and forwarded by mail, postage prepaid, addressed as follows:

<u>LANDLORD:</u>
Richard Huffman
53252 Borgen Avenue
Kenai, AK
99611

<u>TENANT:</u>
GB Holdings, LLC
C/O Richard Huffman
53252 Borgen Avenue
Kenai, AK
99611

Such addresses may be changed from time to time by either party by providing notice as set forth above. Notices mailed in accordance with the above provisions shall be deemed received on the third day after posting.

GOVERNING LAW. This Lease shall be construed in accordance with the laws of the State of Alaska.

ENTIRE AGREEMENT/AMENDMENT. This Lease Agreement contains the entire agreement of the parties and there are no other promises, conditions, understandings, or other agreements, whether oral or written, relating to the subject matter of this Lease. This Lease may be modified or amended in writing, if the writing is signed by the party obligated under the amendment.

SEVERABILITY. If any portion of this Lease shall be held to be invalid or unenforceable for any reason, the remaining provisions shall continue to be valid and enforceable. If a court finds that any provision of this Lease is invalid or unenforceable, but that by limiting such provision, it would become valid and enforceable, then such provision shall be deemed to be written, construed, and enforced as so limited.

WAIVER. The failure of either party to enforce any provisions of this Lease shall not be construed as a waiver or limitation of that party's right to subsequently enforce and compel strict compliance with every provision of this Lease.

BINDING EFFECT. The provisions of this Lease shall be binding upon and inure to the benefit of both parties and their respective legal representatives, successors, and assigns.

AMCO Received 9.4.25

Tenant – GB Holdings, LLC.

By: Richard Huffman Date: 7/30 ,2025
Richard Huffman – Managing Member

Landlord – Richard Huffman

By: Richard Huffman Date: 7/30 , 2025
Richard Huffman – Property Owner

REAL ESTATE
SUBLEASE

This Sublease Agreement (this "Sublease") is dated 8 1, 2025 by and between GB Holdings, LLC ("Sublessor"), and Grateful Extracts, LLC. ("Subtenant"). The parties agree as follows:

PREMISES. Sublessor in consideration of the lease payments provided in this Sublease, leases to Grateful Extracts, LLC DBA Grateful Extracts. (the "Premises") located at 53252 Borgen Avenue, Building B, Kenai, Alaska 99611.

TERM. The sublease term will begin 8 1, 2025, with automatic renewals of two (2) additional two (2) year terms. The parties shall negotiate in good faith to agree upon rent increases for each term. In the event that either party opts no to renew this Sublease, said non-renewing party shall notice the other not less than thirty (30) days (prior to expiration of the initial term). Either party may terminate the Sublease upon substantial breach of this Agreement and prior to written notice to the other party giving a ten (10) day notice to cure the defect to avoid the termination.

LEASE PAYMENTS. Subtenant shall pay to Sublessor monthly installments of $______.00 payable on the first day of each month. Payments shall be abated until Subtenant commences business operations. Sublessor is providing a turnkey marijuana retail marijuana store and Sublessor shall be responsible for all buildout costs, utilities, install cameras, alarm system, and other necessary cultivation specific aspects needed by Subtenant.

POSSESSION. Subtenant shall be entitled to possession on the first day of the term of this Sublease and shall yield possession to Sublessor on the last day of the term of this Sublease, unless otherwise agreed by both parties in writing. At the expiration of the term, Subtenant shall remove its goods and effects and peaceably yield up the Premises to Sublessor in as good a condition as when delivered to Subtenant, ordinary wear and tear excepted.

USE OF PREMISES. Subtenant may use the Premises for the commercial cultivation and sale of marijuana and marijuana products. The Premises may be used for any other purpose only with the prior written consent of Sublessor, which shall not be unreasonably withheld. Subtenant shall notify Sublessor of any anticipated extended absence from the Premises not later than the first day of the extended absence.

LATE PAYMENTS. For any payment that is not paid within 15 days after its due date, Subtenant shall pay a late fee of $250.00.

UTILITIES: Utilities are to be paid by the Subtenant.

HOLDOVER. If Subtenant maintains possession of the Premises for any period after the termination of this Sublease ("Holdover Period"), Subtenant shall pay to Sublessor lease payment(s) during the Holdover Period at a rate equal to the most recent rate preceding the Holdover Period. Such holdover shall constitute a month-to-month extension of this Sublease.

CUMULATIVE RIGHTS. The rights of the parties under this Sublease are cumulative and shall not be construed as exclusive unless otherwise required by law.

NON-SUFFICIENT FUNDS. Subtenant shall be charged $100.00 for each check that is returned to Sublessor for lack of sufficient funds.

REMODELING OR STRUCTURAL IMPROVEMENTS. Subtenant shall have the obligation to conduct any construction or remodeling (at Subtenant's expense) that may be required to use the Premises as specified above. Subtenant may also construct such fixtures on the Premises (at Subtenant's expense) that appropriately facilitate its use for such purposes. Such construction shall be undertaken, and such fixtures may be erected only with the prior written consent of the Sublessor which shall not be unreasonably withheld. Subtenant shall not install awnings or advertisements on any part of the Premises without Sublessors prior written consent. At the end of the lease term, Subtenant shall be entitled to remove (or at the request of Sublessor shall remove) such fixtures and shall restore the Premises to substantially the same condition of the Premises at the commencement of this Sublease.

ACCESS BY SUBLESSOR TO PREMISES. Subject to Subtenant's consent (which shall not be unreasonably withheld), Sublessor shall have the right to enter the Premises to make inspections, provide necessary services, or show the unit to prospective buyers, mortgagees, tenants or workers. However, Sublessor does not assume any liability for the care or supervision of the Premises. As provided by law, in the case of an emergency, Sublessor may enter the Premises without Subtenant's consent. During the last three months of this Sublease, or any extension of this Sublease, Sublessor shall be allowed to display the usual "To Let" signs and show the Premises to prospective tenants. During any entry by Landlord or its agents on the premises, Landlord's agents or employees shall be over the age of 21 and shall comply with Subtenant's visitor policy, show government issued ID, wear a visitor badge, remain in eye sight of a designated Tenant agent, comply with and sign into the log in sheet and sign out when leaving the premises, as is required by the Alaska Marijuana Control Board Regulations. At no time shall Landlord have more than five persons enter the premises.

INDEMNITY REGARDING USE OF PREMISES. To the extent permitted by law, Subtenant agrees to indemnify, hold harmless, and defend Sublessor from and against any and all losses, claims, liabilities, and expenses, including reasonable attorney fees, if any, which Sublessor may suffer or incur in connection with Subtenant's possession, use or misuse of the Premises, except Sublessors act or negligence.

COMPLIANCE WITH REGULATIONS. Subtenant shall promptly comply with all laws, ordinances, requirements and regulations of the federal, state, county, municipal and other authorities, and the fire insurance underwriters. However, Subtenant shall not by this provision be required to make alterations to the exterior of the building or alterations of a structural nature.

MECHANICS LIENS. Neither the Subtenant nor anyone claiming through the Subtenant shall have the right to file mechanics liens or any other kind of lien on the Premises and the filing of this Sublease constitutes notice that such liens are invalid. Further, Subtenant agrees to (I) give actual advance notice to any contractors, subcontractors or suppliers of goods, labor, or services that such liens will not be valid, and (2) take whatever additional steps that are necessary in order to keep the premises free of all liens resulting from construction done by or for the Subtenant.

AMCO Received 9.4.25

ARBITRATION. Any controversy or claim relating to this contract, including the construction or application of this contract, will be settled by binding arbitration under the rules of the American Arbitration Association, and any judgment granted by the arbitrator(s) may be enforced in any court of proper jurisdiction.

DEFAULT. In the event of a default, Landlord shall not take into its possession any marijuana or marijuana product and shall contact the State of Alaska AMCO prior to any access to the license premises if Tenant cannot be reached, abandons the property, or similar event.

NOTICE. Notices under this Sublease shall not be deemed valid unless given or served in writing and forwarded by mail, postage prepaid, addressed as follows:

SUBLESSOR:

GB Holdings, LLC
53252 Borgen Avenue
Kenai, Alaska
99611

SUBTENANT:

Grateful Extracts, LLC
53252 Borgen Avenue, Building B
Kenai, Alaska
99611

Such addresses may be changed from time to time by either party by providing notice as set forth above. Notices mailed in accordance with the above provisions shall be deemed received on the third day after posting.

GOVERNING LAW. This Sublease shall be construed in accordance with the laws of the State of Alaska.

ENTIRE AGREEMENT/AMENDMENT. This Sublease Agreement contains the entire agreement of the parties and there are no other promises, conditions, understandings or other agreements, whether oral or written, relating to the subject matter of this Sublease. This Sublease may be modified or amended in writing, if the writing is signed by the party obligated under the amendment.

SEVERABILITY. If any portion of this Sublease shall be held to be invalid or unenforceable for any reason, the remaining provisions shall continue to be valid and enforceable. If a court finds that any provision of this Sublease is invalid or unenforceable, but that by limiting such provision, it would become valid and enforceable, then such provision shall be deemed to be written, construed, and enforced as so limited.

WAIVER. The failure of either party to enforce any provisions of this Sublease shall not be construed as a waiver or limitation of that party's right to subsequently enforce and compel strict compliance with every provision of this Sublease.

AMCO Received 9.4.25

BINDING EFFECT. The provisions of this Sublease shall be binding upon and inure to the benefit of both parties and their respective legal representatives, successors and assigns.

Except to the extent that the terms and conditions of this Lease Amendment are to the contrary, all other terms and conditions of the original Lease Agreement and any amendments thereto remain in full force and effect.

SUBLESSOR:

GB Holdings, LLC
BY:

Richard Huffman
Its Managing Member

SUBTENANT:

Grateful Extracts, LLC
BY:

Richard Huffman – Managing Member of GB Holdings, LLC
Its Member

PUBLISHER'S AFFIDAVIT

UNITED STATES OF AMERICA,
STATE OF ALASKA } **SS:**

Doug Munn, being first duly sworn, on oath deposes and says: That I am and was at all times here in this affidavit mentions, Supervisor of Legals of the Sound Publishing / Peninsula Clarion, a newspaper of general circulation and published at Kenai, Alaska, that the advertisement, a printed copy of which is hereto annexed was published in said paper on the dates listed below:

Marijuana License
May 9, 2025
May 16, 2025
May 23, 2025

x Doug Munn

SUBSCRIBED AND SWORN before me on this
27TH **day of** May **, 2025**

Donna K Schrader

NOTARY PUBLIC in favor for the State of Alaska.

My Commission expires October 19, 2027

Grateful Extracts, LLC is applying under 3 AAC
306.500(a)(2) for a new Marijuana Concentrate
Manufacturing Facility license, license #38155,
doing business as Grateful Extracts, located at
53252 Borgen Avenue, Building B, Kenai, AK,
99611, UNITED STATES.

Interested persons may object to the application
by submitting a written statement of reasons for
the objection to their local government, the ap-
plicant, and the Alcohol & Marijuana Control Of-
fice (AMCO) not later than 30 days after the di-
rector has determined the application to be
complete and has given written notice to the lo-
cal government. Once an application is deter-
mined to be complete, the objection deadline
and application information will be posted on
AMCO's website at https://www.commerce.alas-
ka.gov/web/amco. Objections should be sent to
AMCO at marijuana.licensing@alaska.gov or to
550 W 7th Ave, Suite 1600, Anchorage, AK
99501 and Attorney Jana Weltzin, Esq. at ja-
na@jdwcounsel.com or to 901 Photo Avenue,
Second Floor, Anchorage, AK 99503.
Pub: May 9, 26 & 23, 2025 1013340

NOTARY PUBLIC
DONNA K SCHRADER
STATE OF ALASKA
My Commission Expires October 19, 2027

AMCO Received 9.4.25

AK Entity #: 10264121
Date Filed: 03/26/2024
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

Domestic Limited Liability Company

Initial Biennial Report

Entity Name: GB Holdings, LLC

Entity Number: 10264121

Home Country: UNITED STATES

Home State/Prov.: ALASKA

Physical Address: 53252 BORGEN AVENUE, KENAI, AK 99611

Mailing Address: 53252 BORGEN AVENUE, KENAI, AK 99611

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: Jana Weltzin

Physical Address: 901 PHOTO AVENUE, SECOND FLOOR, ANCHORAGE, AK 99503

Mailing Address: 901 PHOTO AVENUE, SECOND FLOOR, ANCHORAGE, AK 99503

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
Richard Huffman	53252 Borgen Avenue, Kenai, AK 99611	100	X	X

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

NAICS Code: 551112 - OFFICES OF OTHER HOLDING COMPANIES

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: Jana Weltzin

OPERATING AGREEMENT OF
GB HOLDINGS, LLC
an Alaska limited liability company

THIS LIMITED LIABILITY COMPANY OPERATING AGREEMENT (this "Agreement") is entered into to be effective as of August 1st, 2025 (the "Effective Date"), by and among GB Holdings, LLC (the "Company"), an Alaska limited liability company, and the undersigned Member(s) ("Member").

Section I - Formation; Name and Office; Purpose

1.1. *Formation*. Pursuant to the Alaska Revised Limited Liability Company Act, A.S. Sections 10.50.010 through 10.50.995, as amended (the "Act"), the parties have formed an Alaska limited liability company effective upon the filing of the Articles of Organization of this Company (the "Articles") with the State of Alaska Department of Commerce, Community, and Economic Development. The parties have executed this Agreement to serve as the "Operating Agreement" of the Company, as that term is defined in A.S. section 10.50.095, and, subject to any applicable restrictions set forth in the Act, the business and affairs of the Company, and the relationships of the parties to one another, shall be operated in accordance with and governed by the terms and conditions set forth in this Agreement. By executing this Agreement, the Members certify that those executing this Agreement constitute all of the Members of the Company at the time of its formation. The parties agree to execute all amendments of the Articles, and do all filing, publication, and other acts as may be appropriate from time to time hereafter to comply with the requirements of the Act.

1.2. *Name and Known Place of Business*. The Company shall be conducted under the name of GB Holdings, LLC and the known place of business of the Company shall be at 53252 Borgen Avenue, Kenai, Alaska 99611.

1.3. *Purpose*. The purpose and business of this Company shall be: (a) to hold, manage, and acquire business entities and assets ("Company"); and (b) any other lawful purpose as may be determined by the Members.

Section II - Definitions

Unless otherwise defined in this Agreement, the following terms set forth in this Agreement shall have the meanings set forth in this Section II:

"Act" means the Alaska Revised Limited Liability Company Act, A.S. Sections 10.50.010 through 10.50.995, as amended from time to time (or any corresponding provisions of succeeding law).

"Affiliate" means, with respect to any Member, any Person: (i) who is a member of the Member's or Member's Family; (ii) which owns more than ten percent (10%) of the voting or economic interests in the Company; (iii) in which the Member owns more than ten percent (10%) of the voting or economic interests; or (iv) in which more than ten percent (10%) of the voting or economic interests are owned by a Person who has a relationship with the Member described in clause (i), (ii), or (iii) above.

"Capital Contribution" means the total amount of cash and the fair market value of any other assets contributed (or deemed contributed under Regulation Section 1.704- 1(b)(2)(iv)(d)) to the Company by a Member, net of liabilities secured by the contributed Property that the Company is considered to assume or take subject to under Section 752 of the Code. Capital contributions are to be repaid prior to any issuances of dividends or profit draws from members.

"Cash Flow" means all cash funds derived from operations of the Company (including interest received on reserves), without reduction for any noncash charges, but less cash funds used to pay current operating expenses and to pay or establish reasonable reserves for future expenses, debt payments, capital improvements, and replacements as determined by the Members. Cash Flow shall be increased by the reduction of any reserve previously established.

"Cause" in context of a Member's expulsion for Cause under this Agreement, means, without limiting at common law the generality of such word, that such Member: (i) has been has been convicted of a disqualifying crime identified in AS 17.38.200(i) and/or 3AAC306.010(d); (ii) has committed an act of fraud or dishonesty with respect to the Company or the business operations thereof; (iii) has engaged in misconduct that seriously injures the Company's or its subsidiaries' good will and is injurious to the Company; (iv) has willfully and persistently committed a material breach of this Agreement; (v) has engaged conduct constituting larceny, fraud, or theft; or (vi) has been guilty of wrongful conduct that adversely and materially affects the business or affairs of the Company. Such determination of Cause must be made in good faith.

"Event of Withdrawal" means those events and circumstances listed in Section 10.50.220 and 10.50.225 of the Act provided, however, that following an Event of Withdrawal described in Section 10.50.220 and 10.50.225(4) of the Act, the Member shall remain a Member until it ceases to exist as a legal entity.

"Family" means a Person's spouse, lineal ancestor, or descendant by birth or adoption, sibling, and trust for the benefit of such Person or any of the foregoing.

"Fiscal Year" or "Annual Period" means the fiscal year of the Company, as determined under Section V.

"Interest" means the Member's share of the Profits and Losses (and specially allocated items of income, gain, and deduction) of, and the right to receive distributions from, the Company.

"Involuntary Transfer" shall include, without limitation, any Transfer of the Member's Interest pursuant to any order of any court relating to any petition for divorce, legal separation, marital dissolution, or annulment, or any guardianship, conservatorship, or other protective proceeding.

"*Landlord*" means that certain individual or entity which is the "landlord" or "lessor".

"*Manager*" shall have the meaning set forth under Section V.

"*Major Decision*". For purposes of this Agreement, "Major Decision" means a decision by the Company to:

(i) admit one or more additional or substitute Members;

(ii) transfer all or substantially all of the assets of the Company;

(iii) merge or convert the Company into any other entity;

(iv) dissolve the Company;

(v) cause the Company to seek protection from creditors under federal or state bankruptcy or insolvency laws;

(vi) take any material action,

(vii) purchase, receive, lease or otherwise acquire, own, hold, improve, use and otherwise deal in or with any real property, wherever situated;

(viii) sell, convey, mortgage, pledge, create a security interest in, lease, exchange, transfer and otherwise dispose of all or any part of any Company asset other than in the ordinary course;

(ix) make guarantees, incur liabilities, borrow money, issue notes or secure any of the obligations of the Company by mortgage or pledge of any assets of the Company;

(x) approve any transaction involving an actual or potential conflict of interest between the Member and the Company, including the approval of any Member Loan;

(xi) make any capital expenditure in any single transaction in excess of Twenty-Five Thousand Dollars ($25,000), except in cases of emergency (as determined by the Manager in good faith) where immediate action is needed to maintain or resume business operations in the ordinary course, or recurring payments in excess of Five Thousand Dollars ($5,000), per month;

(xii) make any capital call or require any additional Capital Contribution; or

(xiii) vote any shares or interests in other entities in which Company holds an interest;

(xiv) approval of the Annual Operating Budget, as defined under <u>Section VI</u>, below.

(xv) make any amendment to this Operating Agreement.

"Member" means each Person signing this Agreement as a member and any Person who subsequently is admitted as a member of the Company in accordance with <u>Section VI</u> of this Agreement and agrees in writing to be bound to the terms and conditions of this Agreement.

"Member Loan" means a loan made by a Member to the Company for the benefit of the Company.

"Percentage Interest" means, as to a Member, the percentage set forth after the Member's name on **<u>Exhibit A</u>**, as amended from time to time.

"Person" means and includes an individual, corporation, partnership, association, limited liability company, trust, estate, or other entity.

"Property" means all real and personal property (including cash) acquired by the Company, and any improvements thereto.

"Transfer" means, when used as a noun, any voluntary or involuntary sale, hypothecation, pledge, assignment, attachment, or other transfer, and, when used as a verb, means voluntarily or involuntarily to sell, hypothecate, pledge, assign, or otherwise transfer.

Section III - Capital Contributions

3.1. *Capital Contributions.*

3.1.1. *Initial Capital Contributions.* Upon the execution of this Agreement, the Members have or shall make contributions to the capital of the Company as set forth in **Exhibit A** attached hereto and by this reference made a part hereof.

3.1.2. *Additional Capital Contributions.* No Member shall be required to contribute any additional capital to the Company without a unanimous consent, and no Member shall have any personal liability for any obligation of the Company.

3.2. *Withdrawal or Return of Capital Contributions.* Except as specifically provided in this Agreement, no Member shall have the right to withdraw or reduce the Capital Contributions he or she makes to the Company. Upon dissolution of the Company or liquidation of his or her interest in the Company, each Member shall look solely to the assets of the Company for return of his or her Capital Contributions and, if the Company's property remaining after the payment or discharge of the debts, obligations, and liabilities of the Company is insufficient to return the Capital contributions of each Member, no Member shall have any recourse against the Company or any Member except for gross negligence, malfeasance, bad faith, or fraud.

3.3. *Form of Return of Capital.* Under circumstances requiring a return of any Capital Contributions, no Member shall have the right to receive property other than cash except as may be specifically provided herein.

3.4. *In the Event of Member Loans.* All Member Loans made pursuant to this Agreement and approved by a Major Decision shall bear interest at the prime rate of interest as reported by *the Wall Street Journal - Western Edition,* shall be unsecured, and shall be repaid in full out of available funds of the Company before any distribution may be made to any Member.

Section IV - Distributions

4.1. *Distributions.* Except as otherwise provided in this Agreement, distributions shall be made to the Members at such times and in such amounts as determined by the Manager. Distributions will be made to the Members *pro rata*, in proportion to their Percentage Interests, after capital contributions have been repaid.

4.2. *General.*

4.2.1. *Form of Distribution.* In connection with any distribution, no Member shall have the right to receive Property other than cash except as may be specifically provided herein. If any assets of the Company are distributed in kind to the Members, those assets shall be valued on the basis of their fair market value. Unless the Members otherwise agrees by a vote of the Majority of Members, the fair market value of the assets shall be determined by an independent appraiser who shall be selected by the Manager.

4.2.2. *Withholding.* All amounts required to be withheld pursuant to Code Section 1446 or any other provision of federal, state, or local tax law shall be treated as amounts actually distributed to the affected Members for all purposes under this Agreement.

4.2.3. *Varying Interests; Distributions in Respect to Transferred Interests.* If any Interest is Transferred in compliance with the provisions of this Agreement, all distributions on or before the date of such Transfer shall be made to the transferor, and all distributions thereafter shall be made to the transferee. Solely for purposes of making distributions, and allocating Profits, Losses, and other items of income, gain, loss, and deduction pursuant to **Exhibit B** hereof, the Company shall recognize the Transfer not later than the end of the calendar month during which it is given notice of such, provided that if the Company does not receive a notice stating the date such Interest was Transferred and such other information as it may reasonably require within thirty (30) days after the end of the Fiscal Year during which the Transfer occurs, then all of such items shall be allocated, and all distributions shall be made, to the Person who, according to the books and records of the Company, on the last day of the Fiscal Year during which the Transfer occurs, was the owner of the Interest. Neither the Company nor any Member shall incur any liability for making allocations and distributions in accordance with the provisions of this Section, whether or not any Member or the Company has knowledge of any Transfer of ownership of Interest.

Section V - Management

5.1. *Management.* Subject to the rights under the Act or the provisions of this Agreement to approve certain actions, the business and affairs of the Company shall be managed exclusively by its Manager. The exact number of Managers of the Company shall be one (1) unless amended in accordance with this Agreement. The Manager will direct, manage, and control the business of the Company to the best of their ability and, subject only to those restrictions set forth in the Act or this Agreement, shall have full and complete authority, power, and discretion to make any and all decisions and to do any and all things which the Manager deems appropriate to accomplish the business and objectives of the Company.

5.2. *Certain Management Powers of the Manager.* Without limiting the generality of Section 5.1, the Manager shall have power and authority on behalf of the Company:

5.2.1. To manage the day-to-day business operations of the Company in accordance with this Agreement;

5.2.2. In the ordinary course of business, to acquire property from and sell property to any person as the Manager may determine;

5.2.3. Use credit facilities and borrow money for the Company from banks, other lending institutions, the Interest Holders, or Affiliates of the Interest Holders, on such terms as approved by the Manager, and in connection therewith, to hypothecate, encumber, and grant security interests in the assets of the Company to secure repayment of the borrowed sums. No debt or other obligation shall be contracted or liability incurred by or on behalf of the Company by any Member;

5.2.4. To purchase liability and other insurance to protect the Company's property and business;

5.2.5. To execute on behalf of the Company all instruments and documents, including, without limitation, checks, drafts, notes, and other negotiable instruments, mortgages, or deeds of trust, security agreements, financing statements, documents providing for the acquisition, mortgage, or disposition of the Company's property, assignments, bills of sale, leases, partnership agreements, and any other instruments or documents necessary, in the opinion of the Manager, to accomplish the purposes of the Company;

5.2.6. To employ accountants, legal counsel, managing agents, or other experts to perform services for the Company and compensate them from Company funds;

5.2.7. To enter into any and all other agreements on behalf of the Company, with any other Person for any purpose, in such forms as the Manager may approve; and

5.2.8. To do and perform all other acts as may be necessary or appropriate to accomplish the purposes of the Company.

5.2.9. To take such other actions as do not expressly require the consent of any Members under this Agreement.

A Manager may act by a duly authorized attorney-in-fact. Unless authorized to do so by this Agreement, no agent or employee of the Company shall have any power or authority to bind the Company in any way, to pledge its credit, or to render it liable for any purpose.

5.3. *Duties of the Manager*. The Manager shall have all duties as set forth in the Act, including, without limitation, those duties set forth under AS § 10.50.135, as amended. Subject to AS § 10.50.140, a Manager shall not be required to manage the Company as the Manager's sole and exclusive function and the Manager may engage in other business and investment activities in addition to those relating to the Company. Neither the Company nor any Member shall have any right, solely by virtue of this Agreement or its relationship to a Member or the Company, to share or participate in any such other investments or activities of the Members or to the income or proceeds derived therefrom. The Manager shall not have any obligation to disclose any such other investments or activities to the Members unless it actually or potentially adversely affects the business or property of the Company.

5.4. *Compensation and Expenses*. The Company may enter into management or employment contracts with one or more Member(s) or Persons Affiliated with the Member as approved by a Major Decision Special Majority.

5.5. *Books and Records*. At the expense of the Company, the Manager shall keep or cause to be kept complete and accurate books and records of the Company and supporting documentation of transactions with respect to the conduct of the Company's business. The books and records shall be maintained in accordance with the Act and sound accounting practices and kept at the Company's known place of business and such other location or locations as the Manager shall from time to time determine. At a minimum the Company shall keep at its known place of business the following records:

5.5.1. A current document of the full name and last known business, residence, or mailing address of each Member;

5.5.2. A copy of the initial Articles and all amendments thereto and restatements thereof;

5.5.3. Copies of the Company's federal, state, and local income tax returns and reports, if *any*, for the three most recent fiscal years;

5.5.4. Copies of this Agreement and all amendments hereto or restatements hereof, including any prior operating agreements no longer in effect;

5.5.5. Copies of any documents relating to the Member's obligation to contribute cash, property, or services to the Company;

5.5.6. Copies of any financial statements of the Company for the three (3) most recent fiscal years; and

5.6. *Financial Accounting/Member Access to Books and Records.* In addition to the Annual Operating Budget, the Manager shall prepare and make available a financial accounting of the Company no less than once every sixty (60) days. Within three (3) calendar days following written notice, which may be submitted in writing, via facsimile or electronic mail, the Member shall have the right, during normal business hours, to inspect and copy, at the Member's expense, the Company's books and records.

5.7. *Reports.* Within seventy-five (75) days after the end of each Fiscal Year of the Company, the Members shall cause to be sent to each person who was a Member at any time during the Fiscal Year, a complete accounting of the affairs of the Company for the Fiscal Year then ended. In addition, within seventy-five (75) days after the end of each Fiscal Year of the Company, the Members shall receive the tax information concerning the Company which is necessary for preparing the Member's income tax returns for that year. At the request of any Member, and at the Member's expense, the Members shall cause an audit of the Company's books and records to be prepared by independent accountants for the period requested by the Member.

5.8. *Title to Company Property.*

5.8.1. Except as provided in Section 5.8.2, all real and personal property acquired by the Company shall be acquired and held by the Company in its name.

5.8.2. Ten (10) days after giving notice, the Manager may direct that legal title to all or any portion of the Company's property be acquired or held in a name other than the Company's name. Without limiting the foregoing, the Manager may cause title to be acquired and held in the names of trustees, nominees, or straw parties for the Company. It is expressly understood and agreed that the manner of holding title to the Company's property (or any part thereof) is solely for the convenience of the Company and all of that property shall be treated as Company property. The notice to be given to each Member under this section shall identify the asset or assets to be titled outside of the Company name, the Person in whom legal title is intended to vest, and the reason for the proposed transaction. If any Member provides written notice of an objection to the transaction before the expiration of the ten (10) day period, the transaction shall not be consummated.

Section VI - Members

6.1 *Members.* The names and addresses of the Members, their initial Capital Contributions and Percentage Interest, are set forth in **Exhibit A**, as amended from time to time. No Person shall become a Member unless and until they: (a) execute this Agreement (or a counterpart signature page to the Agreement); (b) tender to the Company the consideration for their Percentage Interest; and (c) are approved as a Member by a Major Decision Special Majority.

6.2 *Meetings.* Unless otherwise prescribed by the Act, meetings of the Members may be called, for any purpose(s), by a Majority of the Members.

6.3 *Place of Meetings.* Whoever calls the meeting may designate any place, either within or outside the State of Alaska, as the place of meeting for any meeting of the Members.

6.4 *Notice of Meetings.* Except as provided in this Agreement, written notice stating the date, time, and place of the meeting, and the purpose(s) for which the meeting is called, shall be delivered not less than ten (10) nor more than fifty (50) days before the date of the meeting, either personally or by mail, electronic mail, facsimile, or overnight or next-day delivery services by or at the direction of the person(s) calling the meeting, to each Member entitled to vote at such meeting. If mailed, such notice shall be deemed to be delivered two (2) days after being deposited in the United States mail, postage prepaid, addressed to each Member at his or her address as it appears on the books of the Company. If transmitted by way of electronic mail or facsimile, such notice shall be deemed to be delivered on the date of such electronic mail or facsimile transmission to the electronic mail address or fax number, if any, for the respective Member which has been supplied by such Member to the Company and identified as such Member's electronic mail address or fax number. If transmitted by overnight or next-day delivery, such notice shall be deemed to be delivered on the next business day after deposit with the delivery service addressed to the Member at his or her address as it appears on the books of the Company. When a meeting is adjourned to another time or place, notice need not be given of the adjourned meeting if the time and place thereof are announced at the meeting at which the adjournment is taken, unless the adjournment is for more than thirty (30) days. At the adjourned meeting the Company may transact any business which might have been transacted at the original meeting.

6.5 *Meeting of All Members.* If all the Members shall meet at any time and place, including by conference telephone call, either within or outside of the State of Alaska, and consent to the holding of a meeting at such time and place, such meeting shall be valid without call or notice.

6.6 *Record Date.* For the purpose of determining Members entitled to notice of or to vote at any meeting of Members or any adjournment thereof, the date on which notice of the meeting is mailed shall be the record date for such determination of Members. When a determination of Members entitled to vote at any meeting of Members has been made as provided in this Section, such determination shall apply to any adjournment thereof, unless notice of the adjourned meeting is required to be given pursuant to Section 6.3.

6.7 *Quorum.* A Majority of the Members, represented in person or by proxy, shall constitute a quorum at any meeting of Members. Business may be conducted once a quorum is present.

6.8 *Voting Rights of Members.* Members shall be entitled to vote on any matter submitted to a vote. If all of an Interest is transferred to an assignee who does not become a Member, the Member from whom the Interest is transferred shall no longer be entitled to vote. No withdrawn Member shall be entitled to vote, nor shall such Member's Interest be considered outstanding for any purpose pertaining to meetings or voting.

6.9 *Manner of Acting.* Unless otherwise provided in the Act, the Articles, or this Agreement, the affirmative vote of a Majority of the Members at a meeting at which a quorum is present shall be the act of the Members.

6.10 *Proxies.* At all meetings of Members, a Member may vote in person or by proxy executed in writing by the Member of by a duly authorized attorney-in-fact. Such proxy shall be filed with the Company before or at the time of its exercise. No proxy shall be valid after eleven (11) months from the date of its execution, unless otherwise provided in the proxy.

6.11 *Action by Members without a Meeting.* Any action required or permitted to be taken at a meeting of Members may be taken without a meeting if the action is evidenced by one or more written consents describing the action taken, circulated to all the Members with an explanation of the background and reasons for the proposed action, signed by that percentage or number of the Members required to take or approve the action. Any such written consent shall be delivered to the Members of the Company for inclusion in the minutes or for filing with the Company records. Action taken by written consent under this Section shall be effective on the date the required percentage or number of the Members have signed and delivered the consent to all Members, unless the consent specifies a different effective date. The record date for determining Members entitled to take action without a meeting shall be the date the written consent is circulated to the Members.

6.12 *Telephonic Communication.* Members may participate in and hold a meeting by means of conference telephone or similar communications equipment by means of which all persons participating in the meeting can hear each other, and participation in such meeting shall constitute attendance and presence in person, except where the Member participates in the meeting for the express purpose of objecting to the transaction of any business on the grounds the meeting is not lawfully called or convened.

6.13 *Waiver of Notice.* When any notice is required to be given to any Member, a waiver thereof in writing signed by the Person entitled to such notice, whether before, at, or after the time stated therein, shall be equivalent to the giving of such notice.

6.14 *Budget.* The Manager shall, within ninety (90) days of the complete execution of this Agreement, and on or before December 15 in each calendar year thereafter, deliver to the Members for approval by a Major Decision Special Majority, an estimated annual operating budget for the Company for the next calendar year (the "Annual Operating Budget") which shall set forth an estimate, on a monthly basis, of Company revenue and expenses, together with an explanation of anticipated changes to any charges, rates, expenses and positions, non-wage cost increases, the proposed methodology and formula employed by the Manager, and all other factors differing from the then-current calendar year. The Annual Operating Budget shall be accompanied by a narrative description of operating objectives and assumptions. If the Members do not approve of an Annual Operating Budget in total, it shall do so, to the extent practicable, on a line-item basis. The Manager and the Members shall cooperate to resolve disputed items, provided if a part of, or the total, Annual Operating Budget is not approved by the Members by a Major Decision Special Majority within thirty (30) days of the Manager's transmission of such Annual Operating Budget to the Members, the Manager shall operate under the expired Annual Operating Budget, on a line-item basis, until a new Annual Operating Budget is approved. The Manager shall obtain prior written approval of a Major Decision Special Majority for any Company expenditure which will, or is reasonably expected to, result in a material variation to the Annual Operating Budget for the applicable calendar year or is materially outside the scope of any item set forth on the Annual Operating Budget.

Section VII - Transfers and Withdrawals

7.1 *Transfers.* Except as otherwise provided in this Section VII no Member may, voluntarily or involuntarily, Transfer all, or any portion of, a Member's Interest without prior written consent. In addition, such Transfer must receive the express written approval of an Alaska court or administrative agency with proper jurisdiction and authority on the issue. Each Member hereby acknowledges the reasonableness of this prohibition in view of the purposes of the Company. The Transfer of any Interest in violation of the prohibitions contained in this Section VII shall be deemed invalid, null, and void, and of no force or effect. Any Person to whom any Interest is attempted to be transferred in violation of this Section shall not be entitled to vote on matters coming before the Member, participate in the management of the Company, act as an agent of the Company, receive allocations or distributions from the Company, or have any other membership rights in or with respect to the Interest.

7.2 *Deemed Transfer.* In addition to the foregoing, each of the following shall be deemed a "Transfer" and shall be subject to Section 6.1:

7.2.1. *Involuntary Transfer.* Any Involuntary Transfer;

7.2.2. *Bankruptcy and Related Events.* Filing of a voluntary petition in bankruptcy or involuntary petition in bankruptcy by the Member pursuant to Chapters 7, 11 or 13 of the U.S. Bankruptcy Code, unless such a petition is denied or dismissed within thirty (30) days after filing in the case of a voluntary petition or within ninety (90) days after filing in the case of an involuntary petition; the entry of an order of relief in bankruptcy of a Member; the assignment by a Member of all or a portion of their Interests for the benefit of creditors; the appointment of a receiver or trustee for a Member's property; or the attachment of an Interest which is not released within thirty (30) days;

7.2.3 *Attachment and Security Interest.* Any portion of an Interest of a Member becomes subject to any attachment, levy, execution or other judicial seizure, or any lien, encumbrance or security interest;

7.2.4. *Voluntary Withdrawal.* A Member voluntarily withdraws by giving the Company thirty (30) days' prior written notice;

7.2.5. *Involuntary Withdrawal.* An Event of Withdrawal occurs, as defined in this Agreement;

7.2.6. *Death.* Upon the transfer of any portion of an Interest in the Company as a result of death, whether to any heir, devisee, beneficiary, third-party, person, trust or estate;

7.2.7. *Breach of Lease.* Any Member who is also a Landlord materially breaches the terms of any lease, as determined by the remaining Members of the Company in good faith; or

7.2.8. *Expulsion.* Any Member is expelled from the Company for Cause.

7.3 *Transfer.* Upon the Transfer or deemed Transfer of any portion of an Interest under Section 7.2, the holder of such Interest shall become an "assignee," in accordance with this Agreement and the Act, with no voting rights, notice rights, rights to information, or other rights as a Member of any kind.

7.4 *Option of Company.* Upon the Transfer or deemed Transfer of any portion of an Interest under Section 7.2:

7.4.1. *Perpetual Option.* The Company shall automatically have the perpetual option to purchase and redeem all or any portion of the Interest in the manner as provided for in Section 7.4. In the event the Company exercises its option to purchase the Interest pursuant to Section 7.4.2, the Company shall, within ninety (90) days, distribute to the Member whose Interest is being purchased (the "Transferring Holder"), or such holder's estate, the net taxable income allocable to such Transferring Holder's Interest for the portion of the taxable year prior to the transfer date, if any.

7.4.2. *Exercise of Option; Notice.* In the event the Company wishes to exercise its option pursuant to Section 7.4.1, the Company shall deliver to the Transferring Holder written notification ("Notice"), by email to the Transferring Holder's email address, certified mail, or personal delivery, of its intention to so exercise its option to purchase and redeem the Transferring Holder's Interest. The value of such Transferring Holder's Interest shall be determined in accordance with Section 7.4.3 and **Exhibit C** and shall be distributed in accordance with Section 7.4.4.

7.4.3. *Valuation of Interest.*

7.4.3.1. *Purchase of Transferring Holder's Interest.* Unless otherwise agreed between the Company and the Transferring Holder, for purposes of determining the purchase price to be paid for a Transferring Holder's Interest, it is hereby agreed that a Transferring Holder's Interest shall be purchased and redeemed for an amount equal to the Purchase Price, as defined below, based on the Transferring Holder's Percentage Interest in the Company, subject to standard discounts for lack of marketability and lack of control, if applicable. Upon delivery of the Subordinated Promissory Note (as defined below) to the Transferring Holder, the Transferring Holder's Interest shall have been redeemed by the Company pursuant hereto, without any further action by the Transferring Holder, the Company or any other Member.

7.4.4 *Purchase Price.* The Purchase Price of a Transferring Holder's Interest shall be as follows:

7.4.4.1. Where the redemption of a Transferring Holder's Interest is due to a Transfer event described in Section 7.2.1 through 7.2.6, then the Purchase Price shall be either: (a) the fair market value of the Company as mutually agreed upon by the Company and the Transferring Holder (or such Transferring Holder's representative) in good faith, multiplied by the Transferring Holder's Percentage Interest, subject to standard discounts for lack of marketability and lack of control, if applicable; or (b) if no agreement can be reached, the fair market value of the Company (as determined by an Appraiser, selected pursuant to **Exhibit C**), multiplied by the Transferring Holder's Percentage Interest, subject to standard discounts for lack of marketability and lack of control, if applicable; or

7.4.4.2. Where the redemption of a Transferring Holder's Interest is due to a Transferring Holder's Transfer event under Section 7.2.7 or 7.2.8, then the Purchase Price shall be the fair market value of the Transferring Holder's Percentage Interest as determined in accordance with the provisions of Section 7.4.4.1, above, less fifty percent (50%) of such fair market value; provided, however, that such amount shall then be less (and offset by) the aggregate amount of damages, liabilities, losses or other expenses incurred by the Company due to such Transferring Holder's actions constituting Cause or such Transferring Holder's breach, as applicable, and including fees and legal expenses incurred in the purchase of such Transferring Holder's Interest.

7.5 *Terms of Payment.* Unless otherwise mutually agreed in writing by the Company and the Transferring Holder, after the Purchase Price has been established in accordance with Section 7.4.3, as applicable, the Company shall pay the Purchase Price, together with the principal amount of any loan outstanding to the Transferring Holder, or such Transferring Holder's estate, whose interest is being purchased, as follows: the value of the Transferring Holder's Interest shall be paid with a minimum of twenty percent (20%) down within thirty (30) days of the date the Purchase Price is established in accordance with Section 7.4.3, and the balance of eighty percent (80%) shall be made payable pursuant to an unsecured Subordinated Promissory Note, made by the Company in favor of the Transferring Holder, payable over sixty (60) months, beginning the first day of the first month following the down payment. In no event shall there by any prepayment penalty in the event the Company wishes to pay the amount due hereunder prior to the expiration of the term of the Subordinated Promissory Note. In each instance, interest shall be computed and paid on the balance owing at the prime rate charged by the Company's banking institution. The promissory notes described herein shall be expressly subordinated to all senior debt, pre-existing or hereafter existing debt to financial institutions or lessors in connection with commercial loans, credit arrangements, equipment financings, leases, or similar transactions. If the Company is sold (whether via change in control or otherwise) or liquidated following the purchase of a Transferring Holder's Interest, the installment obligation shall be immediately due and owing.

7.6 *Transferee Not a Member.* The attempted Transfer or assignment of the Member's Interest shall not result in any transferee or assignee becoming a Member of the Company, unless the transferee or assignee is admitted as the Member pursuant to this Agreement, and the transferee or assignee shall only be entitled to receive, to the extent transferred, the share of distributions, including distributions representing the return of contributions, and the allocation of Profits and Losses (and other items of income, gain, or deduction), to which the Member would have otherwise been entitled with respect to the Member's Interest. The transferee or assignee shall have no rights as a Member or any other right to participate in the management of the business and affairs of the Company or any right to become a Member unless admitted and approved.

7.7 *Substitute Members*. Notwithstanding any provision of this Agreement to the contrary, an assignee of the Member may only be admitted as a substitute Member upon written consent, which consent may be withheld in the Member's sole and absolute discretion.

7.8 *Additional Members*. The Company shall not issue additional Interests after the date of formation of the Company without written consent or approval, which consent may be withheld in the Member's sole and absolute discretion.

7.9 *Expenses*. Expenses of the Company or the Member occasioned by transfers of Interests shall be reimbursed to the Company or Member, as the case may be, by the transferee.

Section VIII - Dissolution and Termination

8.1 *Dissolution*.

8.1.1 *Events of Dissolution*. The Company will be dissolved upon the occurrence of any of the following events:

8.1.1.1 Upon the written consent of the Member;

8.1.1.2 Upon the entry of a decree of dissolution under Section 10.50.405 of the Act or an administrative dissolution under Section 10.50.408 of the Act;

8.1.1.3 Upon the sale or other disposition of all or substantially all of the Company's assets and receipt by the Company of the proceeds therefrom; or

8.1.1.4 Upon the occurrence of an Event of Withdrawal of the last remaining Member unless within ninety (90) days all assignees of Interests in the Company consent in writing to admit at least one member to continue the business of the company.

8.2 *Continuation*. An Event of Withdrawal with respect to a Member shall not cause dissolution, and the Company shall automatically continue following such an Event of Withdrawal.

8.3 *Distributions and Other Matters*. The Company shall not terminate until its affairs have been wound up and its assets distributed as provided herein. Promptly upon the dissolution of the Company, the Members shall cause to be executed and filed a Notice of Winding Up with the Alaska Department of Commerce, Community, and Economic Development, and will liquidate the assets of the Company and apply and distribute the proceeds of such liquidation, or distribute the Company's assets in kind, as follows and in the following order:

8.3.1 *Ordinary Debts*. To payment of the debts and liabilities of the Company, including debts owed to the Members, in the order of priority provided by law; provided that the Company shall first pay, to the extent permitted by law, liabilities with respect to which any Member is or may be personally liable;

8.3.2 *Reserves and Distributions*. To the setting up of such reserves as the Members may deem reasonably necessary for any contingent or unforeseen liabilities or obligations of the Company arising out of or in connection with the Company business;

8.3.3 *Remainder*. The balance of the proceeds shall be distributed to the Members in accordance with the positive balance in their Capital Accounts, determined as though all of the Company assets were sold for cash at their fair market value as of the date of distribution. Any such distributions shall be made in accordance with the timing requirements of Treasury Regulation Section 1.704-1(b)(2)(ii)(b)(2).

8.4 *Deficit Capital Accounts*. Notwithstanding anything to the contrary in this Agreement, if the Member's Capital Account has a deficit balance (taking into account all contributions, distributions, and allocations for the year in which a liquidation occurs), the Member shall not be obligated to make any contribution to the capital of the Company and the negative balance of such Member's Capital Account shall not be considered a debt owed by the Member to the Company or to any other person for any purpose whatsoever.

8.5 *Rights of Members—Distributions of Property*. Except as otherwise provided in this Agreement, each Member shall look solely to the assets of the Company for the return of his or her Capital Contribution and shall have no right or power to demand or receive property other than cash from the Company.

8.6 *Articles of Termination*. When all the assets of the Company have been distributed as provided herein, the Members shall cause to be executed and filed Articles of Termination as required by the Act.

Section IX - Other Interests of a Member

Any Members may engage in or possess interests in other business ventures of every nature and description, independently or with others. Neither the Company or any Member shall have any right to any independent ventures of any other Member or to the income or profits derived therefrom. The fact that the Member, a member of his or her Family, or an Affiliate is employed by, or owns, or is otherwise directly or indirectly interested in or connected with, any person, firm, or corporation employed or retained by the Company to render or perform services, including without limitation, management, contracting, mortgage placement, financing, brokerage, or other services, or from whom the Company may buy property or merchandise, borrow money, arrange financing, or place securities, or may lease real property to or from the Company, shall not prohibit the Company from entering into contracts with or employing that person, firm, or corporation or otherwise dealing with him or it, and neither the Company nor the Member as such shall have any rights in or to any income or Profits derived therefrom.

Section X - Indemnity

10.1 *Indemnity Rights*. The Company shall indemnify, defend and hold harmless each Member who was or is a party to or is threatened to be made a party to any threatened, pending, or completed action, suit, or proceeding, whether civil, criminal, administrative, or investigative, by reason of his or her actions as a Member or by reason of his or her acts while serving at the request of the Company as a director, officer, employee, or agent of another corporation, partnership, joint venture, trust, or other enterprise, against expenses, including attorneys' fees, and against judgments, fines, and amounts paid in settlement actually and reasonably incurred by him or her in connection with such action, suit, or proceeding, provided that the acts of such Member were not committed with gross negligence or willful misconduct, and, with respect to any criminal action or proceeding, such Member had no reasonable cause to believe his or her conduct was unlawful. The termination of any action, suit, or proceeding by judgment, order, settlement, or conviction, or upon a plea of no contest or its equivalent, shall not, in and of itself, create a presumption that the Member acted with gross negligence or willful misconduct, or with respect to any criminal action or proceeding, had reasonable cause to believe that his or her conduct was unlawful.

10.2 *Notice and Defense.* If any Member is or may be entitled to indemnification, he or she shall give timely written notice to the Company, the Members that has a claim that has been or is about to be made against him or her, shall permit the Company to defend him or her through legal counsel of its own choosing and shall cooperate with the Company in defending against the claim. The Member shall have the sole power and authority to determine the terms and conditions of any settlement of the claim.

10.3 *Other Sources.* The indemnification provided for herein shall apply only in the event, and to the extent that, the person is not entitled to indemnification, or other payment, from any other source (including insurance), and the Company's indemnity obligations hereunder shall be in excess of any indemnification or other payment provided by such other source.

10.4 *Survival.* The indemnification provided for herein shall continue as to a person who has ceased to be a Member and shall inure to the benefit of the heirs, executors, and administrators of such person.

Section XI - Miscellaneous

11.1 *Notices.* Any notice, demand, offer, or other communication which any person is required or may desire to give to any other person shall be delivered in person or by United States mail, electronic mail, facsimile, or overnight or next-day delivery service. If mailed, such notice shall be deemed to be delivered two (2) days after being deposited in the United States mail, postage prepaid, addressed to the person at his or her address as it appears on the books of the Company. If transmitted by way of electronic mail or facsimile, such notice shall be deemed to be delivered on the date of such electronic mail or facsimile transmission to the electronic mail address or facsimile number, if any, for the person which has been supplied by such person and identified as such person's electronic mail address or facsimile number. If transmitted by overnight or next-day delivery, such notice shall be deemed to be delivered on the next business day after deposit with the delivery service addressed to the person at his or her address as it appears on the books of the Company.

11.2 *Bank Accounts.* All funds of the Company shall be deposited in a bank account or accounts opened in the Company's name. The Manager shall determine the institution or institutions at which the accounts will be opened and maintained, the types of accounts, and the Persons who will have authority with respect to the accounts and the funds therein.

11.3 *Severability.* The parties intend that this Agreement be enforced to the greatest extent permitted by applicable law. Therefore, if any provision of this Agreement, on its face or as applied to any person or circumstance, is or becomes unenforceable to any extent, the remainder of this Agreement and the application of that provision to other persons or circumstances, or to any other extent, will not be impaired.

11.4 *Governing Law; Parties in Interest; Attorneys' Fees.* This Agreement will be governed by and construed according to the laws of the State of Alaska without regard to conflicts of law principles and will bind and insure to the benefit of the heirs, successors, assigns, and personal representatives of the parties. Unless otherwise agreed, if any litigation or other dispute resolution proceeding is commenced between parties to this Agreement to enforce or determine the rights or responsibilities of such parties, the prevailing party or parties in any such proceeding will be entitled to receive, in addition to such other relief as may be granted, its reasonable attorneys' fees, expenses and costs incurred preparing for and participating in such proceeding.

11.5 *Execution in Counterparts*. This Agreement may be executed in counterparts, all of which taken together shall be deemed one original.

11.6 *Titles and Captions*. All article, section, or paragraph titles or captions contained in this Agreement are for convenience only and are not deemed part of the context thereof.

11.7 *Pronouns and Plurals*. All pronouns and any variations thereof are deemed to refer to the masculine, feminine, neuter, singular, or plural as the identity of the person or persons may require.

11.8 *Waiver; Waiver of Action for Partition*. No right or obligation under this Agreement will be deemed to have been waived unless evidenced by a writing signed by the party against whom the waiver is asserted, or its duly authorized representative. Any waiver will be effective only with respect to the specific instance involved and will not impair or limit the right of the waiving party to insist upon strict performance in any other instance, in any other respect, or at any other time. The Member irrevocably waives any right that he or she may have to maintain any action for partition with respect to any of the Company Property.

11.9 *Entire Agreement*. This Agreement and all Exhibits attached hereto collectively contains the entire understanding between the parties and supersedes any prior understandings and agreements between or among them with respect to the subject matter hereof.

Estoppel Certificate. Each Member shall, within ten (10) days after written request by Member or the Members, deliver to the requesting Person a certificate stating, to the Member's knowledge, that: (a) this Agreement is in full force and effect; (b) this Agreement has not been modified except by any instrument or instruments identified in the certificate; and (c) there is no default hereunder by the requesting Person, or if there is a default, the nature and extent thereof.

Section XII – Arbitration

If the parties are unable to resolve any dispute arising out of this Agreement either during or after its term informally, including the question as to whether any particular matter is arbitrable, the parties agree to submit the matter to binding arbitration. In the event the parties have not agreed upon an arbitrator within twenty (20) days after either party has demanded arbitration, either party may file a demand for arbitration with an Alaska regional office of the American Arbitration Association ("AAA") and a single arbitrator shall be appointed in accordance with the then existing Commercial Arbitration Rules of the AAA. At all times during arbitration, the arbitrator shall consider that the purpose of arbitration is to provide for the efficient and inexpensive resolution of disputes, and the arbitrator shall limit discovery whenever appropriate to ensure that this purpose is pre-served. The dispute between the parties shall be submitted for determination within sixty (60) days after the arbitrator has been selected. The decision of the arbitrator shall be rendered within thirty (30) days after the conclusion of the arbitration hearing. The decision of the arbitrator shall be in writing and shall specify the factual and legal basis for the decision. Upon stipulation of the parties, or upon a showing of good cause by either party, the arbitrator may lengthen or shorten the time periods set forth herein for conducting the hearing or for rendering a decision. The decision of the arbitrator shall be final and binding upon the parties. Judgment to enforce the decision of the arbitrator, whether for legal or equitable relief, may be entered in any court having jurisdiction thereof, and the parties hereto expressly and irrevocably consent to the jurisdiction of the Alaska Courts for such purpose. The arbitrator shall conduct all proceedings pursuant to the then existing Commercial Arbitration Rules of the AAA, to the extent such rules are not inconsistent with the provisions of this Article III. The AAA Uniform Rules of Procedure shall not apply to any arbitration proceeding relating to the subject matter or terms of the documents. In the event a dispute is submitted to arbitration pursuant to this Section, the prevailing party shall be entitled to the payment of its reasonable attorneys' fees and costs, as determined by the arbitrator. Each of the parties shall keep all disputes and arbitration proceedings strictly confidential, except for disclosures of information required by applicable law or regulation.

Section XIII – Agreement of Spouses of Members

Intentionally omitted.

Section XIV – Representation

The parties all acknowledge that; (i) JDW, LLC ("Firm" and/or "Counsel") has not represented GB Holdings, LLC in connection with the drafting of this Operating Agreement; (ii) that the signatory has been advised to seek independent counsel in connection with such matters; and (iii) that the firm does represent Managing Member Richard Huffman's affiliate company Grateful Bud, LLC. In the event the Company desires to engage the Firm to represent the Company and its subsidiaries in the near future, each Member agrees and has been advised of the following:

The Firm representation of Richard Huffman (the Managing Member), in his respective individual capacities, creates conflicts of interests;

The Member hereby is advised by the Firm that conflicts may exist among the Company, the subsidiaries, and/or individual interests;

The Member hereby is advised by Counsel that this Agreement may have tax consequences;

The Member hereby is advised by Counsel to seek the advice of independent tax counsel; and

The Member has had the opportunity to seek the advice of independent tax counsel.

The Member hereby agrees and understands that if the Company and its subsidiaries engage the Firm as counsel, then the Member will need to consent to the Firm's joint representation of the Company, and its subsidiaries.

IN WITNESS WHEREOF, the Members have executed this Operating Agreement, effective as of the date first set forth above.

Richard Huffman – Managing Member of GB Holdings, LLC

EXHIBIT A

Members, Capital Contributions, and Interest

	Full Required	Paid Contribution	Total Remaining	Percentage
Richard Huffman	$TBD	$TBD	$TBD	100%
TOTALS:	**$TBD**	**$TBD**	**$TBD**	**100%**

EXHIBIT B

Tax Matters

1. *Definitions*. The capitalized words and phrases used in this **Exhibit B** shall have the following meanings:

1.1. *"Adjusted Book Value"* means with respect to Company Property, the Property's Initial Book Value with the adjustments required under this Agreement.

1.2. *"Adjusted Capital Account Deficit"* means, with respect to any Member, the deficit balance, if any, in the Member's Capital Account as of the end of the relevant Fiscal Year, after giving effect to the following adjustments:

1.2.1. the Capital Account shall be increased by the amounts which the Member is obligated to restore under this Agreement or is deemed obligated to restore pursuant to Regulation Sections 1.704-2(g)(1) and (i)(5) (i.e., the Member's share of Minimum Gain and Member Minimum Gain); and

1.2.2. the Capital Account shall be decreased by the items described in Regulation Sections 1.704-1(b)(2)(ii)(d)(4), (5) and (6).

This definition of Adjusted Capital Account Deficit is intended to comply with Section 1.704-1(b)(2)(ii)(d) of the Treasury Regulations and shall be interpreted and applied in a manner consistent with that Regulation.

1.3. *"Capital Account"* means the account maintained by the Company for the Members in accordance with the following provisions:

1.3.1. A Member's Capital Account shall be credited with the amount of money contributed by the Member to the Company; the fair market value of the Property contributed by the Member to the Company (net of liabilities secured by such contributed Property that the Company is considered to assume or take subject to under Section 752 of the Code); the Member's allocable share of Profit and items of income and gain; and the amount of Company liabilities that are assumed by the Member under Regulation Section 1.704-1(b)(2)(iv)(c);

1.3.2. A Member's Capital Account shall be debited with the amount of money distributed to the Member; the fair market value of any Company property distributed to the Member (net of liabilities secured by such distributed Property that the Member is considered to assume or take subject to under Section 752 of the Code); the Member's allocable share of Loss and items of deduction; and the amount of the Member's liabilities that are assumed by the Company under Regulation Section 1.704-1(b)(2)(iv)(c);

1.3.3. If Company Property is distributed to the Member, the Capital Accounts shall be adjusted as if the distributed Property had been sold in a taxable disposition for the gross fair market value of such Property on the date of distribution (taking into account Section 7701 of the Code) and the Profit or Loss from such disposition allocated to the Members as provided in this **Exhibit B**.

1.3.4. If money or other Property (other than a *de minimis* amount) is (a) contributed to the Company by a new or existing Member in exchange for an interest in the Company; or (b) distributed by the Company to a retiring or continuing Member as consideration for an interest in the Company; then, if the Members deem such an adjustment to be necessary to reflect the economic interests of the Members, the Book Value of the Company's Property shall be adjusted to equal its gross fair market value on such date (taking into account Section 7701(g) of the Code) and the Capital Accounts of all Members shall be adjusted in the same manner as if all the Company Property had been sold in a taxable disposition for such amount on such date and the Profit or Loss allocated to the Members as provided in this **Exhibit B**.

1.3.5. To the extent an adjustment to the tax basis of any Company asset pursuant to Code Section 734(b) or Code Section 743(b) is required, pursuant to Regulation Section 1.704-1(b)(2)(iv)(m), to be taken into account in determining Capital Accounts, the Book Value of the Company's Property and the Capital Account of the Members shall be adjusted in a manner consistent with the manner in which the Capital Accounts are required to be adjusted pursuant to that Section of the Regulations.

1.3.6. If any Interest is transferred pursuant to the terms of this Agreement, the transferee shall succeed to the Capital Account of the transferor to the extent the Capital Account is attributable to the transferred Interest. It is intended that the Capital Accounts of all Members shall be maintained in compliance with the provisions of Regulation Section 1.704-1(b), and all provisions of this Agreement relating to the maintenance of Capital Accounts or the Adjusted Book Value of Company Property shall be interpreted and applied in a manner consistent with that Section of the Regulations.

1.4. *"Code"* means the Internal Revenue Code of 1986, as amended, or any corresponding provision of any succeeding law.

1.5. *"Company Minimum Gain"* has the meaning set forth in Regulation Section 1.704-2(b)(2) for "partnership minimum gain."

1.6. *"Initial Book Value"* means, with respect to Property contributed to the Company by a Member, the Property's fair market value at the time of contribution and, with respect to all other Property, the Property's adjusted basis for federal income tax purposes at the time of acquisition.

1.7. *"Member Nonrecourse Debt"* has the meaning set forth in Section 1.704- 2(b)(4) of the Treasury Regulations for "partner nonrecourse debt."

1.8. *"Member Nonrecourse Debt Minimum Gain"* has the meaning set forth in Regulation Section 1.704-2(i) for "partner nonrecourse debt minimum gain."

1.9. *"Member Nonrecourse Deductions"* has the meaning set forth in Regulation Section 1.704-2(i) for "partner nonrecourse deductions."

1.10. *"Nonrecourse Deductions"* has the meaning set forth in Regulation Section 1.704-2(b)(1). The amount of Nonrecourse Deductions shall be determined according to the provisions of Regulation Section 1.704-2(c).

1.11. *"Nonrecourse Liability"* has the meaning set forth in Regulation Section 1.704-2(b)(3).

1.12. *"Profit" and "Loss"* means, for each Fiscal Year of the Company (or other period for which Profit or Loss must be computed), the Company's taxable income or loss determined in accordance with Code Section 703(a), with the following adjustments:

1.12.1. All items of income, gain, loss, deduction, or credit required to be stated separately pursuant to Code Section 703(a)(1) shall be included in computing taxable income or loss;

1.12.2. Any tax-exempt income of the Company, not otherwise taken into account in computing Profit or Loss, shall be included in computing Profit or Loss;

1.12.3. Any expenditures of the Company described in Code Section 705(a)(2)(B) (or treated as such pursuant to Regulation Section 1.704-1(b)(2)(iv)(i)) and not otherwise taken into account in computing Profit or Loss, shall be included in computing Profit or Loss;

1.12.4. If the Adjusted Book Value of Company Property differs from its adjusted basis for federal income tax purposes, then gain or loss resulting from any taxable disposition of Company property shall be computed by reference to the Adjusted Book Value of the Property disposed of rather than the adjusted basis of the property for federal income tax purposes;

1.12.5. If the Adjusted Book Value of Company Property differs from its adjusted basis for federal income tax purposes, then in lieu of the depreciation, amortization, or cost recovery deductions allowable in computing taxable income or loss, the depreciation, amortization (or other cost recovery deduction) shall be an amount that bears the same ratio to the Adjusted Book Value of such Property as depreciation, amortization (or other cost recovery deduction) computed for federal income tax purposes for such period bears to the adjusted tax basis of such Property. If the Property has a zero adjusted tax basis, the depreciation, amortization (or other cost recovery deduction) of such Property shall be determined under any reasonable method selected by the Company; and

1.12.6. Any items that are specially allocated pursuant to Sections 2.3 and 2.4 hereof shall not be taken into account in computing Profit or Loss.

1.13. "Treasury Regulations" or "Regulations" means the income tax regulations, including any temporary regulations, promulgated under the Code as such regulations may be amended from time to time (including corresponding provisions of succeeding regulations).

2. *Allocations*. After making any special allocations contained in Section 2.5, remaining Profits and Losses shall be allocated for any Fiscal Year in the following manner:

2.1. *Profits*.

2.1.1. First, Profits shall be allocated among the Members in proportion to the cumulative Losses previously allocated to the Member under Section 2.2.3 until the cumulative Profits allocated to the Member under this subparagraph equal the cumulative Losses previously allocated to each Member under Section 2.2.3;

2.1.2. Second, Profits shall be allocated proportionally among the Members until the cumulative Profits allocated to each Member under this subparagraph equal the cumulative Priority Return each Member has received through the end of the Fiscal Year plus Losses, if any, allocated to the Member under Section 2.2.2; and

2.1.3. Third, Profits shall be allocated to the Members in accordance with their Percentage Interests.

2.2. *Losses.*

2.2.1. First, Losses shall be allocated to the Members in proportion to the cumulative Profits previously allocated to the Members under Section 2.1.3 until the cumulative Losses allocated pursuant to this subparagraph to each Member are equal to the cumulative Profits previously allocated to each Member under Section 2.1.3.

2.2.2. Second, Losses shall be allocated to the Members in proportion to the cumulative Profits previously allocated to the Members under Section 2.1.2 until the cumulative Losses allocated pursuant to this subparagraph to each Member are equal to the cumulative Profits previously allocated to each Member under Section 2.1.2; and

2.2.3. Third, Losses shall be allocated to the Members in accordance with their Percentage Interests.

2.3. *Loss Limitations.*

2.3.1. *Adjusted Capital Account Deficit.* No Losses shall be allocated to any Member pursuant to Section 2.1 if the allocation causes the Member to have an Adjusted Capital Account Deficit or increases the Member's Capital Account Deficit. All Losses in excess of the limitations set forth in this Subsection shall be allocated to the other Members in accordance with the other Members' Percentage Interests until all Members are subject to the limitation of this Subsection, and thereafter, in accordance with the Members' interest in the Company as determined by the Members. If any Losses are allocated to a Member because of this Subsection, then notwithstanding any other provision of this Agreement, all subsequent Profits shall be allocated to the Members pro rata based on Losses allocated to them pursuant to this Subsection until each Member has been allocated an amount of Profits pursuant to this Subsection equal to the Losses previously allocated to that Member under this Subsection.

2.3.2. *Cash Method Limitation.* If the Company is on the cash method of accounting and more than 35% of the Company's Losses in any year would be allocable to Members who are limited entrepreneurs (within the meaning of § 464(e)(2) of the Code), then except as otherwise provided in Section 2.2.1, the Losses in excess of 35% otherwise allocable to those Members shall be specially allocated among the other Members in the ratio that each share in Losses. If any Losses are allocated to a Member under this Subsection, then notwithstanding any other provision of this Agreement, all subsequent Profits shall be allocated to the Members pro rata based on Losses allocated to them pursuant to this Subsection until each Member has been allocated an amount of Profits pursuant to this Subsection in the current and previous Fiscal Years equal to the Losses allocated to that Member pursuant to this Subsection in previous Fiscal Years.

2.4. *Section 704(c) Allocations.*

2.4.1. *Contributed Property.* In accordance with Code Section 704(c) and the Regulations thereunder, as well as Regulation Section 1.704-1(b)(2)(iv)(d)(3), income, gain, loss, and deduction with respect to any property contributed (or deemed contributed) to the Company shall, solely for tax purposes, be allocated among the Members so as to take account of any variation between the adjusted basis of the property to the Company for federal income tax purposes and its fair market value at the date of contribution (or deemed contribution).

2.4.2. *Adjustments to Book Value.* If the Adjusted Book Value of any Company asset is adjusted as provided in clause (iv) of the definition of Capital Account, subsequent allocations of income, gain, loss, and deduction with respect to the asset shall, solely for tax purposes, take account of any variation between the adjusted basis of the asset for federal income tax purposes and its adjusted book value in the manner as provided under Code Section 704(c) and the Regulations thereunder.

2.5. *Regulatory Allocations*. The following allocations shall be made in the following order:

2.5.1. *Company Minimum Gain Chargeback.* Except as set forth in Regulation Section 1.704-2(f)(2), (3), (4), and (5), if during any Fiscal Year there is a net decrease in Company Minimum Gain, each Member, prior to any other allocation pursuant to this Section IV, shall be specially allocated items of gross income and gain for such taxable year (and, if necessary, succeeding taxable years) in an amount equal to that Member's share of the net decrease of Company Minimum Gain, computed in accordance with Regulation Section 1.704-2(g)(2). Allocations of gross income and gain pursuant to this Subsection shall be made first from gain recognized from the disposition of Company assets subject to Nonrecourse Liabilities to the extent of the Minimum Gain attributable to those assets and, thereafter, from a pro rata portion of the Company's other items of income and gain for the taxable year. It is the intent of the parties hereto that any allocation pursuant to this Subsection shall constitute a "minimum gain chargeback" under Regulation Section 1.704-2(f).

2.5.2. *Member Nonrecourse Debt Minimum Gain Chargeback.* Except as set forth in Regulation Section 1.704-2(i)(4), if during any Fiscal Year there is a net decrease in Member Nonrecourse Debt Minimum Gain, each Member with a share of that Member Nonrecourse Debt Minimum Gain (determined under Regulation Section 1.704-2(i)(5)) as of the beginning of the Fiscal Year shall be specially allocated items of income and gain for such Fiscal Year (and, if necessary, succeeding Fiscal Years) in an amount equal to that Member's share of the net decrease in Member Nonrecourse Debt Minimum Gain, computed in accordance with Regulation Section 1.704-2(i)(4). Allocations of gross income and gain pursuant to this Subsection shall be made first from gain recognized from the disposition of Company assets subject to Member Nonrecourse Debt to the extent of the Member Minimum Gain attributable to those assets and, thereafter, from a pro rata portion of the Company's other items of income and gain for the Fiscal Year. It is the intent of the parties hereto that any allocation pursuant to this Subsection shall constitute a "minimum gain chargeback" under Regulation Section 1.704-2(i)(4).

2.5.3. *Qualified Income Offset.* If a Member unexpectedly receives an adjustment, allocation, or distribution described in Regulation Section 1.704- 1(b)(2)(ii)(d)(4), (5), or (6), then to the extent required under Regulations Section 1.704- 1(b)(2)(d), such Member shall be allocated items of income and gain of the Company (consisting of a pro rata portion of each item of Company income, including gross income and gain for that Fiscal Year) before any other allocation is made of Company items for that Fiscal Year, in the amount and in proportions required to eliminate the Member's Adjusted Capital Account Deficit as quickly as possible. This Subsection is intended to comply with, and shall be interpreted consistently with, the "qualified income offset" provisions of the Regulations promulgated under Code Section 704(b).

2.5.4. *Nonrecourse Deductions.* Nonrecourse Deductions for a Fiscal Year or other period shall be allocated among the Members in proportion to their Percentage Interests.

2.5.5. *Member Nonrecourse Deductions.* Any Member Nonrecourse Deduction for any Fiscal Year or other period attributable to a Member Nonrecourse Liability shall be allocated to the Member who bears the risk of loss for the Member Nonrecourse Debt in accordance with Regulation Section 1.704-2(i).

2.5.6. *Regulatory Allocations.* The allocations contained in Section 2.5 are contained herein to comply with the Regulations under Section 704(b) of the Code. In allocating other items of Profit or Loss, the allocations contained in Section 2.5 shall be taken into account so that to the maximum extent possible the net amount of Profit or Loss allocated to each Member will be equal to the amount that would have been allocated to each Member if the allocations contained in Section 2.4 had not been made.

2.6. *Varying Interests; Allocations in Respect to Transferred Interests.* Profits, Losses, and other items shall be calculated on a monthly, daily, or other basis permitted under Code Section 706 and the Regulations. If any Interest is sold, assigned, or transferred in compliance with the provisions of this Agreement, profits, losses, each item thereof, and all other items attributable to such Interest for such period shall be divided and allocated between the transferor and the transferee by taking into account their varying interests during the period in accordance with Code Section 706(d), using any conventions permitted by law and selected by the Company.

2.7. *Tax Matters Partner.* The Manager shall be the Company's tax matters partner ("Tax Matters Partner") unless the Members designate a different Person to serve in this capacity. The Tax Matters Partner shall have all powers and responsibilities provided in Code Section 6221, et seq. The Tax Matters Partner shall keep all Members informed of all notices from government taxing authorities which may come to the attention of the Tax Matters Partner. The Company shall pay and be responsible for all reasonable third-party costs and expenses incurred by the Tax Matters Partner in performing those duties. The Company shall be responsible for any costs incurred by any Member with respect to a tax audit or tax-related administrative or judicial proceeding against the Member. The Tax Matters Partner shall not compromise any dispute with the Internal Revenue Service without the approval of the Member.

2.8. *Returns and Other Elections.* The Manager shall cause the preparation and timely filing of all tax returns required to be filed by the Company pursuant to the Code and all other tax returns deemed necessary and required in each jurisdiction in which the Company does business.

2.9. *Annual Accounting Period.* The annual accounting period of the Company shall be its Fiscal Year. The Company's Fiscal Year shall be selected by the Manager, subject to the requirements and limitations of the Code.

2.10. *Knowledge.* The Members acknowledges that they understand the economic and income tax consequences of the allocations and distributions under this Agreement and agree to be bound by the provisions of this **Exhibit B** in reporting their taxable income and loss from the Company.

2.11. *Amendment.* The Manager is hereby authorized, upon the advice of the Company's tax counsel, to amend this **Exhibit B** to comply with the Code and the Regulations promulgated under Code Section 704(b); provided, however, that no amendment shall materially affect the distributions without the Member's prior written consent.

EXHIBIT C

Formula For Determining an Appraiser to Determine the Purchase Price Of A Transferring Holder's Interest Pursuant To Section VI

When required pursuant to Section VI of this Agreement, the value of an Interest will be determined by a valuation professional accredited in business valuation by the AICPA or American Society of Appraisers ("Appraiser"). Such Appraiser shall be jointly selected by the Company and the Transferring Holder within fifteen (15) days after the Member's actual knowledge of the Transferring Holder's Transfer. The cost of the Appraiser shall be borne equally by the Company and the Transferring Holder. If a mutually satisfactory Appraiser cannot be selected, then the Company and the Transferring Holder each shall select and pay for its own Appraiser and the two Appraisers shall attempt to reconcile their valuations to arrive at a single valuation. If they are unable to do so, they shall jointly select a third Appraiser to value the Transferring Holder's Interest. The cost of the third Appraiser shall be borne equally by the Company and the Transferring Holder. The three Appraisers shall attempt to reconcile their valuations to arrive at a single valuation. If they are unable to do so, then the middle of the three appraisals shall be used as the valuation. The standard of value shall be fair market value.

If applicable, each party shall appoint its Appraiser within seven (7) days after the parties determine they cannot agree on a single Appraiser. The two Appraisers appointed shall select a third Appraiser within seven (7) days after they determine they cannot agree on a single valuation. The Appraisers shall be instructed to provide their valuations within thirty (30) days after their appointment.

AK Entity #: 10264701
Date Filed: 03/28/2024
State of Alaska, DCCED

FOR DIVISION USE ONLY

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

Domestic Limited Liability Company

Initial Biennial Report

Entity Name: Grateful Cultivation II, LLC

Entity Number: 10264701

Home Country: UNITED STATES

Home State/Prov.: ALASKA

Physical Address: 53252 BORGEN AVENUE, BUILDING C, KENAI, AK 99611

Mailing Address: 53252 BORGEN AVENUE, KENAI, AK 99611

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: Jana Weltzin

Physical Address: 901 PHOTO AVENUE, SECOND FLOOR, ANCHORAGE, AK 99503

Mailing Address: 901 PHOTO AVENUE, SECOND FLOOR, ANCHORAGE, AK 99503

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	Member
GB Holdings, LLC	53252 Borgen Avenue, Kenai, AK 99611	100	X

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

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: Jana Weltzin

OPERATING AGREEMENT
OF
Grateful Cultivation II, LLC
an Alaska limited liability company

THIS OPERATING AGREEMENT (this "Agreement") is entered into to be effective as of the 1st day of August, 2025 (the "Effective Date"), by and among each of the persons listed on **Exhibit A** and executing this Agreement, or a counterpart thereof, as Members of Grateful Cultivation II, LLC an Alaska limited liability company (the "Company").

Section I
Formation; Name and Office; Purpose

1.1. *Formation*. Pursuant to the Alaska Revised Limited Liability Company Act, A.S. Sections 10.50.010 through 10.50.995 (the "Act"), the parties have formed an Alaska limited liability company effective upon the filing of the Articles of Organization of this Company (the "Articles") with the State of Alaska Department of Commerce, Community, and Economic Development. The parties have executed this Agreement to serve as the "Operating Agreement" of the Company, as that term is defined in A.S. section 10.50.095, and, subject to any applicable restrictions set forth in the Act, the business and affairs of the Company, and the relationships of the parties to one another, shall be operated in accordance with and governed by the terms and conditions set forth in this Agreement. By executing this Agreement, the Members certify that those executing this Agreement constitute all of the Members of the Company at the time of its formation. The parties agree to execute all amendments of the Articles, and do all filing, publication, and other acts as may be appropriate from time to time hereafter to comply with the requirements of the Act.

1.2. *Name and Known Place of Business*. The Company shall be conducted under the name of Grateful Cultivation II, LLC and the known place of business of the Company shall be at 53252 Borgen Avenue, Kenai, Alaska 99611 or such other place as the Members may from time to time determine.

1.3. *Purpose*. The purpose and business of this Company is to operate a commercial marijuana establishment ("Company"), and any other lawful purpose as may be determined by the Members. The Company shall have the power to do any and all acts and things necessary, appropriate, or incidental in furtherance of such purpose as authorized by the Marijuana Control Board of Alaska (the "MCBA"), as promulgated under AS 17.38, *et seq.*, and 3 AAC 306.015, *et seq.*, as they may be amended, expanded, or modified from time to time (collectively, the "AK Marijuana Governance"), the terms and provisions of which are incorporated herein by reference. If any provision of this Agreement is or later becomes a violation of AK Marijuana Governance or if the federal government takes any position inconsistent with those positions regarding the enforcement of federal law on marijuana in Alaska then it shall, without any further action of the Members, be automatically amended to the minimum extent necessary to comply with such AK Marijuana Governance and any new federal government positions.

1.4. *Treatment as a Partnership*. It is the intent of the Members that the Company shall always be operated in a manner consistent with its treatment as a partnership for federal income tax purposes, but that the Company shall not be operated or treated as a partnership for purposes of the federal Bankruptcy Code. No Member shall take any action inconsistent with this intent.

Section II
Definitions

The following terms shall have the meanings set forth in this Section II:

"Act" means the Alaska Revised Limited Liability Company Act, A.S. Sections 10.50.010 through 10.50.995, as amended from time to time (or any corresponding provisions of succeeding law).

"Affiliate" means, with respect to any Interest Holder or Member, any Person: (i) who is a member of the Interest Holder's or Member's Family; (ii) which owns more than ten percent (10%) of the voting or economic interests in the Interest Holder or Member; (iii) in which the Interest Holder or Member owns more than ten percent (10%) of the voting or economic interests; or (iv) in which more than ten percent (10%) of the voting or economic interests are owned by a Person who has a relationship with the Interest Holder or Member described in clause (i), (ii), or (iii) above.

"Capital Contribution" means the total amount of cash and the fair market value of any other assets contributed (or deemed contributed under Regulation Section 1.704-1(b)(2)(iv)(d)) to the Company by an Interest Holder, net of liabilities secured by the contributed Property that the Company is considered to assume or take subject to under Section 752 of the Code.

"Cash Flow" means all cash funds derived from operations of the Company (including interest received on reserves), without reduction for any noncash charges, but less cash funds used to pay current operating expenses and to pay or establish reasonable reserves for future expenses, debt payments, capital improvements, and replacements as determined by the Members. Cash Flow shall be increased by the reduction of any reserve previously established.

"*Cause*" in context of a Member's expulsion for Cause under this Agreement, means, without limiting at common law the generality of such word, that such Member: (i) has been has been convicted of a disqualifying crime identified in AS 17.38.200(i) and/or 3AAC306.010(d); (ii) has committed an act of fraud or dishonesty with respect to the Company or the business operations thereof; (iii) has engaged in misconduct that seriously injures the Company's or its subsidiaries' good will and is injurious to the Company; (iv) has willfully and persistently committed a material breach of this Agreement; (v) has engaged conduct constituting larceny, fraud, or theft; (vi) has been guilty of wrongful conduct that adversely and materially affects the business or affairs of the Company; or (vii) in the case of any Member, or any Person holding a "direct or indirect financial interest," in such Member, such Person or Member becomes disqualified from participating in an Alaska recreational marijuana business in any capacity, or takes any action that is in violation of any Alaska statute or regulation that would result in the revocation or termination of the Company's License or Licenses on an ongoing basis, including without limitation, revocation, rejection, suspension, denial, or cancellation, as finally determined by the MCBA, or other Alaska court or administrative agency with proper jurisdiction and authority on the issue. Such determination of Cause must be made in good faith by the Manager and be approved by the Members by Major Decision Special Majority, excluding the vote and Interest of the Member being expelled for Cause.

"Event of Withdrawal" means those events and circumstances listed in Section 10.50.220 and 10.50.225 of the Act provided, however, that following an Event of Withdrawal described in Section 10.50.220 and 10.50.225(4) of the Act the Member shall remain a Member until it ceases to exist as a legal entity.

"Family" means a Person's spouse, lineal ancestor, or descendant by birth or adoption, sibling, and trust for the benefit of such Person or any of the foregoing.

"Fiscal Year" or "Annual Period" means the fiscal year of the Company, as determined under Section V.

"Interest" means a Person's share of the Profits and Losses (and specially allocated items of income, gain, and deduction) of, and the right to receive distributions from, the Company.

"Interest Holder" means any Person who holds an Interest, whether as a Member or as an unadmitted assignee of a Member.

"Involuntary Transfer" shall include, without limitation, any Transfer of a Member or Interest Holder's Interest pursuant to any order of any court relating to any petition for divorce, legal separation, marital dissolution, or annulment, or any guardianship, conservatorship, or other protective proceeding.

"Licenses" means collectively the marijuana establishment(s) operating under the trade name Grateful Extracts.

"Majority in Interest" means one or more Members who own, collectively, a simple majority of the Percentage Interests held by Members.

"Majority of the Members" means one or more of the Members, regardless of the Percentage Interest held by the Members.

"Member" means each Person signing this Agreement and any Person who subsequently is admitted as a member of the Company until such time as an Event of Withdrawal has occurred with respect to such Member.

"Membership Rights" means all of the rights of a Member in the Company, including a Member's: (i) Interest, (ii) right to inspect the Company's books and records, and (iii) right to participate in the management of and vote on matters coming before the Company.

"Percentage Interest" means, as to a Member, the percentage set forth after the Member's name on **Exhibit A**, as amended from time to time, and, as to an Interest Holder who is not a Member, the Percentage of the Member whose Interest has been acquired by such Interest Holder, to the extent the Interest Holder has succeeded to that Member's Interest.

"Person" means and includes an individual, corporation, partnership, association, limited liability company, trust, estate, or other entity.

"Property" means all real and personal property (including cash) acquired by the Company, and any improvements thereto.

"Transfer" means, when used as a noun, any voluntary or involuntary sale, hypothecation, pledge, assignment, attachment, or other transfer, and, when used as a verb, means voluntarily or involuntarily to sell, hypothecate, pledge, assign, or otherwise transfer.

Section III
Capital Contributions

3.1. *Capital Contributions.*

3.1.1. *Initial Capital Contributions.* Upon the execution of this Agreement, the Members have or shall make contributions to the capital of the Company as set forth in **Exhibit A** attached hereto and by this reference made a part hereof.

3.1.2. *Additional Capital Contributions.* No Member shall be required to contribute any additional capital to the Company, and no Member shall have any personal liability for any obligation of the Company.

3.2. *Withdrawal or Return of Capital Contributions.* Except as specifically provided in this Agreement, no Interest Holder shall have the right to withdraw or reduce the Capital Contributions he or she makes to the Company. Upon dissolution of the Company or liquidation of his or her interest in the Company, each Interest Holder shall look solely to the assets of the Company for return of his or her Capital Contributions and, if the Company's property remaining after the payment or discharge of the debts, obligations, and liabilities of the Company is insufficient to return the Capital contributions of each Interest Holder, no Interest Holder shall have any recourse against the Company, any Interest Holder, or Member except for gross negligence, malfeasance, bad faith, or fraud.

3.3. *Form of Return of Capital.* Under circumstances requiring a return of any Capital Contributions, no Interest Holder shall have the right to receive property other than cash except as may be specifically provided herein.

3.4. *Salary or Interest.* Except as otherwise expressly provided in Section V of this Agreement, no Interest Holder shall receive any interest, salary, or drawing with respect to his or her Capital Contributions or his or her Capital Account, or for services rendered on behalf of the Company.

3.5. *Member Loans.* If the Members determine that the Company requires additional capital to carry out the purposes of the Company, the Members shall have the right, but not the obligation, to make loans to the Company (a "Member Loan"). Such Member Loans shall be made by the Members willing to make such Member Loans *pro rata* based on their Percentage Interests unless the Members willing to make such Member Loans agree otherwise.

3.6. *Terms of Member Loans.* All Member Loans made pursuant to Section 3.5 shall bear interest at the prime rate of interest as reported by *the Wall Street Journal - Western Edition,* shall be unsecured, and shall be repaid in full out of available funds of the Company before any distribution may be made to any Member. If more than one Member has made a Member Loan, repayment shall be made to each Member in proportion to the amount of principal each has advanced.

Section IV
Distributions

4.1. *Distributions.* Except as otherwise provided in this Agreement, distributions shall be made to the Interest Holders at such times and in such amounts as determined by the Members. Distributions will be made to Interest Holders *pro rata*, in proportion to their Percentage Interests. Notwithstanding the other provisions of this Section, all Cash Flow for each Fiscal Year of the Company shall be distributed to the Interest Holders no later than seventy-five (75) days after the end of such Fiscal Year.

4.2. *General.*

4.2.1. *Form of Distribution.* In connection with any distribution, no Interest Holder shall have the right to receive Property other than cash except as may be specifically provided herein. If any assets of the Company are distributed in kind to the Interest Holders, those assets shall be valued on the basis of their fair market value, and any Interest Holder entitled to any interest in those assets shall receive that interest as a tenant-in-common with all other Interest Holders so entitled. Unless the Interest Holders otherwise agree, the fair market value of the assets shall be determined by an independent appraiser who shall be selected by the Members.

4.2.2. *Withholding.* All amounts required to be withheld pursuant to Code Section 1446 or any other provision of federal, state, or local tax law shall be treated as amounts actually distributed to the affected Interest Holders for all purposes under this Agreement.

4.2.3. *Varying Interests; Distributions in Respect to Transferred Interests.* If any Interest is sold, assigned, or transferred in compliance with the provisions of this Agreement, all distributions on or before the date of such transfer shall be made to the transferor, and all distributions thereafter shall be made to the transferee. Solely for purposes of making distributions, and allocating Profits, Losses, and other items of income, gain, loss, and deduction pursuant to **Exhibit B** hereof, the Company shall recognize the transfer not later than the end of the calendar month during which it is given notice of such, provided that if the Company does not receive a notice stating the date such Interest was transferred and such other information as it may reasonably require within thirty (30) days after the end of the Fiscal Year during which the transfer occurs, then all of such items shall be allocated, and all distributions shall be made, to the person who, according to the books and records of the Company, on the last day of the Fiscal Year during which the transfer occurs, was the owner of the Interest. Neither the Company nor any Interest Holder shall incur any liability for making allocations and distributions in accordance with the provisions of this Section, whether or not any Interest Holder or the Company has knowledge of any transfer of ownership of Interest.

Section V
Management

5.1. *Management.* Subject to the rights under the Act or the provisions of this Agreement to approve certain actions, the business and affairs of the Company shall be managed exclusively by its Members. The Members shall direct, manage, and control the business of the Company to the best of their ability and, subject only to those restrictions set forth in the Act or this Agreement, shall have full and complete authority, power, and discretion to make any and all decisions and to do any and all things which the Members deem appropriate to accomplish the business and objectives of the Company. Each Member agrees not to incur any liability on behalf of the other Members or otherwise enter into any transaction or do anything which will subject the other Members to any liability, except in all instances as contemplated hereby.

5.2. *Certain Management Powers of the Member.* Without limiting the generality of Section 5.1, the Members shall have power and authority on behalf of the Company:

5.2.1. In the ordinary course of business, to manage the day-to-day business operations of the Company in accordance with this Agreement, the rules and regulations promulgated by the MCBA, and the AK Marijuana Governance. The fact that a Member is directly or indirectly affiliated or connected with any such person shall not prohibit dealing with that Person;

5.2.2. Subject to approval by a Majority of the Members under Section 5.3.4, to use credit facilities and borrow money for the Company from lending institutions, the Interest Holders, or Affiliates of the Interest Holders, on such terms as approved by the Members, and in connection therewith, to hypothecate, encumber, and grant security interests in the assets of the Company to secure repayment of the borrowed sums. No debt or other obligation shall be contracted, or liability incurred by or on behalf of the Company by the Member;

5.2.3. To purchase liability and other insurance to protect the Members and the Company's property and business;

5.2.4. Subject to approval by a Majority of the Members, to hold and own any Company real and personal property in the name of the Company or others as provided in this Agreement;

5.2.5. Subject to approval by a Majority of the Members, to execute on behalf of the Company all instruments and documents, including, without limitation, checks, drafts, notes, and other negotiable instruments, mortgages, or deeds of trust, security agreements, financing statements, documents providing for the acquisition, mortgage, or disposition of the Company's property, assignments, bills of sale, leases, partnership agreements, and any other instruments or documents necessary, in the opinion of the Member, to accomplish the purposes of the Company;

5.2.6. To employ accountants, legal counsel, managing agents, or other experts to perform services for the Company and compensate them from Company funds;

5.2.7. Except for the agreements described in Section 5.3.6 below, to enter into any and all other agreements on behalf of the Company, with any other Person for any purpose, in such forms as the Member may approve;

5.2.8. To vote any shares or interests in other entities in which Company holds an interest;

5.2.9. To do and perform all other acts as may be necessary or appropriate to accomplish the purposes of the Company; and

5.2.10. To take such other actions as do not expressly require the consent of any non-managing Members under this Agreement.

A Member may act by a duly authorized attorney-in-fact. Unless authorized to do so by this Agreement, no Member, agent, or employee of the Company shall have any power or authority to bind the Company in any way, to pledge its credit, or to render it liable for any purpose.

5.3. *Actions Requiring Approval of the Members.* In addition to those actions for which this Agreement specifically requires the consent of the Members, the following actions require approval by a Majority of the Members:

5.3.1. Amend this Agreement or the Articles, except that any amendments required under the Act to correct an inaccuracy in the Articles may be filed at any time;

5.3.2. Authorize the Company to make an assignment for the benefit of creditors of the Company, file a voluntary petition in bankruptcy, or consent to the appointment of a receiver for the Company or its assets; or

5.3.3. Approve a plan of merger or consolidation of the Company with or into one or more business entities;

5.3.4. Borrow money for the Company from banks, other lending institutions, the Interest Holders, Members, or Affiliates of the Interest Holders or to hypothecate, encumber, or grant security interests in the assets of the Company;

5.3.5. Sell or otherwise dispose of all or substantially all of the assets of the Company in a single transaction or a series of related transactions; or

5.3.6. Enter into any contract or agreement between the Company and any Member, Interest Holder, or Affiliate of a Member or Interest Holder without the consent of a Majority of the Members.

5.4. *Member Has No Exclusive Duty to Company.* The Members shall not be required to manage the Company as the Members' sole and exclusive function and the Members may engage in other business and investment activities in addition to those relating to the Company. Neither the Company nor any Interest Holder shall have any right, solely by virtue of this Agreement or its relationship to a Member or the Company, to share or participate in any such other investments or activities of the Members or to the income or proceeds derived therefrom. Members shall not have any obligation to disclose any such other investments or activities to the Interest Holders unless it actually or potentially adversely affects the business or property of the Company.

5.5. *Compensation and Expenses.* The Company may enter into management or employment contracts, under such terms and conditions and providing for such compensation as shall be approved by the Members as provided herein, with one or more Member or Interest Holders or Persons Affiliated with the Member or Interest Holders.

5.6. *Books and Records.* At the expense of the Company, the Members shall keep or cause to be kept complete and accurate books and records of the Company and supporting documentation of transactions with respect to the conduct of the Company's business. The books and records shall be maintained in accordance with sound accounting practices and kept at the Company's known place of business and such other location or locations as the Members shall from time to time determine. At a minimum the Company shall keep at its known place of business the following records:

5.6.1. A current list of the full name and last known business, residence, or mailing address of each Member;

5.6.2. A copy of the initial Articles and all amendments thereto and restatements thereof;

5.6.3. Copies of the Company's federal, state, and local income tax returns and reports, if *any*, for the three most recent fiscal years;

5.6.4. Copies of this Agreement and all amendments hereto or restatements hereof, including any prior operating agreements no longer in effect;

5.6.5. Copies of any documents relating to a Member's obligation to contribute cash, property, or services to the Company;

5.6.6. Copies of any financial statements of the Company for the three (3) most recent fiscal years; and

5.6.7. Copies of minutes of all meetings of the Members and all written consents obtained from Members for actions taken by Members without a meeting.

5.7. *Financial Accounting / Member Access to Books and Records*. The Members shall prepare and make available a financial accounting of the Company no less than once every sixty (60) days. Within three (3) calendar days following written notice, which may be submitted in writing, via facsimile or electronic mail, each Member shall have the right, during normal business hours, to inspect and copy, at the Member's expense, the Company's books and records.

5.8. *Reports*. Within seventy-five (75) days after the end of each Fiscal Year of the Company, the Members shall cause to be sent to each Person who was a Member at any time during the Fiscal Year a complete accounting of the affairs of the Company for the Fiscal Year then ended. In addition, within seventy-five (75) days after the end of each Fiscal Year of the Company, the Members shall cause to be sent to each Person who was an Interest Holder at any time during the Fiscal Year, the tax information concerning the Company which is necessary for preparing the Interest Holder's income tax returns for that year. At the request of any Member, and at the Member's expense, the Members shall cause an audit of the Company's books and records to be prepared by independent accountants for the period requested by the Member.

5.9. *Title to Company Property*.

5.9.1. Except as provided in Section 5.9.2, all real and personal property acquired by the Company shall be acquired and held by the Company in its name.

5.9.2. Ten (10) days after giving notice, the Members may direct that legal title to all, or any portion of the Company's property be acquired or held in a name other than the Company's name. Without limiting the foregoing, the Members may cause title to be acquired and held any one Member's name or in the names of trustees, nominees, or straw parties for the Company. It is expressly understood and agreed that the manner of holding title to the Company's property (or any part thereof) is solely for the convenience of the Company and all of that property shall be treated as Company property. The notice to be given to the Members under this section shall identify the asset or assets to be titled outside of the Company name, the Person in whom legal title is intended to vest, and the reason for the proposed transaction. If any Member provides written notice of an objection to the transaction before the expiration of the ten (10) day period, the transaction shall not be consummated except upon approval of a Majority of the Members.

Section VI
Members

6.1. *Meetings*. Unless otherwise prescribed by the Act, meetings of the Members may be called, for any purpose or purposes, by a Majority of the Members.

6.2. *Place of Meetings*. Whoever calls the meeting may designate any place, either within or outside the State of Alaska, as the place of meeting for any meeting of the Members.

6.3. *Notice of Meetings*. Except as provided in this Agreement, written notice stating the date, time, and place of the meeting, and the purpose or purposes for which the meeting is called, shall be delivered not less than three (3) nor more than fifty (50) days before the date of the meeting, either personally or by mail, electronic mail, facsimile, or overnight or next-day delivery services by or at the direction of the person or persons calling the meeting, to each Member entitled to vote at such meeting. If mailed, such notice shall be deemed to be delivered two (2) days after being deposited in the United States mail, postage prepaid, addressed to the Member at his or her address as it appears on the books of the Company. If transmitted by way of electronic mail or facsimile, such notice shall be deemed to be delivered on the date of such electronic mail or facsimile transmission to the electronic mail address or fax number, if any, for the respective Member which has been supplied by such Member to the Company and identified as such Member's electronic mail address or facsimile number. If transmitted by overnight or next-day delivery, such notice shall be deemed to be delivered on the next business day after deposit with the delivery service addressed to the Member at his or her address as it appears on the books of the Company. When a meeting is adjourned to another time or place, notice need not be given of the adjourned meeting if the time and place thereof are announced at the meeting at which the adjournment is taken, unless the adjournment is for more than thirty (30) days. At the adjourned meeting the Company may transact any business which might have been transacted at the original meeting.

6.4. *Meeting of All Members*. If all of the Members shall meet at any time and place, including by conference telephone call, either within or outside of the State of Alaska, and consent to the holding of a meeting at such time and place, such meeting shall be valid without call or notice.

6.5. *Record Date*. For the purpose of determining Members entitled to notice of or to vote at any meeting of Members or any adjournment thereof, the date on which notice of the meeting is mailed shall be the record date for such determination of Members. When a determination of Members entitled to vote at any meeting of Members has been made as provided in this Section, such determination shall apply to any adjournment thereof, unless notice of the adjourned meeting is required to be given pursuant to Section 6.3.

6.6. *Quorum*. A Majority of the Members, represented in person or by proxy, shall constitute a quorum at any meeting of Members. Business may be conducted once a quorum is present.

6.7. *Voting Rights of Members.* Each Member shall be entitled to one (1) vote on all matters stipulated herein. If all of an Interest is transferred to an assignee who does not become a Member, the Member from whom the Interest is transferred shall no longer be entitled to vote. No withdrawn Member shall be entitled to vote nor shall such Member's Interest be considered outstanding for any purpose pertaining to meetings or voting.

6.8. *Manner of Acting.* Unless otherwise provided in the Act, the Articles, or this Agreement, the affirmative vote of a Majority of the Members at a meeting at which a quorum is present shall be the act of the Members.

6.9. *Proxies.* At all meetings of Members, a Member may vote in person or by proxy executed in writing by the Member or by a duly authorized attorney-in-fact. Such proxy shall be filed with the Company before or at the time of its exercise. No proxy shall be valid after eleven (11) months from the date of its execution, unless otherwise provided in the proxy.

6.10. *Action by Members without a Meeting.* Any action required or permitted to be taken at a meeting of Members may be taken without a meeting if the action is evidenced by one or more written consents describing the action taken, circulated to all the Members with an explanation of the background and reasons for the proposed action, signed by that percentage or number of the Members required to take or approve the action. Any such written consent shall be delivered to the Members of the Company for inclusion in the minutes or for filing with the Company records. Action taken by written consent under this Section shall be effective on the date the required percentage or number of the Members have signed and delivered the consent to all Members, unless the consent specifies a different effective date. The record date for determining Members entitled to take action without a meeting shall be the date the written consent is circulated to the Members.

6.11. *Telephonic Communication.* Members may participate in and hold a meeting by means of conference telephone or similar communications equipment by means of which all persons participating in the meeting can hear each other, and participation in such meeting shall constitute attendance and presence in person, except where the Member participates in the meeting for the express purpose of objecting to the transaction of any business on the ground the meeting is not lawfully called or convened.

6.12. *Waiver of Notice.* When any notice is required to be given to any Member, a waiver thereof in writing signed by the Person entitled to such notice, whether before, at, or after the time stated therein, shall be equivalent to the giving of such notice.

Section VII
Transfers and Withdrawals

7.1. *Transfers.* Except as otherwise provided in this Section VII no Member may Transfer all, or any portion of, or any interest or rights in, the Membership Rights owned by the Member, and no Interest Holder may Transfer all, or any portion of, or any interest or rights in, any Interest without the prior written consent of the other Members, which consent may be withheld in the Members' sole and absolute discretion. Any sale or foreclosure of a security interest will itself constitute a Transfer independent of the grant of security. In addition, such Transfer must receive the express written approval of the MCBA, or other Alaska court or administrative agency with proper jurisdiction and authority on the issue, after filing any and all necessary forms for such transfer in compliance with AK Marijuana Governance. Each Member hereby acknowledges the reasonableness of this prohibition in view of the purposes of the Company and the relationship of the Members. The Transfer of any Membership Rights or Interests in violation of the prohibition contained in this Section shall be deemed invalid, null, and void, and of no force or effect. Any Person to whom Membership Rights or an Interest are attempted to be transferred in violation of this Section shall not be entitled to vote on matters coming before the Members, participate in the management of the Company, act as an agent of the Company, receive allocations or distributions from the Company, or have any other rights in or with respect to the Membership Rights or Interest.

7.2. *Withdrawal.* Except as otherwise provided in this Agreement, no Member shall have the right to withdraw from the Company. Any such withdrawal shall constitute a material breach of this Agreement and the Company shall have the right to recover damages from the withdrawn member and to offset the damages against any amounts otherwise distributable to such Member under this Agreement.

7.3. *Option on Death, Bankruptcy or Involuntary Transfer.* On the death, bankruptcy, or similar event (whether voluntary or involuntary) of a Member or Interest Holder, and upon any Involuntary Transfer, the Member or Interest Holder (or such Person's estate) shall offer, or shall automatically be deemed to have offered, to sell the Member's or Interest Holder's Interest to the Company or its nominee. Upon the approval of a Majority of the Members other than the offering Member, the Company or its nominee shall have the right and option, within seventy-five (75) days after the Members' actual knowledge of the death, bankruptcy, or similar event, to acquire the Interest, for the purchase price and on the terms set forth in **Exhibit C** attached hereto and made a part hereof. If the Interest is not purchased by the Company or its nominee, the Interest shall be transferred to the assignee of the Interest but shall remain fully subject to and bound by the terms of this Agreement.

7.4. *No Transfer of Membership Rights.* The Transfer of an Interest shall not result in the Transfer of any of the Transferring Member's other Membership Rights, if any, and unless the transferee is admitted as a Member pursuant to Section VII of this Agreement, the transferee shall only be entitled to receive, to the extent transferred, the share of distributions, including distributions representing the return of contributions, and the allocation of Profits and Losses (and other items of income, gain, or deduction), to which the Transferring Member would have otherwise been entitled with respect to the Transferring Member's Interest. The transferee shall have no right to participate in the management of the business and affairs of the Company or to become or to exercise any rights of a Member.

7.5. *Substitute Members.* Notwithstanding any provision of this Agreement to the contrary, an assignee of a Member may only be admitted as a substitute Member upon the written consent of a Majority of the non-transferring Members, which consent may be withheld in the Members' sole and absolute discretion.

7.6. *Additional Members.* The Company shall not issue additional Interests after the date of formation of the Company without the written consent or approval of a Majority of the Members, which consent may be withheld in the Members' sole and absolute discretion.

7.7. *Expenses.* Expenses of the Company or of any Interest Holder occasioned by transfers of Interests shall be reimbursed to the Company or Interest Holder, as the case may be, by the transferee.

7.8. *Distributions on Withdrawal.* Upon the occurrence of an Event of Withdrawal with respect to a Member, the withdrawn Member shall not be entitled to receive a withdrawal distribution but the withdrawn Member (or the withdrawn Member's personal representatives, successors, and assigns) shall be entitled to receive the share of distributions, including distributions representing a return of Capital

Contributions, and the allocation of Profits and Losses, to which the withdrawn Member otherwise would have been entitled if the Event of Withdrawal had not occurred, during the continuation of the business of the Company and during and on completion of winding up. If the Event of Withdrawal violated this Agreement, the distributions paid to the withdrawn Member shall be offset by any damages suffered by the Company or its Members as a result of the Event of Withdrawal.

Section VIII
Dissolution and Termination

8.1. *Dissolution.*

8.1.1. *Events of Dissolution.* The Company will be dissolved upon the occurrence of any of the following events:

8.1.1.1. Upon the written consent of a Majority of the Members;

8.1.1.2. Upon the entry of a decree of dissolution under Section 10.50.405 of the Act or an administrative dissolution under Section 10.50.408 of the Act;

8.1.1.3. Upon the sale or other disposition of all or substantially all of the Company's assets and receipt by the Company of the proceeds therefrom; or

8.1.1.4. Upon the occurrence of an Event of Withdrawal of the last remaining Member unless within ninety (90) days all assignees of Interests in the Company consent in writing to admit at least one member to continue the business of the company.

8.2. *Continuation.* An Event of Withdrawal with respect to a Member shall not cause dissolution, and the Company shall automatically continue following such an Event of Withdrawal.

8.3. *Distributions and Other Matters.* The Company shall not terminate until its affairs have been wound up and its assets distributed as provided herein. Promptly upon the dissolution of the Company, the Members shall cause to be executed and filed a Notice of Winding Up with the Alaska Department of Commerce, Community, and Economic Development, and will liquidate the assets of the Company and apply and distribute the proceeds of such liquidation, or distribute the Company's assets in kind, as follows and in the following order:

8.3.1. *Ordinary Debts.* To payment of the debts and liabilities of the Company, including debts owed to Interest Holders, in the order of priority provided by law; provided that the Company shall first pay, to the extent permitted by law, liabilities with respect to which any Interest Holder is or may be personally liable;

8.3.2. *Reserves and Distributions.* To the setting up of such reserves as the Members may deem reasonably necessary for any contingent or unforeseen liabilities or obligations of the Company arising out of or in connection with the Company business;

8.3.3. *Remainder.* The balance of the proceeds shall be distributed to the Interest Holders in accordance with the positive balance in their Capital Accounts, determined as though all of the Company assets were sold for cash at their fair market value as of the date of distribution. Any such distributions shall be made in accordance with the timing requirements of Treasury Regulation Section 1.704-1(b)(2)(ii)(b)(2).

8.4. *Deficit Capital Accounts.* Notwithstanding anything to the contrary in this Agreement, if any Interest Holder's Capital Account has a deficit balance (taking into account all contributions, distributions, and allocations for the year in which a liquidation occurs), the Interest Holder shall not be obligated to make any contribution to the capital of the Company and the negative balance of such Interest Holder's Capital Account shall not be considered a debt owed by the Interest Holder to the Company or to any other person for any purpose whatsoever.

8.5. *Rights of Interest Holders—Distributions of Property.* Except as otherwise provided in this Agreement, each Interest Holder shall look solely to the assets of the Company for the return of his or her Capital Contribution and shall have no right or power to demand or receive property other than cash from the Company. No Interest Holder shall have priority over any other Interest Holder for the return of his or her Capital Contributions, distributions, or allocations.

8.6. *Articles of Termination.* When all the assets of the Company have been distributed as provided herein, the Members shall cause to be executed and filed Articles of Termination as required by the Act.

Section IX
Other Interests of an Interest Holder

Any Interest Holder may engage in or possess interests in other business ventures of every nature and description, independently or with others. Neither the Company nor any Interest Holder shall have any right to any independent ventures of any other Interest Holder or to the income or profits derived therefrom. The fact that an Interest Holder, a member of his or her Family, or an Affiliate is employed by, or owns, or is otherwise directly or indirectly interested in or connected with, any person, firm, or corporation employed or retained by the Company to render or perform services, including without limitation, management, contracting, mortgage placement, financing, brokerage, or other services, or from whom the Company may buy property or merchandise, borrow money, arrange financing, or place securities, or may lease real property to or from the Company, shall not prohibit the Company from entering into contracts with or employing that person, firm, or corporation or otherwise dealing with him or it, and neither the Company nor any of the Interest Holders as such shall have any rights in or to any income or Profits derived therefrom.

Section X
Indemnity

10.1. *Indemnity Rights.* The Company shall indemnify each Interest Holder who was or is a party or is threatened to be made a party to any threatened, pending, or completed action, suit, or proceeding, whether civil, criminal, administrative, or investigative, by reason of his or her actions as an Interest Holder or by reason of his or her acts while serving at the request of the Company as a director, officer, employee, or agent of another corporation, partnership, joint venture, trust, or other enterprise, against expenses, including attorneys' fees, and against judgments, fines, and amounts paid in settlement actually and reasonably incurred by him or her in connection with such action, suit, or proceeding, provided that the acts of such Interest Holder were not committed with gross negligence or willful misconduct, and, with respect to any criminal action or proceeding, such Interest Holder had no reasonable cause to believe his or her conduct was unlawful. The termination of any action, suit, or proceeding by judgment, order, settlement, or conviction, or upon a plea of no contest or its equivalent, shall not, in and of itself, create a presumption that the Interest Holder acted with gross negligence or willful misconduct, or with respect to any criminal action or proceeding, had reasonable cause to believe that his or her conduct was unlawful.

10.2. *Notice and Defense.* Any Interest Holder who is or may be entitled to indemnification shall give timely written notice to the Company, the Interest Holders that a claim has been or is about to be made against him or her, shall permit the Company to defend him or her through legal counsel of its own choosing, and shall cooperate with the Company in defending against the claim. The Interest Holder shall have the sole power and authority to determine the terms and conditions of any settlement of the claim.

10.3. *Other Sources.* The indemnification provided for herein shall apply only in the event, and to the extent that, the person is not entitled to indemnification, or other payment, from any other source (including insurance), and the Company's indemnity obligations hereunder shall be in excess of any indemnification or other payment provided by such other source.

10.4. *Survival.* The indemnification provided for herein shall continue as to a person who has ceased to be an Interest Holder and shall inure to the benefit of the heirs, executors, and administrators of such person.

Section XI
Miscellaneous

11.1. *Notices.* Any notice, demand, offer, or other communication which any person is required or may desire to give to any other person shall be delivered in person or by United States mail, electronic mail, facsimile, or overnight or next-day delivery service. If mailed, such notice shall be deemed to be delivered two (2) days after being deposited in the United States mail, postage prepaid, addressed to the person at his or her address as it appears on the books of the Company. If transmitted by way of electronic mail or facsimile, such notice shall be deemed to be delivered on the date of such electronic mail or facsimile transmission to the electronic mail address or facsimile number, if any, for the person which has been supplied by such person and identified as such person's electronic mail address or facsimile number. If transmitted by overnight or next-day delivery, such notice shall be deemed to be delivered on the next business day after deposit with the delivery service addressed to the person at his or her address as it appears on the books of the Company.

11.2. *Bank Accounts.* All funds of the Company shall be deposited in a bank account or accounts opened in the Company's name. The Members shall determine the institution or institutions at which the accounts will be opened and maintained, the types of accounts, and the Persons who will have authority with respect to the accounts and the funds therein.

11.3. *Partial Invalidity.* The invalidity of any portion of this Agreement will not affect the validity of the remainder hereof.

11.4. *Governing Law; Parties in Interest.* This Agreement will be governed by and construed according to the laws of the State of Alaska without regard to conflicts of law principles and will bind and inure to the benefit of the heirs, successors, assigns, and personal representatives of the parties.

11.5. *Execution in Counterparts.* This Agreement may be executed in counterparts, all of which taken together shall be deemed one original.

11.6. *Titles and Captions.* All article, section, or paragraph titles or captions contained in this Agreement are for convenience only and are not deemed part of the context thereof.

11.7. *Pronouns and Plurals.* All pronouns and any variations thereof are deemed to refer to the masculine, feminine, neuter, singular, or plural as the identity of the person or persons may require.

11.8. *Waiver of Action for Partition.* Each of the Interest Holders irrevocably waive any right that he or she may have to maintain any action for partition with respect to any of the Company Property.

11.9. *Entire Agreement.* This Agreement contains the entire understanding between the parties and supersedes any prior understandings and agreements between or among them with respect to the subject matter hereof.

11.10. *Estoppel Certificate.* Each Member shall, within ten (10) days after written request by any Member or the Members, deliver to the requesting Person a certificate stating, to the Member's knowledge, that: (a) this Agreement is in full force and effect; (b) this Agreement has not been modified except by any instrument or instruments identified in the certificate; and (c) there is no default hereunder by the requesting Person, or if there is a default, the nature and extent thereof.

Section XII
Arbitration

If the parties are unable to resolve any dispute arising out of this Agreement either during or after its term informally, including the question as to whether any particular matter is arbitrable, the parties agree to submit the matter to binding arbitration. In the event the parties have not agreed upon an arbitrator within twenty (20) days after either party has demanded arbitration, either party may file a demand for arbitration with an Alaska regional office of the American Arbitration Association ("AAA") and a single arbitrator shall be appointed in accordance with the then existing Commercial Arbitration Rules of the AAA. At all times during arbitration, the arbitrator shall consider that the purpose of arbitration is to provide for the efficient and inexpensive resolution of disputes, and the arbitrator shall limit discovery whenever appropriate to ensure that this purpose is pre-served. The dispute between the parties shall be submitted for determination within sixty (60) days after the arbitrator has been selected. The decision of the arbitrator shall be rendered within thirty (30) days after the conclusion of the arbitration hearing. The decision of the arbitrator shall be in writing and shall specify the factual and legal basis for the decision. Upon stipulation of the parties, or upon a showing of good cause by either party, the arbitrator may lengthen or shorten the time periods set forth herein for conducting the hearing or for rendering a decision. The decision of the arbitrator shall be final and binding upon the parties. Judgment to enforce the decision of the arbitrator, whether for legal or equitable relief, may be entered in any court having jurisdiction thereof, and the parties hereto expressly and irrevocably consent to the jurisdiction of the Alaska Courts for such purpose. The arbitrator shall conduct all proceedings pursuant to the then existing Commercial Arbitration Rules of the AAA, to the extent such rules are not inconsistent with the provisions of this Article III. The AAA Uniform Rules of Procedure shall not apply to any arbitration proceeding relating to the subject matter or terms of the documents. In the event a dispute is submitted to arbitration pursuant to this Section, the prevailing party shall be entitled to the payment of its reasonable attorneys' fees and costs, as determined by the arbitrator. Each of the parties shall keep all disputes and arbitration proceedings strictly confidential, except for disclosures of information required by applicable law or regulation.

Section XIII
Representation

The parties all acknowledge that; (i) JDW, LLC ("Firm" and/or "Counsel") has not represented Grateful Cultivation II, LLC in connection with the drafting of this Operating Agreement; (ii) that the signatory has been advised to seek independent counsel in connection with such matters; and (iii) that the firm does represent Member Richard Huffman's affiliate company Grateful Bud, LLC. In the event the Company desires to engage the Firm to represent the Company and its subsidiaries in the near future, all members agree and have been advised of the following:

The Firm representation of the Company, its subsidiaries, and Richard Huffman (a Member) in their respective individual capacities creates conflicts of interests;

The Members hereby are advised by the Firm that conflicts may exist among the Company, the subsidiaries, and/or Members' and/or Managers individual interests;

The Members hereby are advised by Counsel to seek the advice of independent counsel;

The Members are afforded and encouraged to seek the advice of independent counsel;

The Members have received no representations from Counsel or Firm about this Agreement, including without limitation, the tax consequences of this Agreement;

The Members are hereby advised by Counsel that this Agreement may have tax consequences;

The Members hereby are advised by Counsel to seek the advice of independent tax counsel; and

The Members have had the opportunity to seek the advice of independent tax counsel.

The Members hereby agree and understand that if the Company and its subsidiaries engage the Firm as counsel, then the Members will need to consent to the Firm's joint representation of the Company, its subsidiaries, and Richard Huffman (a Member) and are greatly encouraged to seek independent legal counsel prior to waiving said conflicts, consistent with Alaska's RPC 1.13(g), RPC 1.6 and RPC 1.7.

IN WITNESS WHEREOF, the Members have executed this Operating Agreement, effective as of the date first set forth above.

Richard Huffman

BY: Richard Huffman – Managing Member of GB Holdings, LLC
Its: Member

EXHIBIT A

Members, Capital Contributions, and Interest

Member	Initial Capital Contribution	Current Capital Account	Percentage Interest
Richard Huffman	$TBD	$TBD	100.00%
TOTAL			**100.00%**

AMCO Received: 09/04/2025

EXHIBIT B

Tax Matters

1. *Definitions*. The capitalized words and phrases used in this **Exhibit B** shall have the following meanings:

1.1. *"Adjusted Book Value"* means with respect to Company Property, the Property's Initial Book Value with the adjustments required under this Agreement.

1.2. *"Adjusted Capital Account Deficit"* means, with respect to any Interest Holder, the deficit balance, if any, in the Interest Holder's Capital Account as of the end of the relevant Fiscal Year, after giving effect to the following adjustments:

1.2.1. the Capital Account shall be increased by the amounts which the Interest Holder is obligated to restore under this Agreement or is deemed obligated to restore pursuant to Regulation Sections 1.704-2(g)(1) and (i)(5) (i.e., the Interest Holder's share of Minimum Gain and Member Minimum Gain); and

1.2.2. the Capital Account shall be decreased by the items described in Regulation Sections 1.704-1(b)(2)(ii)(d)(4), (5) and (6).

This definition of Adjusted Capital Account Deficit is intended to comply with Section 1.704-1(b)(2)(ii)(d) of the Treasury Regulations and shall be interpreted and applied in a manner consistent with that Regulation.

1.3. "Capital Account" means the account maintained by the Company for each Interest Holder in accordance with the following provisions:

1.3.1. An Interest Holder's Capital Account shall be credited with the amount of money contributed by the Interest Holder to the Company; the fair market value of the Property contributed by the Interest Holder to the Company (net of liabilities secured by such contributed Property that the Company is considered to assume or take subject to under Section 752 of the Code); the Interest Holder's allocable share of Profit and items of income and gain; and the amount of Company liabilities that are assumed by the Interest Holder under Regulation Section 1.704-1(b)(2)(iv)(c);

1.3.2. An Interest Holder's Capital Account shall be debited with the amount of money distributed to the Interest Holder; the fair market value of any Company property distributed to the Interest Holder (net of liabilities secured by such distributed Property that the Interest Holder is considered to assume or take subject to under Section 752 of the Code); the Interest Holder's allocable share of Loss and items of deduction; and the amount of the Interest Holder's liabilities that are assumed by the Company under Regulation Section 1.704-1(b)(2)(iv)(c);

1.3.3. If Company Property is distributed to an Interest Holder, the Capital Accounts of all Interest Holders shall be adjusted as if the distributed Property had been sold in a taxable disposition for the gross fair market value of such Property on the date of distribution (taking into account Section 7701 of the Code) and the Profit or Loss from such disposition allocated to the Interest Holders as provided in this **Exhibit B**.

1.3.4. If money or other Property (other than a *de minimis* amount) is (a) contributed to the Company by a new or existing Interest Holder in exchange for an interest in the Company; or (b) distributed by the Company to a retiring or continuing Interest Holder as consideration for an interest in the Company; then, if the Members deem such an adjustment to be necessary to reflect the economic interests of the Interest Holders, the Book Value of the Company's Property shall be adjusted to equal its gross fair market value on such date (taking into account Section 7701(g) of the Code) and the Capital Accounts of all Interest Holders shall be adjusted in the same manner as if all the Company Property had been sold in a taxable disposition for such amount on such date and the Profit or Loss allocated to the Interest Holders as provided in this **Exhibit B**.

1.3.5. To the extent an adjustment to the tax basis of any Company asset pursuant to Code Section 734(b) or Code Section 743(b) is required, pursuant to Regulation Section 1.704-1(b)(2)(iv)(m), to be taken into account in determining Capital Accounts, the Book Value of the Company's Property and the Capital Account of the Interest Holders shall be adjusted in a manner consistent with the manner in which the Capital Accounts are required to be adjusted pursuant to that Section of the Regulations.

1.3.6. If any Interest is transferred pursuant to the terms of this Agreement, the transferee shall succeed to the Capital Account of the transferor to the extent the Capital Account is attributable to the transferred Interest. It is intended that the Capital Accounts of all Interest Holders shall be maintained in compliance with the provisions of Regulation Section 1.704-1(b), and all provisions of this Agreement relating to the maintenance of Capital Accounts or the Adjusted Book Value of Company Property shall be interpreted and applied in a manner consistent with that Section of the Regulations.

1.4. *"Code"* means the Internal Revenue Code of 1986, as amended, or any corresponding provision of any succeeding law.

1.5. *"Company Minimum Gain"* has the meaning set forth in Regulation Section 1.704-2(b)(2) for "partnership minimum gain."

1.6. *"Initial Book Value"* means, with respect to Property contributed to the Company by an Interest Holder, the Property's fair market value at the time of contribution and, with respect to all other Property, the Property's adjusted basis for federal income tax purposes at the time of acquisition.

1.7. *"Member Nonrecourse Debt"* has the meaning set forth in Section 1.704-2(b)(4) of the Treasury Regulations for "partner nonrecourse debt."

1.8. *"Member Nonrecourse Debt Minimum Gain"* has the meaning set forth in Regulation Section 1.704-2(i) for "partner nonrecourse debt minimum gain."

1.9. *"Member Nonrecourse Deductions"* has the meaning set forth in Regulation Section 1.704-2(i) for "partner nonrecourse deductions."

1.10. *"Nonrecourse Deductions"* has the meaning set forth in Regulation Section 1.704-2(b)(1). The amount of Nonrecourse Deductions shall be determined according to the provisions of Regulation Section 1.704-2(c).

1.11. *"Nonrecourse Liability"* has the meaning set forth in Regulation Section 1.704-2(b)(3).

1.12. *"Profit" and "Loss"* means, for each Fiscal Year of the Company (or other period for which Profit or Loss must be computed), the Company's taxable income or loss determined in accordance with Code Section 703(a), with the following adjustments:

1.12.1. All items of income, gain, loss, deduction, or credit required to be stated separately pursuant to Code Section 703(a)(1) shall be included in computing taxable income or loss;

1.12.2. Any tax-exempt income of the Company, not otherwise taken into account in computing Profit or Loss, shall be included in computing Profit or Loss;

1.12.3. Any expenditures of the Company described in Code Section 705(a)(2)(B) (or treated as such pursuant to Regulation Section 1.704-1(b)(2)(iv)(i)) and not otherwise taken into account in computing Profit or Loss, shall be included in computing Profit or Loss;

1.12.4. If the Adjusted Book Value of Company Property differs from its adjusted basis for federal income tax purposes, then gain or loss resulting from any taxable disposition of Company property shall be computed by reference to the Adjusted Book Value of the Property disposed of rather than the adjusted basis of the property for federal income tax purposes;

1.12.5. If the Adjusted Book Value of Company Property differs from its adjusted basis for federal income tax purposes, then in lieu of the depreciation, amortization, or cost recovery deductions allowable in computing taxable income or loss, the depreciation, amortization (or other cost recovery deduction) shall be an amount that bears the same ratio to the Adjusted Book Value of such Property as depreciation, amortization (or other cost recovery deduction) computed for federal income tax purposes for such period bears to the adjusted tax basis of such Property. If the Property has a zero adjusted tax basis, the depreciation, amortization (or other cost recovery deduction) of such Property shall be determined under any reasonable method selected by the Company; and

1.12.6. Any items that are specially allocated pursuant to Sections 2.3 and 2.4 hereof shall not be taken into account in computing Profit or Loss.

1.13. "Treasury Regulations" or "Regulations" means the income tax regulations, including any temporary regulations, promulgated under the Code as such regulations may be amended from time to time (including corresponding provisions of succeeding regulations).

2. *Allocations*. After making any special allocations contained in Section 2.5, remaining Profits and Losses shall be allocated for any Fiscal Year in the following manner:

2.1. *Profits*.

2.1.1. First, Profits shall be allocated among the Interest Holders in proportion to the cumulative Losses previously allocated to the Interest Holder under Section 2.2.3 until the cumulative Profits allocated to each Interest Holder under this subparagraph equal the cumulative Losses previously allocated to each Interest Holder under Section 2.2.3;

2.1.2. Second, Profits shall be allocated proportionately among the Interest Holders until the cumulative Profits allocated to each Interest Holder under this subparagraph equal the cumulative Priority Return each Interest Holder has received through the end of the Fiscal Year plus Losses, if any, allocated to the Interest Holder under Section 2.2.2; and

2.1.3. Third, Profits shall be allocated to the Interest Holders in accordance with their Percentage Interests.

2.2. *Losses.*

2.2.1. First, Losses shall be allocated to the Interest Holders in proportion to the cumulative Profits previously allocated to the Interest Holders under Section 2.1.3 until the cumulative Losses allocated pursuant to this subparagraph to each Interest Holder are equal to the cumulative Profits previously allocated to each Interest Holder under Section 2.1.3.

2.2.2. Second, Losses shall be allocated to the Interest Holders in proportion to the cumulative Profits previously allocated to the Interest Holders under Section 2.1.2 until the cumulative Losses allocated pursuant to this subparagraph to each Interest Holder are equal to the cumulative Profits previously allocated to each Interest Holder under Section 2.1.2; and

2.2.3. Third, Losses shall be allocated to the Interest Holders in accordance with their Percentage Interests.

2.3. *Loss Limitations.*

2.3.1. *Adjusted Capital Account Deficit.* No Losses shall be allocated to any Interest Holder pursuant to Section 2.1 if the allocation causes the Interest Holder to have an Adjusted Capital Account Deficit or increases the Interest Holder's Capital Account Deficit. All Losses in excess of the limitations set forth in this Subsection shall be allocated to the other Interest Holders in accordance with the other Interest Holders' Percentage Interests until all Interest Holders are subject to the limitation of this Subsection, and thereafter, in accordance with the Interest Holders' interest in the Company as determined by the Members. If any Losses are allocated to an Interest Holder because of this Subsection, then notwithstanding any other provision of this Agreement, all subsequent Profits shall be allocated to the Interest Holders pro rata based on Losses allocated to them pursuant to this Subsection until each Interest Holder has been allocated an amount of Profits pursuant to this Subsection equal to the Losses previously allocated to that Interest Holder under this Subsection.

2.3.2. *Cash Method Limitation.* If the Company is on the cash method of accounting and more than 35% of the Company's Losses in any year would be allocable to Interest Holders who are limited entrepreneurs (within the meaning of § 464(e)(2) of the Code), then except as otherwise provided in Section 2.2.1, the Losses in excess of 35% otherwise allocable to those Interest Holders shall be specially allocated among the other Interest Holders in the ratio that each shares in Losses. If any Losses are allocated to an Interest Holder under this Subsection, then notwithstanding any other provision of this Agreement, all subsequent Profits shall be allocated to the Interest Holders pro rata based on Losses allocated to them pursuant to this Subsection until each Interest Holder has been allocated an amount of Profits pursuant to this Subsection in the current and previous Fiscal Years equal to the Losses allocated to that Interest Holder pursuant to this Subsection in previous Fiscal Years.

2.4. *Section 704(c) Allocations.*

2.4.1. *Contributed Property.* In accordance with Code Section 704(c) and the Regulations thereunder, as well as Regulation Section 1.704-1(b)(2)(iv)(d)(3), income, gain, loss, and deduction with respect to any property contributed (or deemed contributed) to the Company shall, solely for tax purposes, be allocated among the Interest Holders so as to take account of any variation between the adjusted basis of the property to the Company for federal income tax purposes and its fair market value at the date of contribution (or deemed contribution).

2.4.2. *Adjustments to Book Value.* If the Adjusted Book Value of any Company asset is adjusted as provided in clause (iv) of the definition of Capital Account, subsequent allocations of income, gain, loss, and deduction with respect to the asset shall, solely for tax purposes, take account of any variation between the adjusted basis of the asset for federal income tax purposes and its adjusted book value in the manner as provided under Code Section 704(c) and the Regulations thereunder.

2.5. *Regulatory Allocations.* The following allocations shall be made in the following order:

2.5.1. *Company Minimum Gain Chargeback.* Except as set forth in Regulation Section 1.704-2(f)(2), (3), (4), and (5), if during any Fiscal Year there is a net decrease in Company Minimum Gain, each Interest Holder, prior to any other allocation pursuant to this Section IV, shall be specially allocated items of gross income and gain for such taxable year (and, if necessary, succeeding taxable years) in an amount equal to that Interest Holder's share of the net decrease of Company Minimum Gain, computed in accordance with Regulation Section 1.704-2(g)(2). Allocations of gross income and gain pursuant to this Subsection shall be made first from gain recognized from the disposition of Company assets subject to Nonrecourse Liabilities to the extent of the Minimum Gain attributable to those assets and, thereafter, from a pro rata portion of the Company's other items of income and gain for the taxable year. It is the intent of the parties hereto that any allocation pursuant to this Subsection shall constitute a "minimum gain chargeback" under Regulation Section 1.704-2(f).

2.5.2. *Member Nonrecourse Debt Minimum Gain Chargeback.* Except as set forth in Regulation Section 1.704-2(i)(4), if during any Fiscal Year there is a net decrease in Member Nonrecourse Debt Minimum Gain, each Interest Holder with a share of that Member Nonrecourse Debt Minimum Gain (determined under Regulation Section 1.704-2(i)(5)) as of the beginning of the Fiscal Year shall be specially allocated items of income and gain for such Fiscal Year (and, if necessary, succeeding Fiscal Years) in an amount equal to that Interest Holder's share of the net decrease in Member Nonrecourse Debt Minimum Gain, computed in accordance with Regulation Section 1.704-2(i)(4). Allocations of gross income and gain pursuant to this Subsection shall be made first from gain recognized from the disposition of Company assets subject to Member Nonrecourse Debt to the extent of the Member Minimum Gain attributable to those assets and, thereafter, from a pro rata portion of the Company's other items of income and gain for the Fiscal Year. It is the intent of the parties hereto that any allocation pursuant to this Subsection shall constitute a "minimum gain chargeback" under Regulation Section 1.704-2(i)(4).

2.5.3. *Qualified Income Offset.* If an Interest Holder unexpectedly receives an adjustment, allocation, or distribution described in Regulation Section 1.704-1(b)(2)(ii)(d)(4), (5), or (6), then to the extent required under Regulations Section 1.704-1(b)(2)(d), such Interest Holder shall be allocated items of income and gain of the Company (consisting of a pro rata portion of each item of Company income, including gross income and gain for that Fiscal Year) before any other allocation is made of Company items for that Fiscal Year, in the amount and in proportions required to eliminate the Interest Holder's Adjusted Capital Account Deficit as quickly as possible. This Subsection is intended to comply with, and shall be interpreted consistently with, the "qualified income offset" provisions of the Regulations promulgated under Code Section 704(b).

2.5.4. *Nonrecourse Deductions.* Nonrecourse Deductions for a Fiscal Year or other period shall be allocated among the Interest Holders in proportion to their Percentage Interests.

2.5.5. *Member Nonrecourse Deductions.* Any Member Nonrecourse Deduction for any Fiscal Year or other period attributable to a Member Nonrecourse Liability shall be allocated to the Interest Holder who bears the risk of loss for the Member Nonrecourse Debt in accordance with Regulation Section 1.704-2(i).

2.5.6. *Regulatory Allocations.* The allocations contained in Section 2.5 are contained herein to comply with the Regulations under Section 704(b) of the Code. In allocating other items of Profit or Loss, the allocations contained in Section 2.5 shall be taken into account so that to the maximum extent possible the net amount of Profit or Loss allocated to each Interest Holder will be equal to the amount that would have been allocated to each Interest Holder if the allocations contained in Section 2.4 had not been made.

2.6. *Varying Interests; Allocations in Respect to Transferred Interests.* Profits, Losses, and other items shall be calculated on a monthly, daily, or other basis permitted under Code Section 706 and the Regulations. If any Interest is sold, assigned, or transferred in compliance with the provisions of this Agreement, profits, losses, each item thereof, and all other items attributable to such Interest for such period shall be divided and allocated between the transferor and the transferee by taking into account their varying interests during the period in accordance with Code Section 706(d), using any conventions permitted by law and selected by the Company.

2.7. *Tax Matters Partner.* The Members shall select one Member to be the Company's tax matters partner ("Tax Matters Partner") unless the Members designate a different Person to serve in this capacity. The Tax Matters Partner shall have all powers and responsibilities provided in Code Section 6221, et seq. The Tax Matters Partner shall keep all Members informed of all notices from government taxing authorities which may come to the attention of the Tax Matters Partner. The Company shall pay and be responsible for all reasonable third-party costs and expenses incurred by the Tax Matters Partner in performing those duties. The Company shall be responsible for any costs incurred by any Member with respect to a tax audit or tax-related administrative or judicial proceeding against the Member. The Tax Matters Partner shall not compromise any dispute with the Internal Revenue Service without the approval of the Members.

2.8. *Returns and Other Elections.* The Members shall cause the preparation and timely filing of all tax returns required to be filed by the Company pursuant to the Code and all other tax returns deemed necessary and required in each jurisdiction in which the Company does business.

2.9. *Annual Accounting Period.* The annual accounting period of the Company shall be its Fiscal Year. The Company's Fiscal Year shall be selected by the Members, subject to the requirements and limitations of the Code.

2.10. *Knowledge.* The Interest Holders acknowledge that they understand the economic and income tax consequences of the allocations and distributions under this Agreement and agree to be bound by the provisions of this **Exhibit B** in reporting their taxable income and loss from the Company.

2.11. *Amendment.* The Members are hereby authorized, upon the advice of the Company's tax counsel, to amend this **Exhibit B** to comply with the Code and the Regulations promulgated under Code

Section 704(b); provided, however, that no amendment shall materially affect the distributions to an Interest Holder without the Interest Holder's prior written consent.

EXHIBIT C

Formula for Determining The Purchase Price Of A Member's Interest And Payment Terms Pursuant To Section VII

When required pursuant to Section VII of this Agreement, the value of an Interest will be determined by a valuation professional accredited in business valuation by the AICPA or American Society of Appraisers ("Appraiser"). Such Appraiser shall be jointly selected by the Company and the offering Member, Interest Holder, or such Person's estate (the "Offering Member") within fifteen (15) days after the other Members' actual knowledge of the Offering Member's death or bankruptcy. The cost of the Appraiser shall be borne equally by the Company and the Offering Member. If a mutually satisfactory Appraiser cannot be selected, then the Company and the Offering Member each shall select and pay for its own Appraiser and the two Appraisers shall attempt to reconcile their valuations to arrive at a single valuation. If they are unable to do so, they shall jointly select a third Appraiser to value the Offering Member's Interest. The cost of the third Appraiser shall be borne equally by the Company and the Offering Member. The three Appraisers shall attempt to reconcile their valuations to arrive at a single valuation. If they are unable to do so, then the middle of the three appraisals shall be used as the valuation. The standard of value shall be fair market value.

If applicable, each party shall appoint its Appraiser within seven (7) days after the parties determine they cannot agree on a single Appraiser. The two Appraisers appointed shall select a third Appraiser within seven (7) days after they determine they cannot agree on a single valuation. The Appraisers shall be instructed to provide their valuations within thirty (30) days after their appointment.

Payment of the Offering Member's Interest shall be due and payable by the Company as follows: ten percent (10%) in cash within sixty (60) days after acceptance by the Company of the offer to purchase the Offering Member's Interest and the balance in ten (10) equal semi-annual installments commencing on the six (6) month anniversary of the initial down payment, together with interest on the unpaid balance from time to time outstanding until paid at the prime rate of interest reported by *The Wall Street Journal - Western Edition* (such rate to be determined and fixed as of the date of the initial payment hereunder), payable at the same time as and in addition to the installments of principal.

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

Alaska Marijuana Control Board

Form MJ-00: Application Certifications

Why is this form needed?

This application certifications form is required for all marijuana establishment license 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.

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

Section 1 – Establishment Information

Enter information for the business seeking to be licensed, as identified on the license application.

Licensee:	Grateful Extracts, LLC		**License Number:**	38155	
License Type:	Marijuana Concentrate Manufacturing Facility				
Doing Business As:	Grateful Extracts				
Premises Address:	53252 Borgen Ave, Building B				
City:	Kenai	**State:**	Alaska	**ZIP:**	99611

Section 2 – Individual Information

Enter information for the individual licensee.

Name:	Richard Huffman
Title:	Managing Member of GB Holdings, LLC

Section 3 – Other Licenses

Ownership and financial interest in other licenses:	Yes	No
Do you currently have or plan to have an ownership interest in, or a direct or indirect financial interest in another marijuana establishment license?	☑	☐

If "Yes", which license numbers (for existing licenses) and license types do you own or plan to own?

Cultivation License #38150, Cultivation License #16474, Retail License #38156

AMCO Received 9.4.25

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AMCO

Alaska Marijuana Control Board

Form MJ-00: 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 I have not been convicted of a felony in any state or the United States, including a suspended imposition of sentence, for which less than five years have elapsed from the time of the conviction to the date of this application.	RH
I certify that I am not currently on felony probation or felony parole.	RH
I certify that I have not been found guilty of selling alcohol without a license in violation of AS 04.11.010.	RH
I certify that I have not been found guilty of selling alcohol to an individual under 21 years of age in violation of 04.16.051 or AS 04.16.052.	RH
I certify that I have not been convicted of a misdemeanor crime involving a controlled substance, violence against a person, use of a weapon, or dishonesty within the five years preceding this application.	RH
I certify that I have not been convicted of a class A misdemeanor relating to selling, furnishing, or distributing marijuana or operating an establishment where marijuana is consumed within the two years preceding this application.	RH
I certify that my proposed premises is not within 500 feet of a school ground, recreation or youth center, a building in which religious services are regularly conducted, or a correctional facility, as set forth in 3 AAC 306.010(a).	RH
I certify that my proposed premises is not located in a liquor licensed premises.	RH
I certify that I meet the residency requirement under AS 43.23 for a permanent fund dividend in the calendar year in which I am initiating this application.	RH
I certify that all proposed licensees (as defined in 3 AAC 306.020(b)(2)) have been listed on my online marijuana establishment license application. Additionally, if applicable, all proposed licensees have been listed on my application with the Division of Corporations.	RH
I certify that I understand that providing a false statement on this form, the online application, or any other form provided by AMCO is grounds for denial of my application.	RH

AMCO Received 9.4.25

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Alaska Marijuana Control Board

Form MJ-00: Application Certifications

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

I certify and understand that I must operate in compliance with the Alaska Department of Labor and Workforce Development's laws and requirements pertaining to employees. RH

I certify and understand that I must operate in compliance with each applicable public health, fire, safety, and tax code and ordinance of this state and the local government in which my premises is located. RH

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

Only initial next to the following statement if this form is accompanying an application for a marijuana testing facility license:

I certify that I do not have an ownership in, or a direct or indirect financial interest in a retail marijuana store, a marijuana cultivation facility, or a marijuana products manufacturing facility.

Only initial next to the following statement if this form is accompanying an application for a retail marijuana store, a marijuana cultivation facility, or a marijuana products manufacturing facility license:

I certify that I do not have an ownership in, or a direct or indirect financial interest in a marijuana testing facility license. RH

All marijuana establishment license applicants:

I hereby certify that I am the person herein named and subscribing to this application and that I have read the complete application, and I know the full content thereof. I declare that all of the information contained herein, and evidence or other documents submitted are true and correct. I understand that any falsification or misrepresentation of any item or response in this application, or any attachment, or documents to support this application, is sufficient grounds for denying or revoking a license/permit. I further understand that it is a Class A misdemeanor under Alaska Statute 11.56.210 to falsify an application and commit the crime of unsworn falsification. RH

Richard Huffman
Printed name of licensee

Richard Huffman
Signature of licensee

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Alaska Marijuana Control Board

Form MJ-09: Statement of Financial Interest

Why is this form needed?

A statement of financial interest completed by each proposed licensee (as defined in 3 AAC 306.020(b)(2)) is required for all marijuana establishment license applications, per 3 AAC 306.020(b)(4). 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 Anchorage office by each proposed licensee before any license application will be considered complete.

Section 1 – Establishment Information

Enter information for the business seeking to be licensed, as identified on the license application.

Licensee:	Grateful Extracts, LLC	**License Number:**	38155		
License Type:	Marijuana Concentrate Manufacturing Facility				
Doing Business As:	Grateful Extracts				
Premises Address:	53252 Borgen Ave, Building B				
City:	Kenai	**State:**	Alaska	**ZIP:**	99611

Section 2 – Individual Information

Enter information for the individual licensee.

Name:	Richard Huffman		
Title:	Managing Member of GB Holdings, LLC		
SSN:	[redacted]	**Date of Birth:**	[redacted]

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Alaska Marijuana Control Board

Form MJ-09: Statement of Financial Interest

Section 3 – Certifications

You must be able to certify the statements below. Read the following and then sign your initials in the boxes to the right: **Initials**

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

I further certify that any ownership change shall be reported to the board as required under 3 AAC 306.040. RH

I understand that my fingerprints will be used to check the criminal history records of the Federal Bureau of Investigation (FBI), and that I have the opportunity to complete or challenge the accuracy of the information contained in the FBI identification record. RH

The procedures for obtaining a change, correction, or updating an FBI identification record are set forth in Title 28, CFR, 16.34.

I hereby certify that I am the person herein named and subscribing to this application and that I have read the complete application, and I know the full content thereof. I declare that all of the information contained herein, and evidence or other documents submitted are true and correct. I understand that any falsification or misrepresentation of any item or response in this application, or any attachment, or documents to support this application, is sufficient grounds for denying or revoking a license/permit. I further understand that it is a Class A misdemeanor under Alaska Statute 11.56.210 to falsify an application and commit the crime of unsworn falsification. RH

Richard Huffman
Printed name of licensee

Signature of licensee