

## **POSSIBLE MOTION**

**I MOVE TO** approve a retail marijuana store license for Northern Lights Indoor Gardens, LLC at 1321 Sawmill Creek Road Suite O & P and forward this approval to the Alcohol and Marijuana Control Office without objection.



City & Borough of Sitka  
**Municipal Clerk's Office**  
100 Lincoln Street, Sitka AK 99835  
Telephone: 907-747-1811 Fax: 907-747-4004



## Memorandum

To: Mayor Hunter and Assembly Members  
From: Sara Peterson, Municipal Clerk  
Date: November 17, 2016  
Subject: Application for New Retail Marijuana Store License

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Attached you will find a notification, and additional information, from the Alcohol and Marijuana Control Office of an application for a new retail marijuana store license for the following applicant:

License #:	10138
License Type:	Retail Marijuana Store
Licensee/Applicant:	Northern Lights Indoor Gardens, LLC
D.B.A.:	Northern Lights Indoor Gardens, LLC
Physical Address:	1321 Sawmill Creek Road, Suite O & P; Sitka, AK
Designated Licensee:	Michael Daly

The applicant was granted a conditional use permit for a marijuana retail facility by the Planning Commission on May 17, 2016. The motion passed unanimously by a 5-0 vote.

A notice was published in the local newspaper and posted to the establishment. In addition, a memo was circulated to the various municipal departments who may have a reason to protest. No departmental objections were received.

**Recommendation: Approve the retail marijuana store license for Northern Lights Indoor Gardens, LLC and forward this approval to the Alcohol and Marijuana Control Office without objection.**



THE STATE  
of **ALASKA**  
GOVERNOR BILL WALKER

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

ALCOHOL & MARIJUANA CONTROL OFFICE  
550 West 7<sup>th</sup> Avenue, Suite 1600  
Anchorage, AK 99501  
Main: 907.269.0350

November 2, 2016

City and Borough of Sitka

Attn: Sara Peterson

VIA Email: [sara.peterson@cityofsitka.org](mailto:sara.peterson@cityofsitka.org)

Cc: [Melissa.henshaw@cityofsitka.org](mailto:Melissa.henshaw@cityofsitka.org)  
[Maegan.bosak@cityofsitka.org](mailto:Maegan.bosak@cityofsitka.org)  
[Michael.scarcelli@cityofsitka.org](mailto:Michael.scarcelli@cityofsitka.org)  
[Robin.koutchak@cityofsitka.org](mailto:Robin.koutchak@cityofsitka.org)  
[Reuben.yerkes@cityofsitka.org](mailto:Reuben.yerkes@cityofsitka.org)  
[planning@cityofsitka.org](mailto:planning@cityofsitka.org)

License Number:	10138
License Type:	Retail Marijuana Store
Licensee:	Northern Lights Indoor Gardens, LLC
Doing Business As:	NORTHERN LIGHTS INDOOR GARDENS, LLC
Physical Address:	1321 Saw mill Creek Road Suite O and P Sitka, AK 99835
Designated Licensee:	Michael Daly
Phone Number:	907-747-5858
Email Address:	dalys@gci.net

- New Application       Transfer of Ownership Application       Renewal Application  
 Onsite Consumption Endorsement

We have received a completed application for the above listed license (see attached application documents) within your jurisdiction. This is the notice required under 3 AAC 306.025(d)(2).

A local government may protest the approval of an application(s) pursuant to 3 AAC 306.060 by furnishing 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. If a protest is filed, the board will deny the application unless the board finds that the protest is arbitrary, capricious, and unreasonable. To protest the application referenced above, please submit your protest within 60 days and show proof of service upon the applicant.

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.

3 AAC 306.010(c) provides that the board will not issue a license when a local government protests an application on the grounds that the applicant's 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.

At this time, the fingerprints submitted by the applicant cannot be submitted for a criminal history report until a date to be determined by the Department of Public Safety and the Federal Bureau of Investigation based upon the effective date of the act containing enabling statutory language for such criminal history report. On April 27, 2016, the Marijuana Control Board directed me to determine applications complete based solely upon the representations made by the applicant in Form MJ-00.

Sincerely,

A handwritten signature in blue ink, appearing to read "C. Franklin".

Cynthia Franklin, Director

[amco.localgovernmentonly@alaska.gov](mailto:amco.localgovernmentonly@alaska.gov)

**LEGAL NOTICE**  
**New Retail Marijuana Store License**

The City and Borough of Sitka has received a request for a new retail marijuana store license application submitted by Northern Lights Indoor Gardens, LLC for 1321 Sawmill Creek Road, Suite O & P; Sitka, AK.

The City and Borough of Sitka will consider this application at the Assembly Meeting of November 22, 2016 at 6:00 pm in Harrigan Centennial Hall at 330 Harbor Drive. Any protest may be lodged either prior to or at that time.

Sara Peterson, CMC, Municipal Clerk

Publish: 11/14/16



City & Borough of Sitka  
**Municipal Clerk's Office**

100 Lincoln Street, Sitka AK 99835  
Telephone: 907-747-1811 Fax: 907-747-4004



## Memorandum

To: Planning Department  
Collections - Leisha  
Municipal Billings – Lindsey  
Sales Tax/Property Tax – Hannah  
Utility Billing Clerk – Diana  
Public Works Department – Mark and Shilo

Fire Department  
Police Department  
Electric Department  
Building Official

From: Sara Peterson, Municipal Clerk

Date: November 3, 2016

Subject: New Retail Marijuana Store License

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The Municipal Clerk's Office has been notified by the Alcohol and Marijuana Control Office of a new retail marijuana store license submitted by:

License #: 10138  
License Type: Retail Marijuana Store  
Licensee/Applicant: Northern Lights Indoor Gardens, LLC  
D.B.A.: Northern Lights Indoor Gardens, LLC  
Physical Address: 1321 Sawmill Creek Road, Suite O & P; Sitka, AK  
Designated Licensee: Michael Daly

Please notify me **no later than noon on Wednesday, November 9th** of any reason to protest this request. This license is scheduled to go before the Assembly on November 22<sup>nd</sup>.

Thank you.

dependent upon the specific use and its visual impacts.

Motion PASSED 5-0.

Pohlman/Windsor moved to APPROVE the conditional use permit request for a short-term rental at 3001 Mikele Street, subject to conditions of approval. The property is also known as Lot 7 West Subdivision. The request is filed by Levi Hunt and Kristy Crews. The owners of record are Levi Hunt and Kristy Crews.

Conditions of Approval:

1. Contingent upon a completed satisfactory life safety inspection.
2. The facility shall be operated consistent with the application and plans that were submitted with the request.
3. The facility shall be operated in accordance with the narrative that was submitted with the application.
4. The applicant shall submit an annual report every year, covering the information on the form prepared by the Municipality, summarizing the number of nights the facility has been rented over the twelve month period starting with the date the facility has begun operation. The report is due within thirty days following the end of the reporting period.
5. The Planning Commission, at its discretion, may schedule a public hearing at any time following the first nine months of operations for the purpose of resolving issues with the request and mitigating adverse impacts on nearby properties.
6. Failure to comply with all applicable tax laws, including but not limited to remittance of all sales and bed tax, shall be grounds for revocation of the conditional use permit.
7. Failure to comply with any of the above conditions may result in revocation of the conditional use permit.
8. The property owner shall register for a sales account prior to the Conditional Use Permit becoming valid.

Motion PASSED 5-0.

J



Public hearing and consideration of a conditional use permit request for marijuana retail at 1321 Sawmill Creek Road Suites O and P, in the C-2 commercial and mobile home zone. The property is also known as US Survey 2729. The request is filed by Mike Daly. The owner of record is Eagle Bay Inn LLC.

Scarcelli explained the request. Bays O and P will be reconfigured to house two facilities – one for retail and one for cultivation. Staff believes that parking is adequate. Staff recommends a condition of approval that the plaza's parking is striped to delineate 107 spaces. Scarcelli read a letter of concern submitted by Clyde Bright. Staff recommends approval. Windsor asked about electrical load. Scarcelli stated that the applicant has submitted the load calculation to staff.

Mike Daly stated that he is building airtight rooms and use filters to control odors. Daly stated that they will test for mold as they go. Daly stated that windows will be blacked out. Daly stated that eventually wants a smoke room for tourists. Spivey thanked Daly for thorough plans.

Joe D'Arienzo stated that this proposal will be a positive first step for the industry in town, and supports the application "whole heartedly."

Jennifer Davis urged caution. Children and families frequent the theater and Pizza Express.

Jay Stelzenmeller stated that he is encouraged by the thorough work of the applicant and staff.

Parker Song stated that the plans are thorough, and it seems like a good location. Spivey stated that kids do play in the neighborhood, and families do frequent the plaza. Spivey stated that the applicant's plans are sufficient to mitigate any concerns. Hughey stated that the applicant has set a high bar for future applicants. Hughey stated concern that the applicant will invest heavily, and the conditional use permit could theoretically be revoked in the future. Windsor stated that there aren't many areas for marijuana retail in town. Bosak stated that the reception room is a nice feature.

Windsor/Hughey moved to APPROVE the required findings.

**Required Findings for Conditional Use Permits.** The planning commission shall not recommend approval of a proposed development unless it first makes the following findings and conclusions:

1. The city may use design standards and other elements in this code to modify the proposal. A conditional use permit may be approved only if all of the following findings can be made regarding the proposal and are supported by the record that the granting of the proposed conditional use permit will not:
  - a. Be detrimental to the public health, safety, and general welfare;
  - b. Adversely affect the established character of the surrounding vicinity; nor
  - c. Be injurious to the uses, property, or improvements adjacent to, and in the vicinity of, the site upon which the proposed use is to be located.
2. The granting of the proposed conditional use permit is consistent and compatible with the intent of the goals, objectives, and policies of the comprehensive plan and any implementing regulation.
3. All conditions necessary to lessen any impacts of the proposed use are conditions that can be monitored and enforced.
4. The proposed use will not introduce hazardous conditions at the site that cannot be mitigated to protect adjacent properties, the vicinity, and the public health, safety, and welfare of the community from such hazard.
5. The conditional use will be supported by, and not adversely affect, adequate public facilities and services; or that conditions can be imposed to lessen any adverse impacts on such facilities and services.
6. **Burden of Proof.** The applicant has the burden of proving that the proposed conditional use meets all of the criteria in subsection B of this section.

The city may approve, approve with conditions, modify, modify with conditions, or deny the conditional use permit. The city may reduce or modify bulk requirements, off-street parking requirements, and use design standards to lessen impacts, as a condition of the granting of the conditional use permit. In considering the granting of a conditional use, the assembly and planning commission shall satisfy themselves that the general criteria set forth for uses specified in this chapter will be met. The city may consider any or all criteria listed and may base conditions or safeguards upon them. The assembly and planning commission may require the applicant to submit whatever reasonable evidence may be needed to protect the public interest. The general approval



criteria are as follows:

1. Site topography, slope and soil stability, geophysical hazards such as flooding, surface and subsurface drainage and water quality, and the possible or probable effects of the proposed conditional use upon these factors;
2. Utilities and service requirements of the proposed use, including sewers, storm drainage, water, fire protection, access and electrical power; the assembly and planning commission may enlist the aid of the relevant public utility officials with specialized knowledge in evaluating the probable effects of the proposed use and may consider the costs of enlarging, upgrading or extending public utilities in establishing conditions under which the conditional use may be permitted;
3. Lot or tract characteristics, including lot size, yard requirements, lot coverage and height of structures;
4. Use characteristics of the proposed conditional use that affect adjacent uses and districts, including hours of operation, number of persons, traffic volumes, off-street parking and loading characteristics, trash and litter removal, exterior lighting, noise, vibration, dust, smoke, heat and humidity, recreation and open space requirements;
5. Community appearance such as landscaping, fencing and screening, dependent upon the specific use and its visual impacts.

**Specific Guidance from 22.24 on Findings for Marijuana Uses**

**Findings of Fact:** Upon review and considerations of the required criteria, the Planning Commission shall determine whether the proposed use(s) at the proposed project location are found to not present a negative impact to the public's health, safety, and welfare.

1. If such a finding can be made, then the proposed use shall be approved with standard regulations, dimensions, and setbacks.
2. In the alternative, where the Planning Commission finds negative impacts are present, the Planning Commission shall only approve conditional use permits where the negative impacts can be adequately mitigated by conditions of approval that preserve the public's health, safety, and welfare. These conditions of approval shall be case by case specific and in addition to the standard regulations.
3. If negative impacts to the public's health, safety, and welfare cannot be mitigated through conditions of approval then the Planning Commission shall so find and deny the proposed conditional use permit.

**Motion PASSED 5-0.**

Windsor/Parker Song moved to APPROVE the conditional use permit request filed by Mike Daly and Northern Lights, LLC for marijuana retail at 1321 Sawmill Creek Road, Units O & P, in the C 2 General Commercial and mobile home zone subject to the attached 12 conditions of approval. The property is also known as U.S. Survey 2729. The owner of record is Eagle Bay Inn, LLC.

**Conditions of Approval:**

1. Owners, operators, and staff of conditional uses shall comply with all state and municipal licensing regulations.
2. All licensed facilities shall comply with all life and safety regulations as promulgated by the municipal Building Official.

3. All licensed manufacturing and cultivation uses shall provide a fire safety plan, material handling plan, and comply with all fire safety regulations that satisfies the Fire Marshal or their designee and the Building Official.
4. All licensed facilities and/or uses shall provide screening from public view of any marijuana related commercial, retail, cultivation, or manufacturing use.
5. All licensed facilities and/or uses shall establish an active sales account and business registration with the Municipality and shall comply with all standard & required accounting practices.
6. It shall be a standard regulation that all conditional uses comply with all applicable state regulations and licensing laws or it shall be deemed to abandon and extinguish and associated municipal license or conditional use permit.
7. All approved conditional use permits shall comply with all Sitka General Code or shall be deemed to abandon and extinguish any associated municipal license or conditional use permit
8. Applicant shall provide a Parking Plan that complies with Section 22.20.100 for all uses present and proposed at the current property including striped parking spaces where feasible (i.e. concrete or asphalt areas).
9. Odor Control shall include charcoal filters and other best means to limit and mitigate odor impacts to surrounding uses. Should a meritorious odor complaint be received the Planning Commission may require additional odor control measures to mitigate any actual negative impacts.
10. The proposed retail site shall not be located within 500 feet of any school grounds, recreation or youth center, religious service building, or correctional facility that was legally established prior to approval of this conditional use permit as intended by licensing restriction and regulations of the state in 3 AAC Chapter 306.
11. This permit only conditionally approved the use of retail; however, at the same time, all legally vested uses operating within Units O and P must comply with all pertinent state and local regulations, licenses, and permits to remain valid.
12. The Planning Commission may, at its discretion and upon receiving meritorious evidence of negative impacts to public health, safety, and welfare, schedule a review to address issues of concern and pursue mitigation through additional conditions if necessary.

**Motion PASSED 5-0.**

**K**

Public hearing and consideration of a conditional use permit request for marijuana cultivation at 1321 Sawmill Creek Road Suites O and P, in the C-2 general commercial and mobile home zone. The property is also known as US Survey 2729. The request is filed by Mike Daly. The owner of record is Eagle Bay Inn LLC.

Scarcelli described the request for a cultivation facility. The applicants submitted their entire AMCO application. One public comment was received, with concerns for odors. Staff believe that parking is sufficient, but the lot should be striped. There is no known sensitive use within the 500 foot buffer zone. Staff recommend approval.

Mike Daly stated that he had nothing additional to contribute. Windsor asked if Daly anticipated difficulty with striping the parking lot. Daly replied that the owner has given consent to striping.

Michelle Cleaver stated that the owner has stated that the entire lot will be



Alaska Marijuana Control Board

# Cover Sheet for Marijuana Establishment Applications

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

### What is this form?

This cover sheet **must** be completed and submitted any time a document, payment, or other marijuana establishment application item is emailed, mailed, or hand-delivered to AMCO's main office.

Items that are submitted without this page will be returned in the manner in which they were received.

### Section 1 – Establishment Information

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

Licensee:	Northern Lights Indoor Gardens, LLC	License Number:	10138		
License Type:	Retail Marijuana Store				
Doing Business As:	NORTHERN LIGHTS INDOOR GARDENS, LLC				
Physical Address:	1321 Sawmill Creek Road Suite O and P				
City:	Sitka	State:	AK	Zip Code:	99835
Designated Licensee:	M. Cah Miller				
Email Address:	dalys@gci.net				

### Section 2 – Attached Items

List all documents, payments, and other items that are being submitted along with this page.

Attached Items:	Total Pages Northern Lights LLC Operating Agreement
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### OFFICE USE ONLY

Received Date:	Payment Submitted Y/N:	Transaction #:
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**NORTHERN LIGHTS INDOOR GARDENS, LLC  
OPERATING AGREEMENT**

This Agreement is entered into this 27 day of Feb, 2016, by and between MICAH S. MILLER, of 1710 Halibut Point Road, Sitka, Alaska 99835, and MICHAEL S. DALY, of 501 Charteris Street, Sitka, Alaska 99835.

The parties have agreed to organize and operate a limited liability company in accordance with the terms and subject to the conditions set forth in this Agreement.

NOW, THEREFORE, for good and valuable consideration, the sufficiency and receipt of which is hereby acknowledged, the parties, intending legally to be bound, agree as follows:

**Article I  
Definitions**

The following italicized terms shall have the meaning specified in this *Article I*. Other terms are defined in the text of this Agreement; and, throughout this Agreement, those terms shall have the meanings respectively ascribed to them:

*"Act"* means the Alaska Limited Liability Company Act, as amended from time to time.

*"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 taxable year, after giving effect to the following adjustments:

(i) the Capital Account shall be credited with the amounts which the Interest Holder 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

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

*"Adjusted Capital Balance"* means, as of any day, an Interest Holder's total Capital Contributions less all amounts actually distributed to the Interest Holder pursuant to *Sections* 4.2.3.4.1 and 4.4 hereof. If any Interest is transferred in accordance with the terms of this Agreement, the transferee shall succeed to the Adjusted Capital Balance of the transferor to the extent the Adjusted Capital Balance relates to the Interest transferred.

*"Affiliate"* means, with respect to any Member, any Person: (i) which owns more than 50% of the voting interests in the Member; or (ii) in which the Member owns more than 50% of

the voting interests; or (iii) in which more than 50% of the voting interests are owned by a Person who has a relationship with the Member described in clause (i) or (ii) above.

“*Agreement*” means this Operating Agreement, as amended from time to time.

“*Capital Account*” means the account to be maintained by the Company for each Interest Holder in accordance with the following provisions:

(i) an Interest Holder's Capital Account shall be credited with the Interest Holder's Capital Contributions, the amount of any Company liabilities assumed by the Interest Holder (other than liabilities secured by Company property distributed to the Interest Holder), the Interest Holder's allocable share of Profit and any item in the nature of income or gain specially allocated to the Interest Holder pursuant to the provisions of *Article IV* (other than *Section 4.3.3*); and

(ii) an Interest Holder's Capital Account shall be debited with the amount of money and the fair market value of any Company property distributed to the Interest Holder (net of liabilities secured by such distributed property that such Interest Holder is considered to assume or take subject to under Section 752 of the Code), the amount of the Interest Holder's individual liabilities that are assumed by the Company (other than liabilities that reduce the amount of any Capital Contribution made by such Interest Holder), the Interest Holder's allocable share of Loss, and any item in the nature of expenses or losses specially allocated to the Interest Holder pursuant to the provisions of *Article IV* (other than *Section 4.3.3*).

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. If the book value of Company property is adjusted as provided herein, the Capital Account of each Interest Holder shall be adjusted to reflect the aggregate adjustment in the same manner as if the Company had recognized gain or loss equal to the amount of such aggregate adjustment. 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 shall be interpreted and applied in a manner consistent with that Regulation.

“*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 assumed by the Company or to which the assets are subject.

“*Capital Proceeds*” means the gross receipts received by the Company from a Capital Transaction.

*"Capital Transaction"* means any transaction not in the ordinary course of business which results in the Company's receipt of cash or other consideration other than Capital Contributions, including, without limitation, proceeds of sales or exchanges or other dispositions of property not in the ordinary course of business, financings, refinancings, condemnations, recoveries of damage awards, and insurance proceeds.

*"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 General Manager. Cash Flow shall not include Capital Proceeds but shall be increased by the reduction of any reserve previously established.

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

*"Company"* means the limited liability company formed in accordance with this Agreement.

*"Department"* means the Department of Commerce and Economic Development.

*"General Manager"* means the Person or his successor.

*"Interest"* means a Person's share of the profits and losses of, and the right to receive distributions from, the Company.

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

*"Involuntary Withdrawal"* of a Member shall mean the death, retirement, resignation, expulsion or bankruptcy of such Member and any other event which terminates the continued membership of such Member in the Company.

*"Member"* means each Person signing this Agreement and any Person who subsequently is admitted as a member of the Company.

*"Member Minimum Gain"* has the meaning and shall be determined as set forth in Regulation Section 1.704-2(i) for "partner nonrecourse debt minimum gain".

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

*"Minimum Gain"* has the meaning and shall be determined as set forth in Regulation Sections 1.704-2(b)(2) and 1.704-2(d) for "partnership minimum gain".

*"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; (iii) right to participate in the management of and vote on matters coming before the Company; and (iv) unless this Agreement or the Articles of Organization provide to the contrary, right to act as an agent of the Company.

*"Negative Capital Account"* means a Capital Account with a balance of less than zero.

*"Nonrecourse Deductions"* has the meaning set forth in Regulation Section 1.704-2(b)(1).

*"Nonrecourse Liability"* has the meaning set forth in Regulation Sections 1.704-2(b)(3) and 1.752-1(a)(2).

*"Percentage"* 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.

*"Positive Capital Account"* means a Capital Account with a balance of zero or greater.

*"Profit"* and *"Loss"* means, for each taxable 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 Section 703(a) of the Code, with the following adjustments:

(i) all items of income, gain, loss, deduction, or credit required to be stated separately pursuant to Section 703(a)(1) of the Code shall be included; and

(ii) any tax-exempt income of the Company, not otherwise taken into account in computing Profit or Loss, shall be included; and

(iii) any expenditures of the Company described in Section 705(a)(2)(B) of the Code (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 subtracted; and

(iv) 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, notwithstanding the fact that the adjusted book value differs from the adjusted basis of the property for federal income tax purposes; and

(v) in lieu of the depreciation, amortization, or cost recovery deductions allowable in computing taxable income or loss, there shall be taken into account the depreciation or amortization computed for book purposes; and

(vi) notwithstanding any other provision of this definition, any items which are specially allocated pursuant to *Section 4.3* hereof shall not be taken into account.

“*Regulation*” or “*Regulations*” means the income tax regulations, including any temporary regulations, from time to time promulgated under the Code.

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

## **Article II Organization and Purpose**

2.1 *Organization.* The parties shall organize a limited liability company pursuant to the Act and the provisions of this Agreement.

2.2. *Name of the Company.* The name of the Company shall be “Northern Lights Indoor Gardens, LLC”. The Company may do business under that name and under any other name or names which the General Manager selects. If the Company does business under a name other than that set forth in its Articles of Organization, then the Company shall file an assumed business name as required by law.

2.3. *Purpose.* The Company is organized to conduct any or all lawful affairs for which an LLC may be organized under AS 10.50. The Company may do any and all things necessary, convenient, or incidental to that purpose.

2.4. *Term.* The term of the Company shall begin upon the acceptance of the Articles of Organization by the Department and shall be perpetual, unless its existence is sooner terminated pursuant to *Article VII* of this Agreement or the mandatory provisions of the Act.

2.5. *Principal Office.* The principal office of the Company in the State of Alaska shall be located at 501 Charteris Street, Sitka, Alaska 99835, or at any other place within the State of Alaska that the General Manager selects.

2.6. *Registered Agent.* The name and address of the Company's registered agent in the State of Alaska shall be Michael Daly.

2.7. *Members.* The name, present mailing address, taxpayer identification number, and Percentage of each Member are set forth on *Exhibit A*.



## **Article III Capital**

3.1. *Initial Capital Contributions.* Upon the execution of this Agreement, the Members shall contribute to the Company cash in the amounts or assets with the value set forth on *Exhibit A*. The amount of the initial contribution of each Member shall be recorded by the General Manager as a contribution to the capital of the Company.

3.2. *No Additional Capital Contributions Required.* No Member shall be obligated, nor shall any Member have a right, to contribute any additional capital to the Company, other than as specified in *Exhibit A*, and no Member shall have any personal liability for any obligation of the Company.

3.3. *No Interest on Capital Contributions.* Interest Holders shall not be paid interest on their Capital Contributions.

3.4. *Return of Capital Contributions.* Except as otherwise provided in this Agreement, no Interest Holder shall have the right to receive any return of any Capital Contribution.

3.5. *Form of Return of Capital.* If an Interest Holder is entitled to receive a return of a Capital Contribution, the Interest Holder shall not have the right to receive anything but cash in return of the Interest Holder's Capital Contribution.

3.6. *Capital Accounts.* A separate Capital Account shall be maintained for each Interest Holder.

## **Article IV Allocations and Distributions**

4.1. *Allocation of Profit or Loss and Distributions of Cash Flow.*

4.1.1. *Profit or Loss Other Than from a Capital Transaction.* After giving effect to the special allocations set forth in *Section 4.3*, for any taxable year of the Company, Profit or Loss (other than Profit or Loss resulting from a Capital Transaction, which Profit or Loss shall be allocated in accordance with the provisions of *Sections 4.2.1* and *4.2.2*) shall be allocated to the Interest Holders in proportion to their Percentages.

4.1.2. *Cash Flow.* Cash Flow for each taxable year of the Company shall be distributed to the Interest Holders in proportion to their Percentages no later than seventy-five (75) days after the end of the taxable year.

4.2. *Allocation of Profit or Loss from a Capital Transaction.*

4.2.1. *Profit.* After giving effect to the special allocations set forth in *Section 4.3*, Profit from a Capital Transaction shall be allocated as follows:

4.2.1.1. If one or more Interest Holders has a Negative Capital Account, to those Interest Holders, in proportion to their Negative Capital Accounts, until all Negative Capital Accounts have been reduced to zero.

4.2.1.2. Any Profit not allocated pursuant to *Section 4.2.1.1* shall be allocated to the Interest Holders in proportion to, and to the extent of, the amounts distributed or distributable to them pursuant to *Section 4.2.3.4.3*.

4.2.1.3. Any Profit in excess of the foregoing allocations shall be allocated to the Interest Holders in proportion to their Percentages.

4.2.2. *Loss.* After giving effect to the special allocations set forth in *Section 4.3*, Loss from a Capital Transaction shall be allocated as follows:

4.2.2.1. If one or more Interest Holders has a Positive Capital Account, to those Interest Holders, in proportion to their Positive Capital Accounts, until all Positive Capital Accounts have been reduced to zero.

4.2.2.2. Any Loss not allocated to reduce Positive Capital Accounts to zero pursuant to *Section 4.2.2.1* shall be allocated to the Interest Holders in proportion to their Percentages.

4.2.3. *Capital Proceeds.* Capital Proceeds shall be distributed and applied by the Company in the following order and priority:

4.2.3.1. to the payment of all expenses of the Company incident to the Capital Transaction; then

4.2.3.2. to the payment of debts and liabilities of the Company then due and outstanding (including all debts due to any Interest Holder); then

4.2.3.3. to the establishment of any reserves which the General Manager deems necessary for liabilities or obligations of the Company; then

4.2.3.4. the balance shall be distributed as follows:

4.2.3.4.1. to the interest Holders in proportion to their Adjusted Capital Balances, until their remaining Adjusted Capital Balances have been paid in full;

4.2.3.4.2. if any Interest Holder has a Positive Capital Account after the distributions made pursuant to *Section 4.2.3.4.1* and before any further allocation of Profit pursuant to *Section 4.2.1.3*, to those Interest Holders in proportion to their Positive Capital Accounts; then

4.2.3.4.3. the balance, to the Interest Holders in proportion to their Percentages.

4.3. *Regulatory Allocations.* The allocations set forth in *Sections 4.3.1* and *4.3.2* are included to comply with the requirements of the Regulations. If allocations under such provisions are different from the allocations which would be made under *Section 4.1* or *4.2*, as appropriate, then the General Manager shall make appropriate allocations, consistent with the Regulations, so that the net allocations are, as much as possible, consistent with those under *Sections 4.1 and 4.2*.

4.3.1. *Qualified Income Offset.* No Interest Holder shall be allocated Losses or deductions if the allocation causes the Interest Holder to have an Adjusted Capital Account Deficit. If an Interest Holder unexpectedly receives any adjustments, allocations, or distributions described in Regulation Section 1.704-1(b)(2)(ii)(d)(4), (5) or (6) which results in or increases an Adjusted Capital Account Deficit at the end of any taxable year, then all items of income and gain of the Company for that taxable year shall be allocated to that Interest Holder, before any other allocation pursuant to this *Article IV* (other than those pursuant to *Sections 4.3.2.1* and *4.3.2.2*), in an amount and manner sufficient to eliminate such Adjusted Capital Account Deficit as quickly as possible. This *Section 4.3.1* is intended to comply with, and shall be interpreted consistently with, the "qualified income offset" provisions of the Regulation Section 1.704-1(b)(2)(ii)(d) and all other Regulation Sections relating thereto.

4.3.2. *Minimum Gain.*

4.3.2.1. *Minimum Gain Chargeback.* Except as set forth in Regulation Section 1.704-2(f), if, during any taxable year, there is a net decrease in Minimum Gain, each Interest Holder, prior to any other allocation pursuant to this *Article V*, shall be specially allocated items of gross income and gain for such taxable year (and, if necessary, subsequent taxable years) in an amount equal to that Interest Holder's share of the net decrease of Minimum Gain, computed in accordance with Regulation Section 1.704-2(g). Allocations of items of gross income and gain pursuant to this *Section 4.3.2.1* shall be made as described in Regulation Sections 1.704-2(f) and (j). This *Section 4.3.2.1* is intended to comply with, and shall be interpreted consistently with, the "minimum gain chargeback" provisions of Regulation Section 1.704-2(f) and all other Regulation Sections relating thereto.

4.3.2.2. *Member Minimum Gain Chargeback.* Except as set forth in Regulation Section 1.704-2(i)(4), if, during any taxable year, there is a net decrease in Member Minimum Gain, each Interest Holder with a share of that Member Minimum Gain as of the beginning of such year, prior to any other allocation pursuant to this *Article V*, shall be specially allocated items of gross income and gain for such taxable year (and, if necessary, subsequent taxable years) in an amount equal to that Interest Holder's share of the net decrease of Member Minimum Gain, computed in accordance with Regulation Section 1.704-2(i)(4). Allocations of items of gross income and gain pursuant to this *Section 4.3.2.2* shall be made as described in Regulation Sections 1.704-2(i)(4) and (j). This *Section 4.3.2.2* is intended to comply with, and shall be interpreted consistently with, the "minimum gain chargeback" provisions of Regulation Section 1.704-2(i)(4) and all other Regulation Sections relating thereto.

4.3.3. *Contributed Property and Book-ups.* To the extent permitted or required by Section 704(c) of the Code and the Regulations thereunder, Regulation Section 1.704-1(b)(2)(iv)(d)(3) and Regulation Section 1-704-1(b)(2)(iv)(f), 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) under the rules of Regulation Section 704-3(b)(1). If the adjusted book value of any Company asset is adjusted as provided herein, subsequent allocations of income, gain, loss, and deduction with respect to the asset shall 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 required under Section 704(c) of the Code and the Regulations thereunder.

4.3.4. *Election under Section 754 of the Code.* To the extent an adjustment to the tax basis of any Company asset pursuant to Section 734(b) or Section 743(b) of the Code is required, pursuant to Regulation Section 1.704-1(b)(2)(iv)(m), to be taken into account in determining Capital Accounts, the amount of the adjustment to the Capital Accounts shall be treated as an item of gain (if the adjustment increases the basis of the asset) or loss (if the adjustment decreases basis), and the gain or loss shall be specially allocated to the Interest Holders in a manner consistent with the manner in which their Capital Accounts are required to be adjusted pursuant to that Section of the Regulations.

4.3.5. *Nonrecourse Deductions.* Nonrecourse Deductions for a taxable year or other period shall be specially allocated among the Interest Holders in proportion to their Percentages.

4.3.6. *Member Nonrecourse Deductions.* Any Member Nonrecourse Deduction for any taxable year or other period shall be specially allocated to the Interest Holder who bears the risk of loss with respect to the liability to which the Member Nonrecourse Deduction is attributable in accordance with Regulation Section 1.704-2(i).

4.3.7. *Guaranteed Payments.* To the extent any compensation paid to any Member by the Company, is determined by the Internal Revenue Service not to be a guaranteed payment under Section 707(c) of the Code or is not paid to the Member other than in the Person's capacity as a Member within the meaning of Section 707(a) of the Code, the Member shall be specially allocated gross income of the Company in an amount equal to the amount of that compensation, and the Member's Capital Account shall be adjusted to treat the payment of that compensation as a distribution.

4.3.8. *Recapture.* In making any allocation among the Members of income or gain from the sale or other disposition of a Company asset, the ordinary income portion, if any, of such income and gain resulting from the recapture of cost recovery or other deductions shall be allocated among those Members who were previously allocated (or whose predecessors-in-interest were previously allocated) the cost recovery deductions or other deductions resulting in the recapture items, in proportion to the amount of such cost recovery deductions or other deductions previously allocated to them.

4.3.9. *Withholding.* All amounts required to be withheld pursuant to Section 1446 of the Code 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.

4.3.10. *Other Allocations.* All items of Company income, gain, loss, deduction and credit the allocation of which is not otherwise provided for in this Agreement, including allocation of such items for tax purposes, shall be allocated among the Members in the same proportions as they share Profits or Losses for the taxable year pursuant to this *Article IV*.

#### 4.4. *Liquidation and Dissolution.*

4.4.1. If the Company is liquidated, the assets of the Company shall be distributed to the Interest Holders in accordance with the balances in their respective Capital Accounts, after taking into account the allocations of Profit or Loss pursuant to *Sections 4.1* or *4.2*.

4.4.2. No Interest Holder shall be obligated to restore a Negative Capital Account.

#### 4.5. *General.*

4.5.1. Except as otherwise provided in this Agreement, the timing and amount of all distributions shall be determined by the General Manager.

4.5.2. 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 Members otherwise agree, the fair market value of the assets shall be determined by an independent appraiser who shall be selected by the General Manager. The Profit or Loss for each unsold asset shall be determined as if the asset had been sold at its fair market value, and the Profit or Loss shall be allocated as provided in *Section 4.2* and shall be properly credited or charged to the Capital Accounts of the Interest Holders prior to the distribution of the assets in liquidation pursuant to *Section 4.4*.

4.5.3. All Profit and Loss shall be allocated, and all distributions shall be made, to the Persons shown on the records of the Company to have been Interest Holders as of the last day of the taxable year for which the allocation or distribution is to be made. Notwithstanding the foregoing, unless the Company's taxable year is separated into segments, if there is a Transfer or an Involuntary Withdrawal during the taxable year, the Profit and Loss shall be allocated between the original Interest Holder and the successor on the basis of the number of days each was an Interest Holder during the taxable year; provided, however, to the extent permitted under Section 706 of the Code the Company's taxable year shall be segregated into two or more segments in order to account for Profit, Loss, or proceeds attributable to a Capital Transaction or to any other extraordinary nonrecurring items of the Company.

4.5.4. The General Manager is hereby authorized, upon the advice of the Company's tax counsel, to amend this *Article IV* to comply with the Code and the Regulations promulgated under Section 704(b) of the Code; provided, however, that no amendment shall materially affect distributions to an Interest Holder without the Interest Holder's prior written consent.

## **Article V Management**

### *5.1. General Manager.*

5.1.1. *In General.* The business and affairs of the Company shall be managed by the General Manager. Except as otherwise expressly provided in this Agreement, the General Manager shall have full and complete authority, power and discretion to manage and control the business, affairs and properties of the Company, to make all decisions regarding those matters and to perform any and all other acts or activities customary or incident to the management of the Company's business.

5.1.2. *Specific Powers.* Without limiting the generality of the foregoing, the General Manager shall have the power and authority, on behalf of the Company, to:

5.1.2.1. Acquire by purchase, lease, or otherwise, any real or personal property, tangible or intangible;

5.1.2.2. Construct, operate, maintain, finance, and improve, and to own, sell, convey, assign, mortgage, or lease any real estate and any personal property;

5.1.2.3. Except as provided in *Section* 5.1.3.6, sell, dispose, trade, or exchange Company assets in the ordinary course of the Company's business;

5.1.2.4. Enter into agreements and contracts and to give receipts, releases and discharges;

5.1.2.5. Purchase liability and other insurance to protect the Company's properties and business;

5.1.2.6. Borrow money for and on behalf of the Company, and, in connection therewith, execute and deliver instruments to hypothecate, encumber and grant security interests in the assets of the Company to secure repayment of the sums borrowed;

5.1.2.7. Execute or modify leases with respect to any part or all of the assets of the Company;

5.1.2.8. Prepay, in whole or in part, refinance, amend, modify, or extend any mortgages or deeds of trust which may affect any asset of the Company and in connection therewith to execute for and on behalf of the Company any extensions, renewals or modifications of such mortgages or deeds of trust;

5.1.2.9. Execute any and all other instruments and documents which may be necessary or in the opinion of the General Manager desirable to carry out the intent and purpose of this Agreement, including, but not limited to, documents whose operation and effect extend beyond the term of the Company;

5.1.2.10. Make any and all expenditures which the General Manager, in its sole discretion, deems necessary or appropriate in connection with the management of the affairs of the Company and the carrying out of its obligations and responsibilities under this Agreement, including, without limitation, all legal, accounting and other related expenses incurred in connection with the organization and financing and operation of the Company;

5.1.2.11. Enter into any kind of activity necessary to, in connection with, or incidental to, the accomplishment of the purposes of the Company;

5.1.2.12. Invest and reinvest Company reserves in short-term instruments or money market funds; and

5.1.2.13. Employ accountants, legal counsel, agents, and other experts to perform services for the Company.

5.1.3. *Extraordinary Transactions.* Notwithstanding anything to the contrary in this Agreement, the General Manager shall not undertake any of the following without the approval of the Members:

- 5.1.3.1. Any Capital Transaction;
- 5.1.3.2. The Company's lending more than \$5,000.00 of its money on any one occasion;
- 5.1.3.3. The admission of additional Members to the Company;
- 5.1.3.4. The Company's engaging in business in any jurisdiction which does not provide for the registration of limited liability companies;
- 5.1.3.5. Discontinuance of the Company's business;
- 5.1.3.6. Sale of the Company's business or substantial portion thereof, or the sale, exchange or other disposition of all, or substantially all, of the company's assets;
- 5.1.3.7. Any merger, reorganization or recapitalization of the Company;
- 5.1.3.8. Any borrowings by the Company in excess of \$5,000.00;
- 5.1.3.9. Any contract which would require the Company to expend more than \$5,000.00 and the adoption of any profit sharing, bonus, pension or similar plan;
- 5.1.3.10. Settlement or confession of judgment in any legal matter;
- 5.1.3.11. Transactions with Affiliates [or family members] of the General Manager;
- 5.1.3.12. Taking or effecting any action that would render the Company bankrupt or insolvent or, except as expressly provided in this Agreement, cause the termination, dissolution, liquidation or winding-up of the Company; and
- 5.1.3.13. Such other matters and decisions as the Members may from time to time designate.



5.1.4. *Removal of General Manager.* The General Manager may only be removed under the following procedure. If any one or more of the following events occurs, the Members may remove the General Manager, and elect a new General Manager:

5.1.4.1. The General Manager's willful or intentional violation or reckless disregard of the General Manager's duties to the Company; or

5.1.4.2. The General Manager's Involuntary Withdrawal.

The determination of whether one or more of such events exist shall be made by those Members holding a majority of the Percentages then held by Members and shall be final, binding, and not reviewable unless the decision was based on a material mistake of fact or law or was arbitrary and capricious. The General Manager may not be removed for any other reasons or under any other procedure.

5.2. *Meetings of and Voting by Members.*

5.2.1. A meeting of the Members may be called at any time by any Member. Meetings of Members shall be held at the Company's principal place of business or at any other place in Sitka, Alaska. Not less than ten (10) nor more than ninety (90) days before each meeting, the Person calling the meeting shall give written notice of the meeting to each Member entitled to vote at the meeting. The notice shall state the time, place, and purpose of the meeting. Notwithstanding the foregoing provisions, each Member who is entitled to notice waives notice if before or after the meeting the Member signs a waiver of the notice which is filed with the records of Members' meetings, or is present at the meeting in person or by proxy. Unless this Agreement provides otherwise, at a meeting of Members, the presence in person or by proxy of a majority of the Members constitutes a quorum. A Member may vote either in person or by written proxy signed by the Member or by the Member's duly authorized attorney-in-fact.

5.2.2. Except as otherwise provided in this Agreement, the affirmative vote of a majority of the Members shall be required to approve any matter coming before the Members.

5.2.3. In lieu of holding a meeting, the Members may vote or otherwise take action by a written instrument indicating the consent of Members holding a majority of the Percentages then held by Members.

5.3. *Personal Service.*

5.3.1. No Member shall be required to perform services for the Company solely by virtue of being a Member. Unless approved by the General Manager, no Member shall perform services for the Company or be entitled to compensation for services performed for the Company.

5.3.2. Unless approved by a majority of the Members, the General Manager shall not be entitled to compensation for services performed for the Company. However, upon substantiation of the amount and purpose thereof, the General Manager shall be entitled to reimbursement for expenses reasonably incurred in connection with the activities of the Company.

#### 5.4. *Limitation of Liability and Independent Activities.*

5.4.1. *Limitation of Liability.* Neither the Members nor the Managers (nor any of their Affiliates) shall be liable, responsible or accountable in damages or otherwise to the Company or the Members for any act or omission by any such Person (which shall include any applicable entity) performed in good faith pursuant to the authority granted to such Person by this Agreement or in accordance with its provisions, and in a manner reasonably believed by such Person to be within the scope of the authority granted to such Person and in the best interest of the Company; provided, however, that such Person shall retain liability for acts or omissions that involve intentional misconduct, a knowing violation of the law, a violation of AS 10.50.320 (in the case of Members only) or for any transaction from which the Person will personally receive a benefit in money, property, or services to which the person is not legally entitled.

5.4.2. *Independent Activities.* Any Member may engage in or possess an interest in other business ventures of every nature and description, independently or with others, including, without limitation, the ownership, financing, management, employment by, lending or otherwise participating in businesses that are similar to the business of the Company, and neither the Company nor the other Members shall have any right by virtue of this Agreement in and to such independent ventures as to the income or profits therefrom and shall not be liable for a breach of duty of loyalty or any other duty.

#### 5.5. *Indemnification*

5.5.1. *Indemnification.* (i) To the fullest extent permitted by applicable law, a Member, the General Manager and each director, officer, partner, employee or agent thereof ("Covered Person") shall be entitled to indemnification from the Company for any loss, damage, or claim incurred by such Covered Person by reason or any act or omission performed or omitted by such Covered Person in good faith on behalf of the Company and in a manner reasonably believed to be within the scope of authority conferred on such Covered Person by this Agreement, except that non Covered Person shall be entitled to be indemnified in respect of any loss, damage or claim incurred by such Covered Person by reason of gross negligence, bad faith, or willful misconduct with respect to such act or omissions; *provided, however,* that any indemnity under this Section 5.5.1 shall be provided out of and to the extent of Company assets only, and no other Covered Person shall have any personal liability on account thereof.

5.5.2. *Notice.* In the event that any claim, demand, action, suit or proceeding shall be instituted or asserted or any loss, damage or claim shall arise in respect of which

indemnity may be sought by a Covered Person pursuant to *Section 5.5.1(i)*, such Covered Person shall promptly notify the Company thereof in writing. Failure to provide notice shall not affect the Company's obligations hereunder except to the extent the Company is actually prejudiced thereby.

5.5.3. *Contest.* The Company shall have the right, exercisable subject to the approval of the disinterested Covered Persons, to participate in and control the defense of any such claim, demand, action, suit or proceeding, and in connection therewith, to retain counsel reasonably satisfactory to each Covered Person, at the Company's expense, to represent each Covered Person and any others the Company may designate in such claim, demand, action, suit or proceeding. The Company shall keep the Covered Person advised of the status of such claim, demand, action, suit or proceeding and the defense thereof and shall consider in good faith recommendations made by the Covered Person with respect thereto.

## **Article VI Admissions and Transfers**

6.1. *Transfers.* No Person may Transfer all or any portion of or any interest or rights in the Person's Membership Rights or Interest unless the following conditions ("Conditions of Transfer") are satisfied:

6.1.1. The Transfer will not require registration of Interests or Membership Rights under any federal or state securities laws;

6.1.2. The transferee delivers to the Company a written agreement to be bound by all the terms of this Agreement;

6.1.3. The Transfer will not result in the termination of the Company pursuant to Code Section 708;

6.1.4. The Transfer will not result in the Company being subject to the Investment Company Act of 1940, as amended;

6.1.5. The transferor or the transferee delivers the following information to the Company: (i) the transferee's taxpayer identification number, and (ii) the transferee's initial tax basis in the Transferred Interest; and

6.1.6. The transferor obtains, at the transferor's expense, and delivers to the Company, an opinion of legal counsel acceptable to the Company, confirming that the Conditions of Transfer have been satisfied.

6.2. If the Conditions of Transfer are satisfied, then a Member or Interest Holder may Transfer all or any portion of that Person's Interest. The Transfer of an Interest pursuant to this *Article IX* shall not result, however, in the Transfer of any of the transferor's other Membership Rights, if any, and the transferee of the Interest shall have no right to: (i) become a Member, or (ii) exercise any Membership Rights other than those specifically pertaining to the ownership of an Interest.

6.3. Each Member hereby acknowledges the reasonableness of the prohibition contained in this *Article VI* 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 *Article VI* shall be deemed invalid, null and void, and of no force or effect. Any Person to whom Membership Rights are attempted to be transferred in violation of this *Article* 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 distributions from the Company, or have any other rights in or with respect to the Membership Rights.

6.4. *Admission of Transferee as Member.* Notwithstanding anything contained herein to the contrary, the transferee of all or any portion of or any interest or rights in any Membership Rights or Interest shall not be entitled to become a Member or exercise any rights of a Member. The transferee shall be entitled to receive, to the extent transferred, only the distributions to which the transferor would be entitled, and the transferee shall not be admitted as a Member unless the Members unanimously consent.

## **Article VII Dissolution and Liquidation**

7.1. *Events of Dissolution.* The Company shall be dissolved upon the happening of any of the following events:

7.1.1. when the period fixed for its duration in *Section 2.4* has expired;

7.1.2. upon the unanimous written agreement of the Members; or

7.1.3. upon the death, retirement, resignation, expulsion, or bankruptcy of a Member or the occurrence of any other event which terminates the continued membership of a Member in the Company, unless the remaining Members, within ninety (90) days after the event or occurrence, unanimously elect to continue the business of the Company pursuant to the terms of this Agreement.

7.2. *Procedure for Winding Up and Dissolution.* If the Company is dissolved, the General Manager shall wind up its affairs. On winding up of the Company, the assets of the

Company shall be distributed, first, to creditors of the Company, including Members who are creditors, in satisfaction of the liabilities of the Company, and then, amounts in excess of any reserves deemed reasonably necessary by the General Manager to pay all of the Company's claims and obligations shall be distributed to the Interest Holders in accordance with *Section 4.2.3.4* of this Agreement.

7.3. *Termination.* The General Manager shall comply with any requirements of applicable Law pertaining to the winding up of the affairs of the Company and the final distribution of its assets. Upon completion of the winding up, liquidation and distribution of the assets, the Company shall be deemed terminated.

## **Article VIII Books, Records, and Accounting**

8.1. *Bank Accounts.* All funds of the Company shall be deposited in a bank account or accounts opened in the Company's name. The General 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.

### 8.2. *Books and Records.*

8.2.1. The General Manager shall keep or cause to be kept complete and accurate books and records of the Company and supporting documentation of the transactions with respect to the conduct of the Company's business. The records shall include, but not be limited to, complete and accurate information regarding the state of the business and financial condition of the Company, a copy of the Articles of Organization and this Agreement and all amendments thereto, a current list of the names and last known business, residence, or mailing addresses of all Members; and the Company's federal, state, and local tax returns.

8.2.2. The books and records shall be maintained in accordance with sound accounting practices consistently applied and shall be available at the Company's principal office for examination by any Member or the Member's duly authorized representative at any and all reasonable times during normal business hours.

8.2.3. Each Member shall reimburse the Company for all costs and expenses incurred by the Company in connection with the Member's inspection and copying of the Company's books and records.

8.3. *Annual Accounting Period.* The annual accounting period of the Company shall be its taxable year. The Company's taxable year shall be selected by the General Manager, subject to the requirements and limitations of the Code.

#### 8.4. *Reports*

8.4.1. *Biennial Report.* The Members shall file a biennial report as required by the Department.

8.4.2. *Reports to Members.* Within seventy-five (75) days after the end of each taxable year of the Company, the General Manager shall cause to be sent to each Person who was a Member at any time during the taxable year then ended: (i) an annual compilation report, prepared by the Company's independent accountants in accordance with standards issued by the American Institute of Certified Public Accountants; and (ii) a report summarizing the fees and other remuneration paid by the Company to any Member, the General Manager, or any Affiliate in respect of the taxable year. In addition, within seventy-five (75) days after the end of each taxable year of the Company, the General Manager shall cause to be sent to each Person who was an Interest Holder at any time during the taxable year then ended, that tax information concerning the Company 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 General Manager shall cause an audit of the Company's books and records to be prepared by independent accountants for the period requested by the Member.

8.5. *Tax Matters Member.* The General Manager shall be the Company's tax matters partner ("Tax Matters Member"). The Tax Matters Member shall have all powers and responsibilities of a tax matters partner" as defined in Section 6231 of the Code. The Tax Matters Member shall keep all Members informed of all notices from government taxing authorities that may come to the attention of the Tax Matters Member. The Company shall pay and be responsible for all reasonable third-party costs and expenses incurred by the Tax Matters Member in performing those duties. A Member shall be responsible for any costs incurred by the Member with respect to any tax audit or tax-related administrative or judicial proceeding against any Member, even though it relates to the Company. The Tax Matters Member shall not compromise any dispute with the Internal Revenue Service without the approval of the Members.

8.6. *Tax Elections.* The General Manager shall have the authority to make all Company elections permitted under the Code, including, without limitation, elections of methods of depreciation and elections under Section 754 of the Code. The decision to make or not make an election shall be at the General Manager's sole and absolute discretion.

8.7. *Title to Company Property.* All real and personal property acquired by the Company shall be acquired and held by the Company in its name.

**Article IX**  
**Amendments; General Provisions**

9.1. *Assurances.* Each Member shall execute all certificates and other documents and shall do all such filing, recording, publishing, and other acts as the General Manager deems appropriate to comply with the requirements of law for the formation and operation of the Company and to comply with any laws, rules, and regulations relating to the acquisition, operation, or holding of the property of the Company.

9.2. *Notifications.* Any notice, demand, consent, election, offer, approval, request, or other communication (collectively a "notice") required or permitted under this Agreement must be in writing and either delivered personally or sent by certified or registered mail, postage prepaid, return receipt requested. Any notice to be given hereunder by the Company shall be given by the General Manager. A notice must be addressed to an Interest Holder at the Interest Holder's last known address on the records of the Company. A notice to the Company must be addressed to the Company's principal office. A notice delivered personally will be deemed given only when acknowledged in writing by the person to whom it is delivered. A notice that is sent by mail will be deemed given three (3) business days after it is mailed. Any party may designate, by notice to all of the others, substitute addresses or addressees for notices; thereafter, notices are to be directed to those substitute addresses or addressees.

9.3. *Specific Performance.* The parties recognize that irreparable injury will result from a breach of any provision of this Agreement and that money damages will be inadequate to remedy the injury fully. Accordingly, in the event of a breach or threatened breach of one or more of the provisions of this Agreement, any party who may be injured (in addition to any other remedies which may be available to that party) shall be entitled to one or more preliminary or permanent orders (i) restraining and enjoining any act that would constitute a breach or (ii) compelling the performance of any obligation that, if not performed, would constitute a breach.

9.4. *Complete Agreement.* This Agreement constitutes the complete and exclusive statement of the agreement among the Members. It supersedes all prior written and oral statements, including any prior representation, statement, condition, or warranty. Except as expressly provided otherwise herein, this Agreement may not be amended without the written consent of all of the Members.

9.5. *Applicable Law.* All questions concerning the construction, validity, and interpretation of this Agreement and the performance of the obligations imposed by this Agreement shall be governed by the internal law, not the law of conflicts, of the State of Alaska.

9.6. *Section Titles.* The headings herein are inserted as a matter of convenience only and do not define, limit, or describe the scope of this Agreement or the intent of the provisions hereof.

9.7. *Binding Provisions.* This Agreement is binding upon, and inures to the benefit of, the parties hereto and their respective heirs, executors, administrators, personal and legal representatives, successors, and permitted assigns.

9.8. *Jurisdiction and Venue.* Any suit involving any dispute or matter arising under this Agreement may only be brought in the United States District Court for Alaska or any Alaska State Court having jurisdiction over the subject matter of the dispute or matter. All Members hereby consent to the exercise of personal jurisdiction by any such court with respect to any such proceeding.

9.9. *Terms.* Common nouns and pronouns shall be deemed to refer to the masculine, feminine, neuter, singular, and plural, as the identity of the Person may in the context require.

9.10. *Separability of Provisions.* Each provision of this Agreement shall be considered separable; and if, for any reason, any provision or provisions herein are determined to be invalid and contrary to any existing or future law, such invalidity shall not impair the operation of or affect those portions of this Agreement which are valid.

9.11. *Counterparts.* This Agreement may be executed simultaneously in two or more counterparts, each of which shall be deemed an original and all of which, when taken together, constitute one and the same document. The signature of any party to any counterpart shall be deemed a signature to, and may be appended to, any other counterpart.

9.12. *Estoppel Certificate.* Each Member shall, within ten (10) days after written request by the General Manager, 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. If the certificate is not received within that ten (10) day period, the General Manager shall execute and deliver the certificate on behalf of the requested Member.

9.13. *Amendment.* This Agreement may be amended by a vote of the members holding 100% of the capital accounts of all of the Members, *provided however* that no amendment which materially reduces the distributions which may be made to a Member (or changes the Profit or Loss allocation to such Member) may be made without such Member's consent.

9.14. *Consents.* Unless otherwise explicitly provided for herein, any and all consents, agreements or approvals provided for or permitted by this Agreement shall be in writing and a signed copy thereof shall be filed and kept with the books of the Company.



9.15. *Legends.* If certificates for any Interest or Interests are issued that evidence a Member's Interest, each such certificate shall bear such legends as may be required by applicable federal and state laws, or as may be deemed necessary or appropriate by the General Manager to reflect restrictions upon transfer contemplated herein.

IN WITNESS WHEREOF, the parties hereto have executed this Agreement as of the date and year first above written.

2-27-2016  
Date

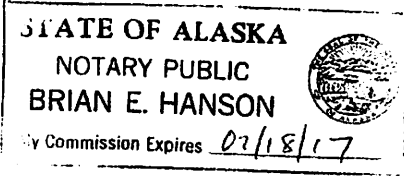
[Signature]  
Micah S. Miller

2-27-2016  
Date

[Signature]  
Michael J. Daly

STATE OF ALASKA )  
 ) ss:  
FIRST JUDICIAL DISTRICT )

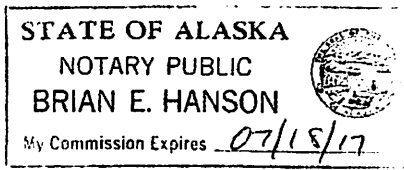
The foregoing instrument was acknowledged before me this 27<sup>th</sup> day of February, 2016, by MICAH S. MILLER.



[Signature]  
Notary Public in and for Alaska

STATE OF ALASKA )  
 ) ss:  
FIRST JUDICIAL DISTRICT )

The foregoing instrument was acknowledged before me this 27<sup>th</sup> day of February, 2016, by MICHAEL J. DALY.



[Signature]  
Notary Public in and for Alaska

**EXHIBIT A**  
**Northern Lights Indoor Gardens, LLC**  
**Members**  
**02/26/16**

<u>Member / Address</u>	<u>Capital Contribution</u>	<u>Percent Ownership Interest</u>
Micah S. Miller 1710 Halibut Point Road Sitka, Alaska 99835	N/A	50%
Michael J. Daly 501 Charteris Street Sitka, Alaska 99835	N/A	50%

Alaska Entity #10028235

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

## Certificate of Organization

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

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

**Northern Lights Indoor Gardens, LLC**



IN TESTIMONY WHEREOF, I execute the certificate  
and affix the Great Seal of the State of Alaska  
effective March 25, 2015.

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

Chris Hladick  
Commissioner

## Division of Corporations, Business and Professional Licensing

### Name(s)

Type	Name
Legal Name	Northern Lights Indoor Gardens, LLC

### Entity Details

**Entity Type:** Limited Liability Company

**Entity #:** 10028235

**Status:** Good Standing

**AK Formed Date:** 3/25/2015

**Duration/Expiration:** Perpetual

**Home State:** ALASKA

**Next Biennial Report Due:** 1/2/2017

**Entity Mailing Address:** 501 CHARTERIS ST, SITKA, AK 99835

**Entity Physical Address:** 1321 SAWMILL CR RD STE O & P, SITKA, AK 99835

### Registered Agent

**Agent Name:** Michael Daly

**Registered Mailing Address:** 501 CHARTERIS STREET, SITKA, AK 99835

**Registered Physical Address:** 501 CHARTERIS STREET, SITKA, AK 99835

### Officials

AK Entity#	Name	Titles	Percent Owned
	Micah Miller	Member, Manager	50
	Michael Daly	Member	50

### Filed Documents

Date Filed	Type	Filing	Certificate
3/25/2015	Creation Filing		
4/9/2015	Initial Report		
3/1/2016	Change of Officials		

October 29, 2016

Attachment B-1

Lorraine Daly is the wife of Mike Daly co-owner of Northern Lights Indoor Gardens LLC. She has an indirect financial and equitable interest in the company and therefore has been included as an affiliate as stated in 3 AAC 306.015 (e) letter A.

We could submit proof of her financial interest and contributions to the company along with her involvement in accounts including banking, suppliers, and cost of business if necessary.

Thank you

Mike Daly, Co-owner Northern Lights Indoor Gardens LLC



Alaska Marijuana Control Board

# Cover Sheet for Marijuana Establishment Applications

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

## What is this form?

This cover sheet **must** be completed and submitted any time a document, payment, or other marijuana establishment application item is emailed, mailed, or hand-delivered to AMCO's main office.

Items that are submitted without this page will be returned in the manner in which they were received.

## Section 1 – Establishment Information

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

Licensee:	Northern Lights Indoor Gardens, LLC	License Number:	10138		
License Type:	Retail Marijuana Store				
Doing Business As:	NORTHERN LIGHTS INDOOR GARDENS, LLC				
Physical Address:	1321 Sawmill Creek Road Suite O and P				
City:	Sitka	State:	AK	Zip Code:	99835
Designated Licensee:	<i>Micah Miller</i>				
Email Address:	dalys@gci.net				

## Section 2 – Attached Items

List all documents, payments, and other items that are being submitted along with this page.

Attached Items:	<i>DEC Permit # 121120680</i>
-----------------	-------------------------------

### OFFICE USE ONLY

Received Date:		Payment Submitted Y/N:		Transaction #:	
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STATE OF ALASKA DIVISION OF ENVIRONMENTAL HEALTH INVOICE # 14683

F R O M	REMIT TO: Dept. of Environmental Conservation Financial Services 410 Willoughby Ave. #303 Juneau AK 99801-1795	CALENDAR YEAR <u>16</u>	TYPE CODE <u>FM-1 MJ</u>
		PERMIT #: [1][2][1][1][2][0][6][8][0]	
T O	APPLICANT NAME: <u>Northern Lights Indoor Gardens LLC</u>	APPLICANT: IMPORTANT	
	DBA: <u>Northern Lights Indoor Gardens</u> ADDRESS: <u>1321 Sawmill Creek Road, Suite 0</u> CITY: <u>SITKA</u> STATE: <u>AK</u> ZIP: <u>99835</u> PHONE: <u>907 747-5858</u>	1. Make Check Payable To: State Of Alaska 2. Reference invoice number and permit number on your check. 3. Submit part (yellow) copy of this form with your payment.	
	EHO Contact Name: <u>Greg Johnstone</u> EHO ID#: <u>138</u> EHO Phone: <u>907 747-8614</u>	TOTAL FEES ANNUAL FEE <u>100.00</u> Less 50% Discount ( ) SUBTOTAL <u>100.00</u> Less Espresso Discount ( ) SUBTOTAL _____ Less Assoc. Discount ( ) SUBTOTAL _____ PLAN REVIEW FEE + <u>125.00</u> Less Discount (3 or more operations) ( ) SUBTOTAL <u>125.00</u> CHANGE OF OWNERSHIP + _____ SUBTOTAL _____ OTHER _____ + _____ SUBTOTAL _____ TOTAL FEES <u>225.00</u>	
	CHECK APPLICABLE DISCOUNT PERMIT <input type="checkbox"/> DISCOUNT 50% - 501(C) 4, 10, 19 NOTE: Must provide IRS Exemption Letter <input type="checkbox"/> DISCOUNT 50% - Ltd./ Mobile/Kiosk Serving Only Certain Beverages and Non PH Prepackaged Foods <input type="checkbox"/> DISCOUNT 20% - ASSOCIATED Bar/Food Service PLAN REVIEW <input type="checkbox"/> DISCOUNT- 20% for 3 or more operations		
	PAID: CASH _____ CHECK <u>1058</u> Date Payment Received <u>6/24/16</u> <input type="checkbox"/> Send Permit to Operator <input checked="" type="checkbox"/> Send permit to EHO NOTE: Payment due within 30 days of date of issue. Date Issued: <u>6/24/16</u>		

[Commissioner](#) [Divisions/Contacts](#) [Public Notices](#) [Regulations](#) [Statutes](#) [Press Releases](#)  
Division of Environmental Health

# Food Safety & Sanitation Program



## Permit Search Data

Permit # 121120680:  
Permit Name: Northern Lights Indoor Gardens  
Owner Name: Northern Lights Indoor Gardens LLC  
Owner Address: 1321 SAWMILL CREEK RD SITKA, AK 99835  
Status: ACTIVE  
Permit Issue Date: 07/07/2016  
Permit Expiration Date: 12/31/2016

[\(Back to Search Results\)](#)

[State of Alaska](#) [myAlaska](#) [DEC Staff Directory](#) [Webmaster](#) [DEC Home](#) [EH Home](#) [EH Contacts](#)





Alaska Marijuana Control Board

# Cover Sheet for Marijuana Establishment Applications

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

### What is this form?

This cover sheet **must** be completed and submitted any time a document, payment, or other marijuana establishment application item is emailed, mailed, or hand-delivered to AMCO's main office.

Items that are submitted without this page will be returned in the manner in which they were received.

### Section 1 – Establishment Information

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

Licensee:	Northern Lights Indoor Gardens, LLC	License Number:	10138		
License Type:	Retail Marijuana Store				
Doing Business As:	NORTHERN LIGHTS INDOOR GARDENS, LLC				
Physical Address:	1321 Sawmill Creek Road Suite O and P				
City:	Sitka	State:	AK	Zip Code:	99835
Designated Licensee:	Micah Miller				
Email Address:	dalys@gci.net				

### Section 2 – Attached Items

List all documents, payments, and other items that are being submitted along with this page.

Attached Items:	Application on Certification 5
MJ-00	Micah Miller 3 pages
	Mike Daly 3 pages
	Lorraine Daly 3 pages
	<u>9 pages Total</u>

### OFFICE USE ONLY

Received Date:	Payment Submitted Y/N:	Transaction #:
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Attachment @ A  
11 pages

Alcohol and Marijuana Control Office  
550 W 7<sup>th</sup> Avenue, Suite 1600  
Anchorage, AK 99501  
[marijuana.licensing@alaska.gov](mailto:marijuana.licensing@alaska.gov)  
<https://www.commerce.alaska.gov/web/amco>  
Phone: 907.269.0350

Alaska Marijuana Control Board

## Form MJ-00: Application Certifications

### What is this form?

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 main 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:	Northern Lights Indoor Gardens, LLC	License Number:	10138		
License Type:	Retail Marijuana Store				
Doing Business As:	Northern Lights Indoor Gardens, LLC				
Premises Address:	1321 Sawmill Creek Road, Suite O & P				
City:	Sitka	State:	AK	ZIP:	99835

### Section 2 – Individual Information

Enter information for the individual licensee or affiliate.

Name:	Micah Miller
Title:	Co owner

### 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?

M.L. #10136



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.

mm

I certify that I am not currently on felony probation or felony parole.

mm

I certify that I have not been found guilty of selling alcohol without a license in violation of AS 04.11.010.

mm

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.

mm

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.

mm

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.

mm

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).

mm

I certify that my proposed premises is not located in a liquor licensed premises.

mm

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.

mm

I certify that all proposed licensees (as defined in 3 AAC 306.020(b)(2)) and affiliates (as defined in 3 AAC 306.990(a)(1)) have been listed on my online marijuana establishment license application.

mm

I certify that all proposed licensees have been listed on my application with the Division of Corporations.

mm

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.

mm



Alcohol and Marijuana Control Office  
550 W 7<sup>th</sup> Avenue, Suite 1600  
Anchorage, AK 99501  
[marijuana.licensing@alaska.gov](mailto:marijuana.licensing@alaska.gov)  
<https://www.commerce.alaska.gov/web/amco>  
Phone: 907.269.0350

## 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 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.

### All marijuana establishment license applicants:

As an applicant for a marijuana establishment license, I declare under penalty of unsworn falsification that I have read and am familiar with AS 17.38 and 3 AAC 306, and that I have examined the online application and this form, including all accompanying schedules and statements, and to the best of my knowledge and belief find them to be true, correct, and complete.

  
Signature of licensee

Subscribed and sworn to before me this 4<sup>TH</sup> day of MAY, 2016.



Notary Public in and for the State of Alaska.

My commission expires: 05/12/2019





Alaska Marijuana Control Board

# Form MJ-00: Application Certifications

**What is this form?**

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 main 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:	Northern Lights Indoor Gardens <i>LLC</i>	License Number:	10138
License Type:	Retail Marijuana Store		
Doing Business As:	Northern Lights Indoor Gardens, <i>LLC</i>		
Premises Address:	1321 Sawmill Creek Road, Suite O & P		
City:	Sitka	State:	AK
		ZIP:	99835

## Section 2 – Individual Information

Enter information for the individual licensee or affiliate.

Name:	Mike Daly
Title:	Co owner

## 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?

M.L. #10136



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.

*MO*

I certify that I am not currently on felony probation or felony parole.

*MO*

I certify that I have not been found guilty of selling alcohol without a license in violation of AS 04.11.010.

*MO*

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.

*MO*

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.

*MO*

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.

*MO*

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).

*MO*

I certify that my proposed premises is not located in a liquor licensed premises.

*MO*

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.

*MO*

I certify that all proposed licensees (as defined in 3 AAC 306.020(b)(2)) and affiliates (as defined in 3 AAC 306.990(a)(1)) have been listed on my online marijuana establishment license application.

*MO*

I certify that all proposed licensees have been listed on my application with the Division of Corporations.

*MO*

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.

*MO*



Alcohol and Marijuana Control Office  
550 W 7<sup>th</sup> Avenue, Suite 1600  
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[marijuana.licensing@alaska.gov](mailto:marijuana.licensing@alaska.gov)  
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Phone: 907.269.0350

Alaska Marijuana Control Board

Form MJ-00: Application Certifications

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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.

All marijuana establishment license applicants:

As an applicant for a marijuana establishment license, I declare under penalty of unsworn falsification that I have read and am familiar with AS 17.38 and 3 AAC 306, and that I have examined the online application and this form, including all accompanying schedules and statements, and to the best of my knowledge and belief find them to be true, correct, and complete.

  
Signature of licensee

Subscribed and sworn to before me this 4<sup>th</sup> day of MAY, 2016.





Notary Public in and for the State of Alaska.

My commission expires: 05/14 2019



Alaska Marijuana Control Board

# Form MJ-00: Application Certifications

## What is this form?

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 main 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:	Northern Lights Indoor Gardens <i>LLC</i>	License Number:	10138		
License Type:	Retail Marijuana Store				
Doing Business As:	Northern Lights Indoor Gardens, <i>LLC</i>				
Premises Address:	1321 Sawmill Creek Road, Suite O & P				
City:	Sitka	State:	AK	ZIP:	99835

### Section 2 – Individual Information

Enter information for the individual licensee or affiliate.

Name:	Lorraine Daly
Title:	Affiliate

### 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?

M.L. #10136





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.

AO

I certify that I am not currently on felony probation or felony parole.

AO

I certify that I have not been found guilty of selling alcohol without a license in violation of AS 04.11.010.

AO

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.

AO

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.

AO

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.

AO

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).

AO

I certify that my proposed premises is not located in a liquor licensed premises.

AO

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.

AO

I certify that all proposed licensees (as defined in 3 AAC 306.020(b)(2)) and affiliates (as defined in 3 AAC 306.990(a)(1)) have been listed on my online marijuana establishment license application.

AO

I certify that all proposed licensees have been listed on my application with the Division of Corporations.

AO

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.

AO



Alcohol and Marijuana Control Office  
550 W 7<sup>th</sup> Avenue, Suite 1600  
Anchorage, AK 99501  
[marijuana.licensing@alaska.gov](mailto:marijuana.licensing@alaska.gov)  
<https://www.commerce.alaska.gov/web/amco>  
Phone: 907.269.0350

## 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 only the applicable statement:

Initials

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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.

### All marijuana establishment license applicants:

As an applicant for a marijuana establishment license, I declare under penalty of unsworn falsification that I have read and am familiar with AS 17.38 and 3 AAC 306, and that I have examined the online application and this form, including all accompanying schedules and statements, and to the best of my knowledge and belief find them to be true, correct, and complete.

*Saman Pely*  
Signature of licensee

Subscribed and sworn to before me this 9<sup>TH</sup> day of MAY, 2016.



*Erin Avila*

Notary Public in and for the State of Alaska.

My commission expires: 05/12/2019



Alaska Marijuana Control Board

# Cover Sheet for Marijuana Establishment Applications

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

## What is this form?

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Items that are submitted without this page will be returned in the manner in which they were received.

## Section 1 – Establishment Information

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

Licensee:	Northern Lights Indoor Gardens, LLC	License Number:	10138		
License Type:	Retail Marijuana Store				
Doing Business As:	NORTHERN LIGHTS INDOOR GARDENS, LLC				
Physical Address:	1321 Sawmill Creek Road Suite O and P				
City:	Sitka	State:	AK	Zip Code:	99835
Designated Licensee:	Micah Miller				
Email Address:	dalys@gci.net				

## Section 2 – Attached Items

List all documents, payments, and other items that are being submitted along with this page.

Attached Items:	MJ-01	Marijuana Establishment Plan Total Pages 19
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### OFFICE USE ONLY

Received Date:		Payment Submitted Y/N:		Transaction #:	
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**Alaska Marijuana Control Board**

**Form MJ-01: Marijuana Establishment Operating Plan**

**What is this form?**

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:

- Security
- Inventory tracking of all marijuana and marijuana product on the premises
- Employee qualification and training
- Waste disposal
- Transportation and delivery of marijuana and marijuana products
- Signage and advertising
- Control plan for persons under the age of 21

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 Information**

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

<b>Licensee:</b>	Northern Lights Indoor Gardens LLC	<b>License Number:</b>	10138		
<b>License Type:</b>	Retail Marijuana Store				
<b>Doing Business As:</b>	Northern Lights Indoor Gardens, LLC				
<b>Premises Address:</b>	1321 Sawmill Creek Road, Suite O & P				
<b>City:</b>	Sitka	<b>State:</b>	ALASKA	<b>ZIP:</b>	99835
<b>Mailing Address:</b>	501 Charteris St.				
<b>City:</b>	Sitka	<b>State:</b>	ALASKA	<b>ZIP:</b>	99835
<b>Primary Contact:</b>	Mike Daly				
<b>Main Phone:</b>	747-5858	<b>Cell Phone:</b>	738-2242		
<b>Email:</b>	dalys@gci.net				



Alaska Marijuana Control Board

## Form MJ-01: Marijuana Establishment Operating Plan

### Section 2 – Security

Review the requirements under 3 AAC 306.710 – 3 AAC 306.720 and 3 AAC 306.755, and identify how the proposed premises will meet the listed requirements.

Describe how the proposed premises will comply with each of the following:

#### Restricted Access Areas (3 AAC 306.710):

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

All restricted areas (including cultivation, trimming, packaging, storage of materials, waste products and office areas) will be secured behind commercial grade, non-residential door locks accessible by licensed employees and management with a current marijuana handlers permit on record at the facility only. Entry doors to restricted areas will have signs that clearly read "Restricted access area. Visitors must be escorted." and "No one under 21 years of age permitted". The signs will not be less than 12 inches long and 12 inches wide, with letters at least one-half inch in height contrast to the background of the sign.

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

Visitors will enter the business through the designated reception area in suite O. They will be required to show proof of age (21 years or older) by showing a valid government issued identification. All visitors will be required to sign and date a visitors log sheet located at the reception area. Visitors will be required to wear a visitor's badge containing the words "VISITOR" in large print while inside any restricted area. A maximum of 5 visitors at a time per escorting employee. Visitors will be in visible sight of the escorting employee at all times. Monitored security cameras will be recording all activity inside the restricted areas. Once the escorted visitors exit the restricted area with the employee they will return the visitor's badge and be allowed to exit the reception area at will.



Alaska Marijuana Control Board

## Form MJ-01: Marijuana Establishment Operating Plan

Alcohol and Marijuana Control Office

550 W 7<sup>th</sup> Avenue, Suite 1600

Anchorage, AK 99501

[marijuana.licensing@alaska.gov](mailto:marijuana.licensing@alaska.gov)

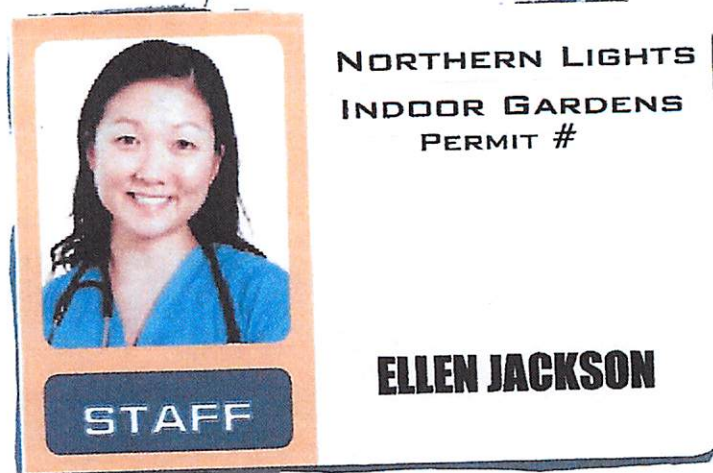
<https://www.commerce.alaska.gov/web/amco>

Phone: 907.269.0350

Describe your recordkeeping of visitors who are escorted into restricted access areas:

Visitors 21 years of age and older must sign and date a monthly log sheet that includes, the date, visitor's printed name, type of identification used, time entered into restricted area and time exited restricted area. The monthly log sheets will be stored in a Visitors Log Binder located in the locked fire proof cabinet in the locked office. At the end of 3 years the Visitors Log Book record will be scanned into an electronic record and kept as an electronic file in a fire proof safe. Video security camera footage of visitors will be kept in a fire proof safe located in the secured (locked) office for 40 days.

Provide a copy of a sample identification badge to be displayed by each licensee, employee, or agent while on the premises:





Alaska Marijuana Control Board

## Form MJ-01: Marijuana Establishment Operating Plan

Alcohol and Marijuana Control Office  
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Phone: 907.269.0350

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

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

Each exterior: Lighting is located at every exterior exit including windows. Lighting will be at a minimum of 8 feet high from the ground. Ground floor exterior lights will illuminate approximately 20 feet from all exterior entrances. Cameras located at each exit will be positioned so lighting will enhance video surveillance and not cause a hindrance.

An alarm system is required for all license types. Describe the security alarm system for the proposed premises:

Every exterior entrance and window will be equipped within an alarm system. The alarm system includes a DSC NEO alarm panel with keypad, outdoor loud siren for the two front and two rear entrances, window and door contact alarms, Roll up door contact alarm, indoor motion detector for interior entry ways, glass break detectors for all windows. The system is monitored by LJ Alarm Systems located in Juneau Alaska.

The alarm system must be activated on all exterior doors and windows when the licensed premises is closed for business. Describe how the security alarm system meets this requirement:

Alarm system is activated by keypad near the employee exit. Prior to exiting the building the managing employee will activate the alarm system using the key pad then will exit and lock the door. Management will be able to track whether the system is activated by using an APP on a cell phone.



**Alaska Marijuana Control Board**

**Form MJ-01: Marijuana Establishment Operating Plan**

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**Describe your policies and procedures for preventing diversion of marijuana or marijuana product:**

All marijuana and marijuana products will be kept in a secured locked (restricted) areas. All marijuana plants will be in compliance with the state approved marijuana inventory tracking system, METRC. METRC is a hosted, real-time system that uses serialized tags with barcode, human-readable and Radio Frequency identification (RFID) tags attached to every plant, and labels attached to wholesale packages to track marijuana inventory. Each tag will be attached to a plant when they reach 8 inches in height to facilitate tracking through different stages of growth, as well the drying and curing process. Marijuana products will be stored in the water and fire proof safe in locked office located in the restricted area. All marijuana product inventory record keeping including plant, tracking, and products will be kept in a water/fire proof safe in the locked office located in the restricted area for a the current year and three previous calender years. These records will then be scanned into electronic files and kept in the water/fire proof safe for future reference. Diversion of marijuana and marijuana products will also be prevented with use of video surveillance cameras located throughout the facility ensuring coverage of all entrances, point of sale and restricted areas. Video footage will be stored in a locked cabinet inside the locked office in the restricted area for 40 days. Visitors will be limited to 5 per employee and must be escorted a all times when inside the restricted area. Customers in the retail area will be personally assisted and products will be kept behind restricted counters.

**Describe your policies and procedures for preventing loitering:**

"No Loitering" signs will be posted at external doors. Surveillance camera with adequate lighting located at the external doors will be monitored by licensed staff during business hours for possible loitering. Any suspected loiterers will be asked to leave by licensed staff. If the loitering party refuses to leave the local law enforcement will be notified.

**Describe your policies and procedures regarding the use of any additional security device, such as a motion detector, pressure switch, and duress, panic, or hold-up alarm to enhance security of the proposed premises:**

Motion detectors will be activated using the security key pad at the employee exit during non business hours. Motion detectors will be located at each interior area around the windows and doors monitoring unauthorized motion during non business hours 20 feet from the windows and doorways.





**Alaska Marijuana Control Board**

**Form MJ-01: Marijuana Establishment Operating Plan**

Describe your policies and procedures regarding the actions to be taken by a licensee, employee, or agent when any automatic or electronic notification system alerts a local law enforcement agency of an unauthorized breach of security:

Once the alarm system is activated by unauthorized breach of security management and local law enforcement will be notified by L.J. Alarm System. A secured knox box will be accessible for police or other emergency personnel to gain access to business if they arrive prior to management. All personnel will work with local authorities to assist in any investigation deemed necessary. Management will notify the state marijuana control board of the unauthorized breach of security with in 24 business hours. Management will ensure full inventory will be assessed and reported to the authorities and the state marijuana control board. A quality control review of security measures will be conducted and proper steps to correct any deficiencies in the security plan will made.

**Video Surveillance (3 AAC 306.720):**

All licensed marijuana establishments must meet minimum standards for surveillance equipment. Applicants should be able to answer "Yes" to all items below.

Video surveillance and camera recording system covers the following areas of the premises:	Yes	No
Each restricted access area and each entrance to a restricted access area	<input checked="" type="checkbox"/>	<input type="checkbox"/>
Both the interior and exterior of each entrance to the facility	<input checked="" type="checkbox"/>	<input type="checkbox"/>
Each point of sale area	<input checked="" type="checkbox"/>	<input type="checkbox"/>
Each video surveillance recording:	Yes	No
Is preserved for a minimum of 40 days, in a format that can be easily accessed for viewing	<input checked="" type="checkbox"/>	<input type="checkbox"/>
Clearly and accurately displays the time and date	<input checked="" type="checkbox"/>	<input type="checkbox"/>
Is archived in a format that does not permit alteration of the recorded image, so that the images can readily be authenticated	<input checked="" type="checkbox"/>	<input type="checkbox"/>



**Alaska Marijuana Control Board**

**Form MJ-01: Marijuana Establishment Operating Plan**

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:

Cameras will be mounted on ceilings and upper area of walls to ensure clear views of all operations and identify any individual inside the licensed facility. Multiple cameras may be used in larger areas in order to ensure clear views of activity within the room. Outdoor cameras will be placed to ensure clear view within 20 feet of entrances. A camera will be placed above the second story windows with clear view of both the windows and the area below including the main entrance way and at least 20 feet around the main entrance. Video footage will have a clear time and date displayed at all times.

Describe the locked and secure area where video surveillance recording equipment and 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 board:

The locked and secured area will be the office. It will be secured by a commercial grade non residential locking mechanism accessible by management only. the surveillance recording equipment will be locked in a cabinet within the office. Records will be kept housed and stored in a fire proof safe within the secured office. The office and fire proof safe will be accessible to management only. In the event law enforcement or an agent of the board requires access to the office, records, video surveillance recording equipment or any other contents within the fire proof safe or office area the management staff will accommodate their wishes and assist in gathering any information requested.

**Location of Surveillance Equipment and Video Surveillance Records:**

Yes No

Surveillance room or area is clearly defined on the premises diagram

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

Surveillance recording equipment access is limited to a marijuana establishment licensee or authorized employee, and to law enforcement personnel including an agent of the board

Video surveillance records are stored off-site



**Alaska Marijuana Control Board**

**Form MJ-01: Marijuana Establishment Operating Plan**

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**Business Records (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. Applicants should be able to answer "Yes" to all items below.

**Business Records Maintained and Kept on the Licensed Premises:**

Yes No

All books and records necessary to fully account for each business transaction conducted under its license for the current year and three preceding calendar years; records for the last six months are maintained on the marijuana establishment's licensed premises; older records may be archived on or off-premises

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

The business contact information for vendors that maintain video surveillance systems and security alarm systems for the licensed premises

Records related to advertising and marketing

A current diagram of the licensed premises including each restricted access area

A log recording the name, and date and time of entry of each visitor permitted into a restricted access area

All records normally retained for tax purposes

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

Transportation records for marijuana and marijuana product as required under 3 AAC 306.750(f)



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Alaska Marijuana Control Board

## Form MJ-01: Marijuana Establishment Operating Plan

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A marijuana establishment is required to exercise due diligence in preserving and maintained all required records.

Describe how you will prevent records and data, including electronically maintained records, from being lost or destroyed:

Records including inventory, testing results, quality control and quality assurance, accurate and comprehensive inventory tracking data, bookkeeping for each business transaction, employee list, business and vendor contacts, advertising and marketing, diagrams of licensed premise, waste management, and visitor's log. Records will keep the above mentioned records on the licensed premise for the current year and three proceeding calender years. Records will be secured in a water and fire proof safe in the secured office located in the restricted area. Records will be provided to the state marijuana control board for inspection no later than three business days after a written request as been made. After the proceeding three years records will be scanned records into electronic files and house them in a fire proof safe in the secured office located in the restricted area. Original records will not be permitted to leave the site for the current year and three proceeding years preventing any possibility of being lost or stolen.



**Alaska Marijuana Control Board**

**Form MJ-01: Marijuana Establishment Operating Plan**

**Section 3 – Inventory Tracking of All Marijuana and Marijuana Product**

Review the requirements under 3 AAC 306.730, and identify how the proposed establishment will meet the listed requirements.

All licensed marijuana establishments must use a marijuana inventory tracking system capable of sharing information with the system the board implements 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 propagated from seed or cutting, through transfer to another licensed marijuana establishment, or use in manufacturing a product, to a completed sale of marijuana or marijuana product, or disposal of the harvest batch of marijuana or production lot of marijuana product.

Applicants should be able to answer “Yes” to all items below.

Marijuana Tracking and Weighing:	Yes	No
A marijuana inventory tracking system, capable of sharing information with the system the board implements to ensure tracking for the reasons listed above, will be used	<input checked="" type="checkbox"/>	<input type="checkbox"/>
All marijuana delivered to a marijuana establishment will be weighed on a scale certified in compliance with 3 AAC 306.745	<input checked="" type="checkbox"/>	<input type="checkbox"/>

Describe the marijuana tracking system that you plan to use and how you will ensure that it is capable of sharing information with the system the board implements:

All marijuana plants will be in compliance with the state approved marijuana inventory tracking system, METRC by Franwell. METRC is a hosted, real-time system that uses serialized tags with barcode, human-readable and Radio Frequency identification (RFID) tags attached to every plant, and labels attached to wholesale packages to track marijuana inventory. Each tag will be attached to a plant when they reach 8 inches in height to facilitate tracking through different stages of growth, as well the drying and curing process. This system is the state recommended system and the system the Alaska Marijuana Control Board has contracted for its marijuana inventory tracking needs.



Alaska Marijuana Control Board

**Form MJ-01: Marijuana Establishment Operating Plan**

**Section 4 – Employee Qualification and Training**

Review the requirements under 3 AAC 306.700, and identify how the proposed establishment will meet the listed requirements.

A marijuana establishment and each licensee, 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, shall obtain a marijuana handler permit from the board before being licensed or beginning employment at a marijuana establishment.

Applicants should be able to answer "Yes" to all items below.

Marijuana Handler Permit:	Yes	No
Each licensee, 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	<input checked="" type="checkbox"/>	<input type="checkbox"/>
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 premises of a retail marijuana store, marijuana cultivation facility, or marijuana product manufacturing facility) when on the licensed premises	<input checked="" type="checkbox"/>	<input type="checkbox"/>
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	<input checked="" type="checkbox"/>	<input type="checkbox"/>

Describe how your establishment will meet the requirements for employee qualifications and training:

Every applicant or agent must attend a marijuana handler course and show completion prior to hiring.  
The marijuana handler permit number will be located on the employee's badge. A copies of all employee and agent handler permits will be kept locked in the office. Each employee will keep their handler permit on their person for inspection at any given time.



Alaska Marijuana Control Board

# Form MJ-01: Marijuana Establishment Operating Plan

## Section 5 – Waste Disposal

Review the requirements under 3 AAC 306.740, and identify how the proposed establishment will meet the listed requirements.

Applicants should be able to answer "Yes" to the statement below.

**Marijuana Waste Disposal:**

Yes No

The marijuana establishment shall give the board at least 3 days notice in the marijuana inventory tracking system required under 3 AAC 306.730 before making the waste unusable and disposing of it

Describe how you will store, manage, and dispose of any solid or liquid waste, including wastewater generated during marijuana cultivation, production, process, testing, or retail sales, in compliance with applicable federal, state, and local laws and regulations:

Marijuana plants will be grown in soil. Used soil will be mixed at a minimum ratio of 50:50 with ground up waste product, (roots, stocks, leaves, and stems that have not been processed with solvents). Product waste prior to grinding will be stored in an contained area (large tote with cover) within restricted area under video surveillance, and documented weight will be recorded in the inventory tracking system and will be kept on record in a water/fire proof safe in the locked office for the current year and 3 previous calendar years. 3 days prior to grinding waste product the Alaska Marijuana Control board will be notified before making the waste unusable and disposing of it by giving it local gardeners. A record of the final destination of marijuana waste made unusable will be kept in a water/fire proof safe in the locked office. Waste water as been approved by the local waste water authority to be disposed of through drains located within the facility. No special treatment deemed not necessary. Retail sales waste ( paper and typical business waste) will disposed of in trash receptacles and transported to the local waste facility. Any sensitive waste will be first shredded prior to disposal in trash receptacles. Marijuana product waste will documented. Any expired edible marijuana or marijuana products will be disposed of by best means possible including grinding, mixing with other mediums such as used soil in order to make it unusable for human consumption. The waste will then be disposed of by taking it to the local waste department and disposed of.

Describe what material or materials you will mix with the ground marijuana waste to make it unusable:

Used soil from the same harvest that does not contain solvents



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Alaska Marijuana Control Board

## Form MJ-01: Marijuana Establishment Operating Plan

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Marijuana waste must be rendered unusable for any purpose for which it was grown or produced before it leaves the marijuana establishment. Describe the process or processes that you will use to make the marijuana plant waste unusable:

After the three business day wait all marijuana waste material (including, roots, stock, leaves, stem) will be ground up using a commercial wood grinder. End product will then be thoroughly mixed with used soil at a minimum ratio of 50:50. Local gardeners will be notified when mixture has been deemed ready use for growing or composing purposes.





Alaska Marijuana Control Board

# Form MJ-01: Marijuana Establishment Operating Plan

## Section 6 – Transportation and Delivery of Marijuana and Marijuana Products

Review the requirements under 3 AAC 306.750, and identify how the proposed establishment will meet the listed requirements.

Applicants should be able to answer “Yes” to all items below.

Marijuana Transportation:	Yes	No
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	<input checked="" type="checkbox"/>	<input type="checkbox"/>
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	<input checked="" type="checkbox"/>	<input type="checkbox"/>
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	<input checked="" type="checkbox"/>	<input type="checkbox"/>
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	<input checked="" type="checkbox"/>	<input type="checkbox"/>
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	<input checked="" type="checkbox"/>	<input type="checkbox"/>
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	<input checked="" type="checkbox"/>	<input type="checkbox"/>
The marijuana establishment will refuse to accept any shipment of marijuana or marijuana product that is not accompanied by the transport manifest	<input checked="" type="checkbox"/>	<input type="checkbox"/>



Alaska Marijuana Control Board

## Form MJ-01: Marijuana Establishment Operating Plan

Describe how marijuana or marijuana product will be prepared, packaged, and secured for shipment:

Marijuana and marijuana products will be stored in airtight glass jars located in water/fire proof safe located in secured office within the restricted area. Once an order has been made by a licensed manufacturing facility or licensed marijuana retail store. within the restricted area the products will be packaged in sealed child resistant packaging weighing no more than 5 pounds and containing a single strain or a mixture of strains as identified on the package. Each package will be identified by a tracking label generated for tracking. The packages will be placed in a secured locked tote. The tote will be sealed with secure seal which must remain intact until opened at the receiving facility. A manifest including the type, amount and weight of marijuana or marijuana products, name of individual completing the transporting of marijuana and marijuana products, the time of departure and expected delivery, make model, and license plate number of the transporting vehicle will be recorded for business records and in the marijuana inventory tracking system.

The transport manifest will remain with the marijuana at all times while being transported. The tote will remain in site of transporting licensed employee until secured inside the secure location of the transporting vehicle.

Describe the type of locked, safe, and secure storage compartments that will be used in any vehicles transporting marijuana or marijuana product:

The sealed and secured package containing marijuana products weighing no more than 5 pounds will be placed in a locked trunk of licensed employee vehicle. or secured utility box with with lock in the back of a licensed employee truck. Once the product is placed in the vehicle the vehicle can not be left unattended by that employee. The sealed and locked package will not be opened during transport. The vehicle transporting marijuana or marijuana products must travel directly from our facility to the licensed marijuana facility receiving the shipment. Accompanying transport manifest will be verified by the transport licensed individual and the receiving licensed facility, a signed receipt copy given to the receiving agent for their records.



ATTACHMENT C

Alcohol and Marijuana Control Office  
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Alaska Marijuana Control Board

## Form MJ-01: Marijuana Establishment Operating Plan

### Section 7 – Signage and Advertising

Describe any signs that you intend to post on your establishment with your business name, including quantity and dimensions:

Outdoor signs: one sign above front entrances to the facility includes the company name:  
Northern Lights Indoor Gardens.  
Dimension of the sign will not exceed 4800 square inches.

If you are not applying for a retail marijuana store license, you do not need to complete the rest of Section 7, including Page 17.

Restriction on advertising of marijuana and marijuana products (3 AAC 306.360):

All licensed retail marijuana stores must meet minimum standards for signage and advertising.

Applicants should be able to answer "Agree" to all items below.

No advertisement for marijuana or marijuana product will contain any statement or illustration that:	Agree	Disagree
Is false or misleading	<input checked="" type="checkbox"/>	<input type="checkbox"/>
Promotes excessive consumption	<input checked="" type="checkbox"/>	<input type="checkbox"/>
Represents that the use of marijuana has curative or therapeutic effects	<input checked="" type="checkbox"/>	<input type="checkbox"/>
Depicts a person under the age of 21 consuming marijuana	<input checked="" type="checkbox"/>	<input type="checkbox"/>
Includes an object or character, including a toy, a cartoon character, or any other depiction designed to appeal to a child or other person under the age of 21, that promotes consumption of marijuana	<input checked="" type="checkbox"/>	<input type="checkbox"/>



**Alaska Marijuana Control Board**

**Form MJ-01: Marijuana Establishment Operating Plan**

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No advertisement for marijuana or marijuana product will be placed:

Agree Disagree

Within one thousand feet of the perimeter of any child-centered facility, including a school, childcare facility, or other facility providing services to children, a playground or recreation center, a public park, a library, or a game arcade that is open to persons under the age of 21

On or in a public transit vehicle or public transit shelter

On or in a publicly owned or operated property

Within 1000 feet of a substance abuse or treatment facility

On a campus for post-secondary education

Signage and Promotional Materials:

Agree Disagree

I understand and agree to follow the limitations for signs under 3 AAC 306.360(a)

The retail marijuana store will not use giveaway coupons as promotional materials, or conduct promotional activities such as games or competitions to encourage sale of marijuana or marijuana products

All advertising for marijuana or any marijuana product will contain the warnings required under 3 AAC 306.360(e)



Alaska Marijuana Control Board

# Form MJ-01: Marijuana Establishment Operating Plan

## Section 8 – Control Plan for Persons Under the Age of 21

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:

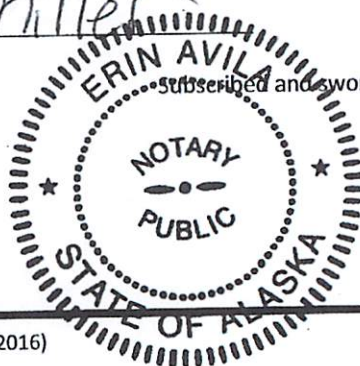
Sign outside front entrance "No one under age of 21 years allowed". Valid government issued identification checked at the front entrance in the reception area of the business. All employee entrances will remained locked and under video surveillance at all times.

I declare under penalty of perjury that I have examined this form, including all accompanying schedules and statements, and to the best of my knowledge and belief find it to be true, correct, and complete.

Signature of licensee

Micah miller

Printed name



Subscribed and sworn to before me this 9<sup>TH</sup> day of MAY, 20 16.

Notary Public in and for the State of Alaska.

My commission expires: 05/21 2019



Alcohol and Marijuana Control Office

550 W 7<sup>th</sup> Avenue, Suite 1600

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[marijuana.licensing@alaska.gov](mailto:marijuana.licensing@alaska.gov)

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Alaska Marijuana Control Board

## Form MJ-01: Marijuana Establishment Operating Plan

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(Additional Space as Needed):



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 Phone: 907.269.0350

**Alaska Marijuana Control Board**  
**Form MJ-02: Premises Diagram**

**What is this form?**

A detailed diagram of the proposed licensed premises is required for all marijuana establishment license applications, per 3 AAC 306.020(b)(8). Your diagram must show all entrances and boundaries of the premises, restricted access areas, and storage areas, and dimensions. If your proposed premises is located within a building or building complex that contains multiple businesses and/or tenants, please provide an additional page that clearly shows the location of your proposed premises within the building or building complex, along with the addresses and/or suite numbers of the other businesses and/or tenants within the building or building complex. For those applying for a limited marijuana cultivation license, the proposed area(s) for cultivation must be clearly delineated.

The second page of this form is not required. Blueprints, CAD drawings, or other clearly drawn and marked diagrams may be submitted in lieu of the second page of this form. The first page must still be completed, attached to, and submitted with any supplemental diagrams. An AMCO employee may require you to complete the second page of this form if additional documentation for your premises diagram is needed.

**This form must be completed and submitted to AMCO's main office before any license application will be considered complete.**

Yes No

I have attached blueprints, CAD drawings, or other supporting documents in addition to, or in lieu of, the second page of this form.

**Section 1 – Establishment Information**

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

Licensee:	Northern Lights Indoor Gardens LLC	License Number:	10138		
License Type:	Retail Marijuana Store				
Doing Business As:	Northern Lights Indoor Gardens , LLC				
Premises Address:	1321 Sawmill Creek Road, Suite O & P				
City:	Sitka	State:	AK	ZIP:	99835

# SAWMILL CREEK ROAD

SAWMILL CREEK PLAZA  
1321 SAWMILL CREEK RD  
PLOT DIAGRAM

NORTHERN LIGHTS INDOOR GARDENS  
1321 SAWMILL CREEK RD  
BAYS O/P

REAR ALLEYWAY  
400'

EMPLOYEE PARKING

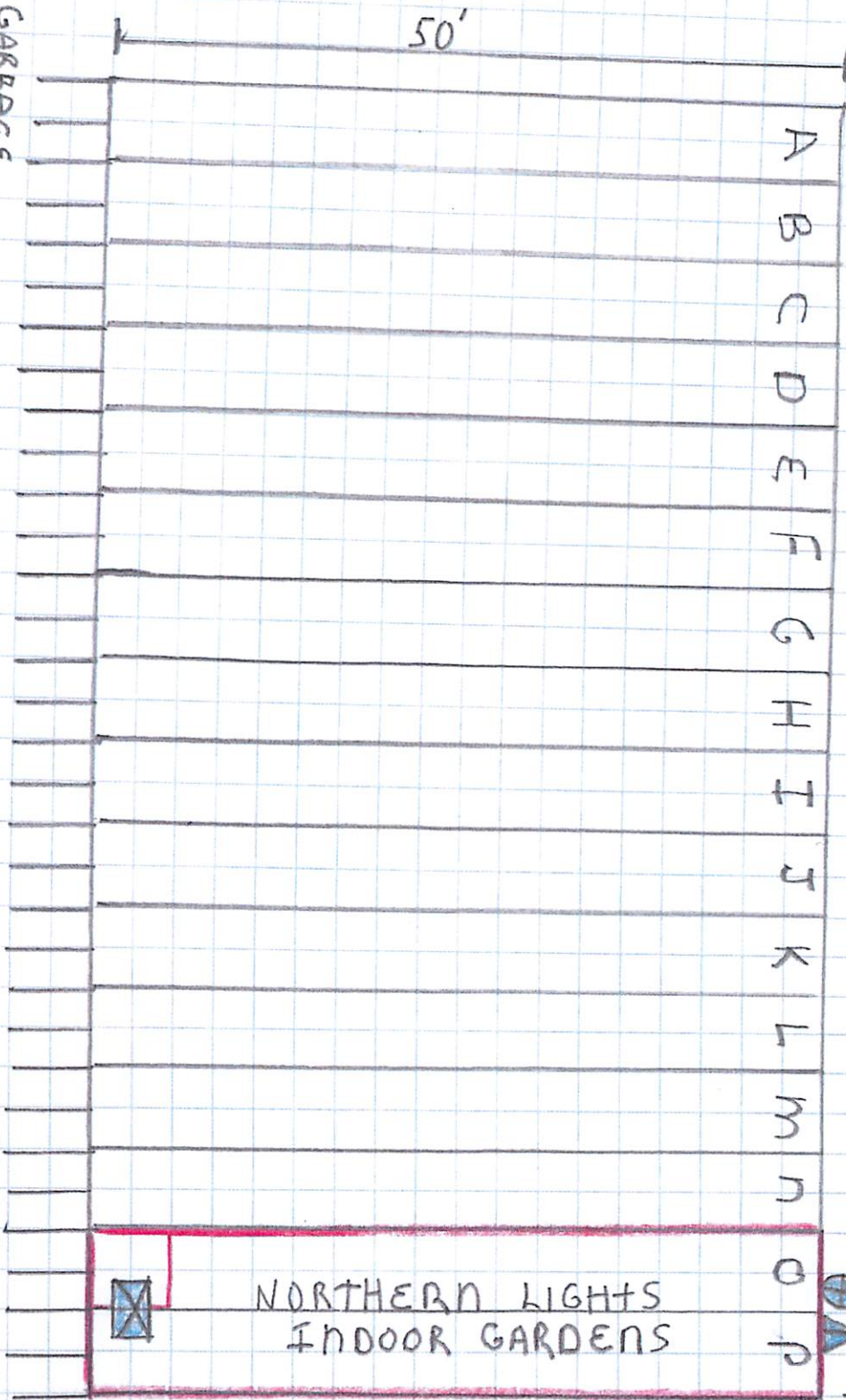
GARBAGE DELIVERIES  
PUBLIC ENTRANCE

PARKING

WALK WAY

DIRT ROAD

PRICE STREET





AL ALARM key Pad

NORTHERN LIGHTS INDOOR GARDENS  
RETAIL STORE  
REVISED

21'

- A DISPLAY AND STORAGE CABINET
- B DISPLAY AND STORAGE CABINET
- C DISPLAY AND STORAGE cabinet
- D DISPLAY COUNTER
- E DISPLAY COUNTER
- 1 VIDEO CAMERA
- 2 VIDEO CAMERA
- 3 VIDEO CAMERA
- 4 VIDIO CAMERA
- 5 ATM

RESTRICTED ACCESS

RESTRICTED ACCESS

RESTRICTED ACCESS

AL

PUBLIC ENTRANCE

3

3

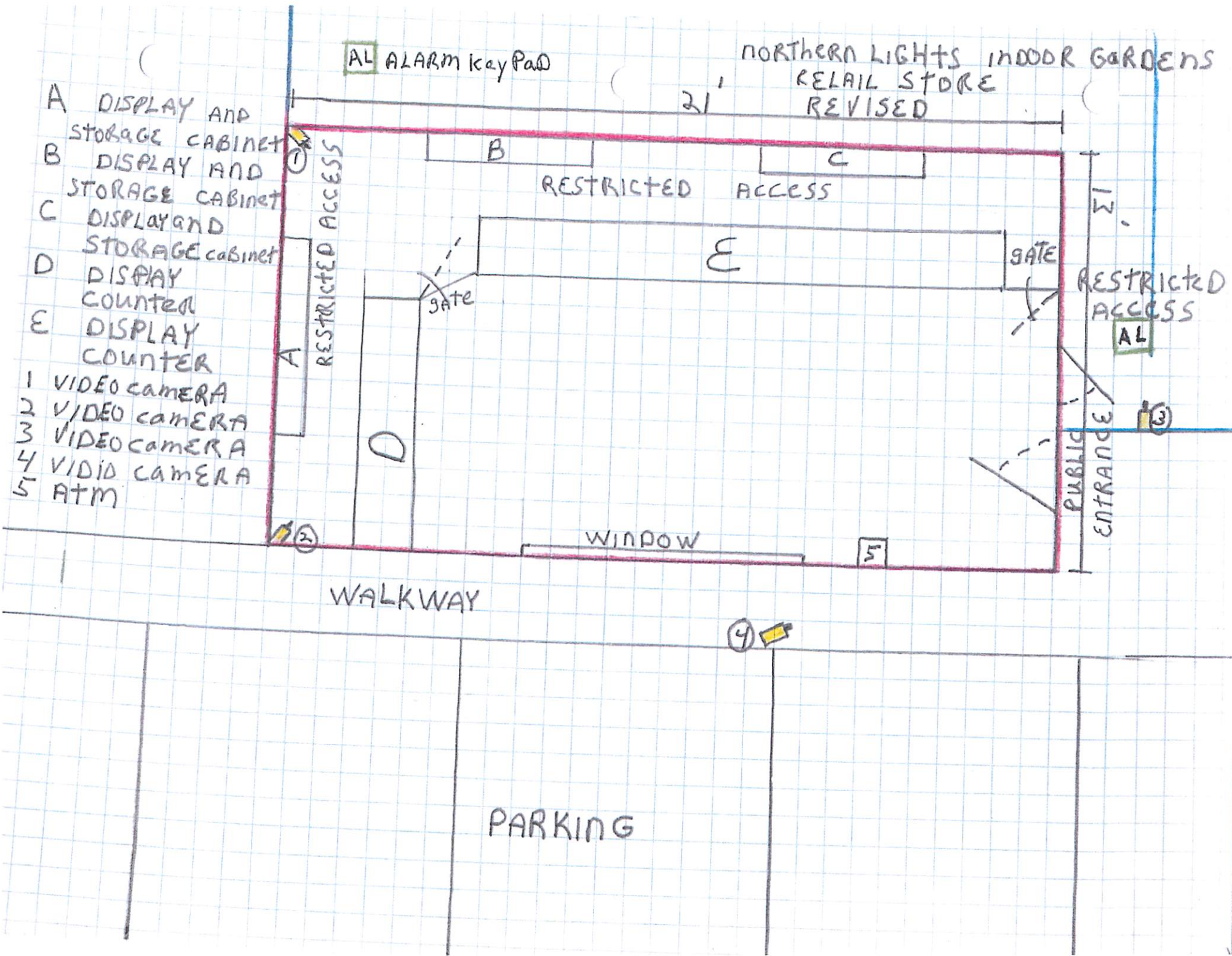
WINDOW

5

WALKWAY

4

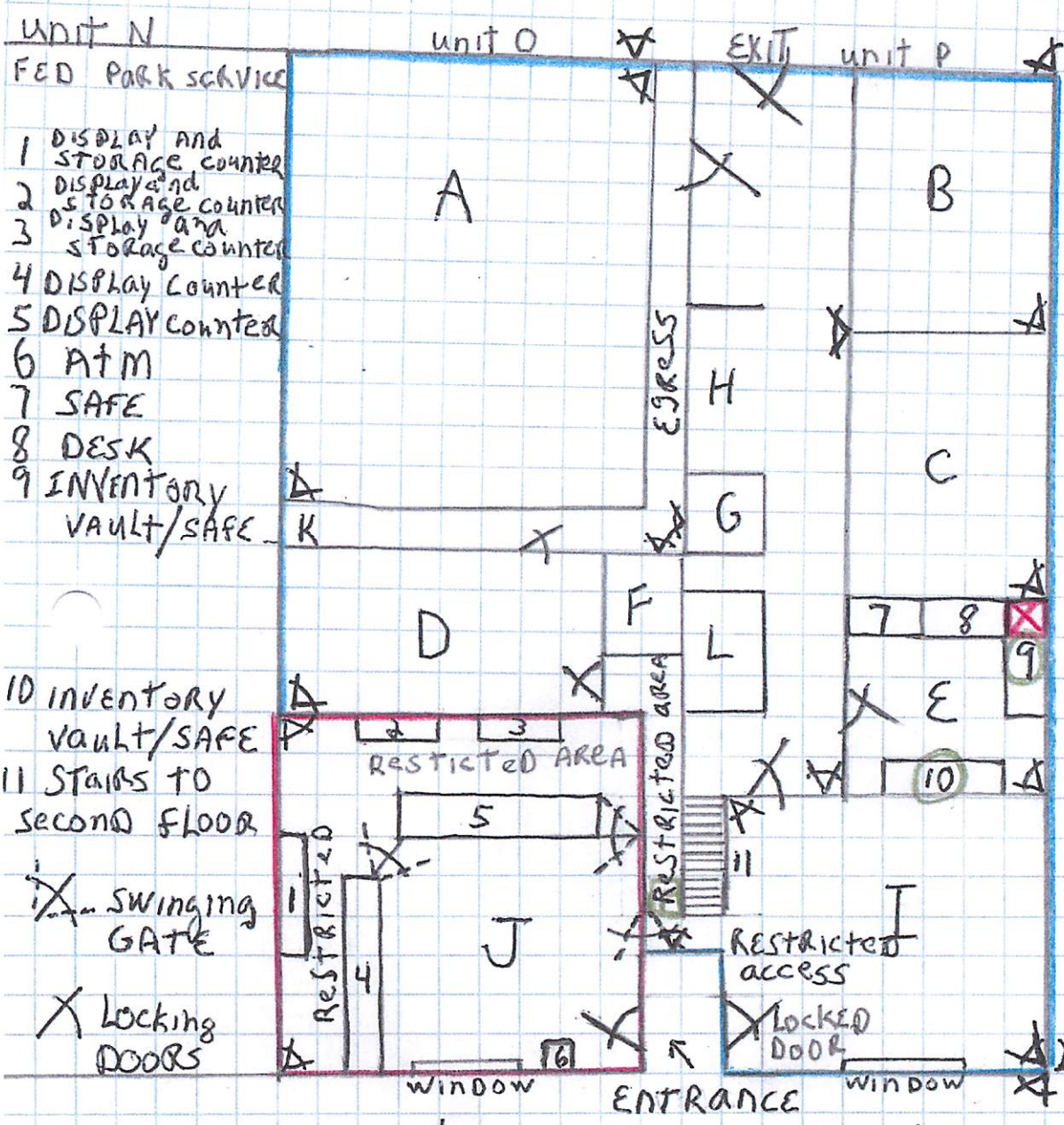
PARKING



# NORTHERN LIGHTS INDOOR GARDENS CULTIVATION and Retail STORE

BACK ALLEY WAY

EMPLOYEE PARKING



- (A) GROW ROOM
  - (B) GROW ROOM
  - (C) GROW ROOM
  - (D) CLONE ROOM
  - (E) OFFICE inventory STORAGE SURVALANCE EQUIPMENT
  - (F) RESTROOM
  - (G) RESTROOM
  - (H) marijuana waste/grinder area
  - (I) STORAGE
  - (J) MARIJUANA RETAIL STORE
  - (K) DIRT STORAGE
  - (L) WATER TANK
- SECURITY CAMERAS

- UNIT N
- FED PARK SERVICE
- 1 DISPLAY and STORAGE counter
  - 2 DISPLAY and STORAGE counter
  - 3 DISPLAY and STORAGE counter
  - 4 DISPLAY counter
  - 5 DISPLAY counter
  - 6 ATM
  - 7 SAFE
  - 8 DESK
  - 9 INVENTORY VAULT/SAFE

- 10 INVENTORY VAULT/SAFE
  - 11 STAIRS TO SECOND FLOOR
- SWINGING GATE
- LOCKING DOORS

- X SECURITY MONITOR EQUIPMENT
- O SECURITY STORAGE VAULT FOR INVENTORY

ALARM KEYPAD

# PARKING



Alcohol and Marijuana Control Office  
550 W 7<sup>th</sup> Avenue, Suite 1600  
Anchorage, AK 99501  
[marijuana.licensing@alaska.gov](mailto:marijuana.licensing@alaska.gov)  
<https://www.commerce.alaska.gov/web/amco>  
Phone: 907.269.0350

## Alaska Marijuana Control Board Operating Plan Supplemental Form MJ-03: Retail Marijuana Store

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### What is this form?

This operating plan supplemental form is required for all applicants seeking a retail marijuana store license and must accompany the **Marijuana Establishment Operating Plan (Form MJ-01)**, per 3 AAC 306.020(b)(11). Applicants should review **Chapter 306: Article 3 of the Alaska Administrative Code**. This form will be used to document how an applicant intends to meet the requirements of those 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 306.315(2).

### What additional information is required for retail stores?

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

- Prohibitions
- On-site consumption
- Displays and sales
- Exit packaging and labeling
- Security

**This form must be submitted to AMCO's main office before any retail marijuana store 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:	Northern Lights Indoor Gardens, LLC	License Number:	10138		
License Type:	Retail Marijuana Store				
Doing Business As:	Northern Lights Indoor Gardens, LLC				
Premises Address:	1321 Sawmill Creek Road, Suite O & P				
City:	Sitka	State:	ALASKA	ZIP:	99835



**Alaska Marijuana Control Board**  
**Operating Plan Supplemental**  
**Form MJ-03: Retail Marijuana Store**

Alcohol and Marijuana Control Office  
 550 W 7<sup>th</sup> Avenue, Suite 1600  
 Anchorage, AK 99501  
[marijuana.licensing@alaska.gov](mailto:marijuana.licensing@alaska.gov)  
<https://www.commerce.alaska.gov/web/amco>  
 Phone: 907.269.0350

**Section 2 – Prohibitions**

Applicants should review 3 AAC 306.310 and be able to answer “Agree” to all items below.

The retail marijuana store will not:

Agree Disagree

- |   |                                     |                          |
|---|-------------------------------------|--------------------------|
| Sell, give, distribute, deliver, or offer to sell, give, distribute, or deliver marijuana or marijuana product in a quantity exceeding the limit set out in 3 AAC 306.355 | <input checked="" type="checkbox"/> | <input type="checkbox"/> |
| Sell, give, distribute, deliver, or offer to sell, give, distribute, or deliver marijuana or marijuana product over the internet  | <input checked="" type="checkbox"/> | <input type="checkbox"/> |
| Offer or deliver to a consumer, as a marketing promotion or for any other reason, free marijuana or marijuana product, including a sample                                 | <input checked="" type="checkbox"/> | <input type="checkbox"/> |
| Offer or deliver to a consumer, as a marketing promotion or for any other reason, alcoholic beverages, free or for compensation   | <input checked="" type="checkbox"/> | <input type="checkbox"/> |
| Allow a person to consume marijuana or a marijuana product on the licensed premises, except as provided in 3 AAC 306.305(a)(4)  | <input checked="" type="checkbox"/> | <input type="checkbox"/> |

Describe how you will ensure that the retail marijuana store will not sell, give, distribute, or deliver marijuana or marijuana product to a person who is under the influence of an alcoholic beverage, inhalant, or controlled substance:

All employees of Northern Lights Indoor Gardens must be trained to recognize symptoms of alcohol influence as well as other controlled substances. If someone is suspected they will be asked leave the premises prior to any sale of marijuana or marijuana products.



Alaska Marijuana Control Board  
**Operating Plan Supplemental  
Form MJ-03: Retail Marijuana Store**

Alcohol and Marijuana Control Office  
550 W 7<sup>th</sup> Avenue, Suite 1600  
Anchorage, AK 99501  
[marijuana.licensing@alaska.gov](mailto:marijuana.licensing@alaska.gov)  
<https://www.commerce.alaska.gov/web/amco>  
Phone: 907.269.0350

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**Section 3 – On-site Consumption**

Yes      No

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Do you plan to request approval of the board with your initial application to permit consumption of marijuana or marijuana product in a designated area on the proposed premises?

If "Yes", describe how you ensure that only marijuana or marijuana products that were purchased at your proposed premises are being consumed, per 3 AAC 306.305(a)(4):

**Section 4 – Displays and Sales**

Describe how marijuana and marijuana products at the retail marijuana store will be displayed and sold:

Marijuana products will be displayed in locked glass cases accessible by employees only. Products can be viewed by customers under employee and camera supervision. Once the customer decides on his or her purchase an employee will handle the financial transaction the product(s) will be placed in opaque bag and customer will exit the store.



**Alaska Marijuana Control Board**  
**Operating Plan Supplemental**  
**Form MJ-03: Retail Marijuana Store**

**Section 5 – Exit Packaging and Labeling**

Review the requirements under 3 AAC 306.345, and identify how the proposed establishment will meet the listed requirements.

Describe how the retail marijuana store will ensure that marijuana and marijuana products sold on its licensed premises will meet the packaging and labeling requirements set forth in 3 AAC 306.345(a):

Product will be packaged in opaque, resealable child-proof packaging. Labeling on packages will include product description, potency analysis, useable weight, harvest date, and bar code. Labeling will also include, "Marijuana impairs concentration, coordination, and judgement. Do not operate vehicle or machinery under its influence". "There are health risks associated with the use of marijuana". "For use by adults 21 years of age and older. Keep out of reach of children". "Marijuana should not be used by women who are pregnant or nursing".

Any edibles that are sold at Northern Lights Indoor Gardens will be prepackaged by the manufacturer and verified for compliance by staff prior to being displayed or sold.

Provide a sample label that the retail marijuana store will use to meet the labeling requirements under 3 AAC 306.645(b):

Label #1  
Strain: Gorilla Glue  
Bar Potency Analysis: THC 0.3%, THCA 32%, CBD 0%, Total 28.6%

Sold by: Northern Lights Indoor Gardens, LLC., AK License 10138  
Harvested: 10/19/2016  
Usable Wt: 3.500grams

Label #2  
Disclaimer: Marijuana has intoxicating effects and may be habit forming and addictive. Marijuana impairs concentration, coordination, and judgement. Do not operate a vehicle or machinery under its influence. There are health risks associated with the consumption of marijuana. For use by adults twenty-one and older. Marijuana should not be used by women who are pregnant or breast feeding.



**Alaska Marijuana Control Board**  
**Operating Plan Supplemental**  
**Form MJ-03: Retail Marijuana Store**

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Alcohol and Marijuana Control Office  
550 W 7<sup>th</sup> Avenue, Suite 1600  
Anchorage, AK 99501  
[marijuana.licensing@alaska.gov](mailto:marijuana.licensing@alaska.gov)  
<https://www.commerce.alaska.gov/web/amco>  
Phone: 907.269.0350

(Additional Space as Needed):

Store will have posted in a conspicuous location visible by customers:

1. "Consumption of marijuana in public is prohibited by law"
2. "Carrying or transporting marijuana or marijuana products on Alaska waterways, including cruise ships, or by air carrier is prohibited by federal law"
3. "Transportation or shipment of marijuana or marijuana products outside the state of Alaska is prohibited by federal law".

Notification signs will be at least 11 inches by 14 inches in size. Lettering will be at least one-half inch in height and in contrasting colors.



Alaska Marijuana Control Board  
Operating Plan Supplemental  
Form MJ-03: Retail Marijuana Store

Alcohol and Marijuana Control Office  
550 W 7<sup>th</sup> Avenue, Suite 1600  
Anchorage, AK 99501  
[marijuana.licensing@alaska.gov](mailto:marijuana.licensing@alaska.gov)  
<https://www.commerce.alaska.gov/web/amco>  
Phone: 907.269.0350

**Section 6 – Security**

**Identification Requirement to Prevent Sale to Person Under 21 (3 AAC 306.350):**

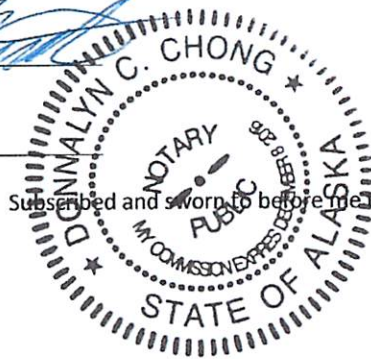
Describe the retail marijuana store’s procedures for ensuring a form of valid photographic identification has been produced before selling marijuana or marijuana product to a person, per 3 AAC 306.350(a):

Valid, unaltered passport, or unexpired form of government ID must be presented and validated by trained staff prior to entering the store. Once validated customer has decided on their purchase the trained cashier will again inspect the government issued ID and verify it is valid prior to purchase being completed.

I declare under penalty of perjury that I have examined this form, including all accompanying schedules and statements, and to the best of my knowledge and belief find it to be true, correct, and complete.

*[Handwritten Signature]*  
Signature of licensee

Printed name



Subscribed and sworn to before me this 8th day of Sept, 2016.

*[Handwritten Signature]*  
Notary Public in and for the State of Alaska.

My commission expires: 12-08-2016





Alaska Marijuana Control Board

**Form MJ-07: Public Notice Posting Affidavit**

**What is this form?**

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 new marijuana establishment license application, an applicant must give notice of the application to the public by posting a copy of the application (produced by the board's application website) 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 main office 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:	Northern Lights Indoor Gardens, LLC	License Number:	10138
License Type:	Retail Marijuana Store		
Doing Business As:	Northern Lights Indoor Gardens, LLC		
Premises Address:	1321 Sawmill Creek Road, Suite O & P		
City:	Sitka	State:	AK
		ZIP:	99835

**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: 03-01-2016 End Date: 03-11-2016

Other conspicuous location: Market Center 210 Baranof St., Sitka, AK 99835

I declare under penalty of perjury that I have examined this form, including all accompanying schedules and statements, and to the best of my knowledge and belief find it to be true, correct, and complete.

[Signature]  
 Signature of licensee

Michael James DALY  
 Printed name of licensee



[Signature]  
 Notary Public in and for the State of Alaska

My commission expires: Aug 29, 2020

Subscribed and sworn to before me this October day of October, 2016.



Alaska Marijuana Control Board

**Form MJ-08: Local Government Notice Affidavit**

**What is this form?**

A local government notice affidavit 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 new marijuana establishment license application, an applicant must give notice of the application to the public by submitting a copy of the application to the local government and any community council in the area of the proposed licensed premises. For purposes of this notification, the document that must be submitted is the application document produced by the online application system titled "Public Notice".

This form must be completed and submitted to AMCO's main office 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:	Northern Lights Indoor Gardens, LLC	License Number:	10138
License Type:	Retail Marijuana Store		
Doing Business As:	Northern Lights Indoor Gardens, LLC		
Premises Address:	1321 Sawmill Creek Road, Suite O & P		
City:	Sitka	State:	AK
		ZIP:	99835

**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 official and community council (if applicable):

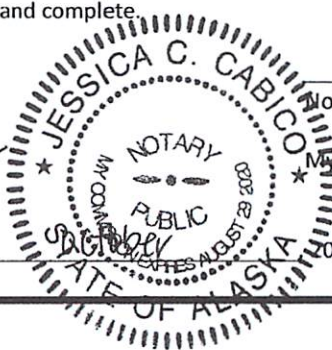
Local Government: City of Sitka Planning Commission Name of Official: 05-02-2016  
 Title of Official: \_\_\_\_\_ Date Submitted: \_\_\_\_\_  
 Community Council: \_\_\_\_\_ Date Submitted: \_\_\_\_\_  
 (Municipality of Anchorage and Matanuska-Susitna Borough only)

I declare under penalty of perjury that I have examined this form, including all accompanying schedules and statements, and to the best of my knowledge and belief find it to be true, correct, and complete.

[Signature] \_\_\_\_\_  
 Signature of licensee \_\_\_\_\_  
 \_\_\_\_\_  
 Notary Public in and for the State of Alaska

Michael James Day  
 Printed name of licensee \_\_\_\_\_  
 My commission expires: Aug 29, 2020

Subscribed and sworn to before me this 29 day of October, 2016.





Alaska Marijuana Control Board

# Cover Sheet for Marijuana Establishment Applications

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

### What is this form?

This cover sheet **must** be completed and submitted any time a document, payment, or other marijuana establishment application item is emailed, mailed, or hand-delivered to AMCO's main office.

Items that are submitted without this page will be returned in the manner in which they were received.

### Section 1 – Establishment Information

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

Licensee:	Northern Lights Indoor Gardens, LLC	License Number:	10138		
License Type:	Retail Marijuana Store				
Doing Business As:	NORTHERN LIGHTS INDOOR GARDENS, LLC				
Physical Address:	1321 Sawmill Creek Road Suite O and P				
City:	Sitka	State:	AK	Zip Code:	99835
Designated Licensee:	Micah Miller				
Email Address:	dalys@gci.net				

### Section 2 – Attached Items

List all documents, payments, and other items that are being submitted along with this page.

Attached Items: MS-09	Statement Financial Interest Micah Miller 2 pages Mike Daly 2 pages Lorraine Daly 2 pages 6 pages
--------------------------	---

### OFFICE USE ONLY

Received Date:	Payment Submitted Y/N:	Transaction #:
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Alaska Marijuana Control Board

## Form MJ-09: Statement of Financial Interest

### What is this form?

A statement of financial interest completed by each proposed licensee (as defined in 3 AAC 306.020(b)(2)) and affiliate (as defined in 3 AAC 306.990(a)(1)) 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 main office by each proposed licensee or affiliate before any license application will be considered complete.

### Section 1 – Establishment Information

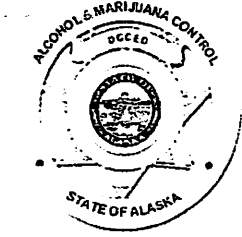
Enter information for the business seeking to be licensed, as identified on the license application.

Licensee:	Northern Lights Indoor Gardens, LLC	License Number:	10138		
License Type:	Retail Marijuana Store				
Doing Business As:	Northern Lights Indoor Gardens, LLC				
Premises Address:	1321 Sawmill Creek Road, Suite O & P				
City:	Sitka	State:	AK	ZIP:	99835

### Section 2 – Individual Information

Enter information for the individual licensee or affiliate.

Name:	Lorraine Daly
Title:	Affiliate
SSN:	[REDACTED]



Alcohol and Marijuana Control Office

550 W 7<sup>th</sup> Avenue, Suite 1600

Anchorage, AK 99501

[marijuana.licensing@alaska.gov](mailto:marijuana.licensing@alaska.gov)

<https://www.commerce.alaska.gov/web/amco>

Phone: 907.269.0350

Alaska Marijuana Control Board

## Form MJ-09: Statement of Financial Interest

### Section 3 – Certifications

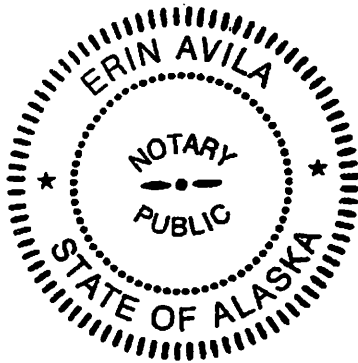
I certify that no person other than a proposed licensee listed on my marijuana establishment license application has a direct or indirect financial interest, as defined in 3 AAC 306.015(e)(1), in the business for which a marijuana establishment license is being applied for.

I further certify that any ownership change shall be reported to the board as required under 3 AAC 306.040.

I declare under penalty of perjury that I have examined this form, including all accompanying schedules and statements, and to the best of my knowledge and belief find it to be true, correct, and complete.

*Arman Duly*  
Signature of licensee/affiliate

Subscribed and sworn to before me this 4<sup>TH</sup> day of MAY, 2016.



*Erin Avila*  
Notary Public in and for the State of Alaska.  
My commission expires: 05/11/2019



Alaska Marijuana Control Board

# Form MJ-09: Statement of Financial Interest

## What is this form?

A statement of financial interest completed by each proposed licensee (as defined in 3 AAC 306.020(b)(2)) and affiliate (as defined in 3 AAC 306.990(a)(1)) 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 main office by each proposed licensee or affiliate before any license application will be considered complete.

## Section 1 – Establishment Information

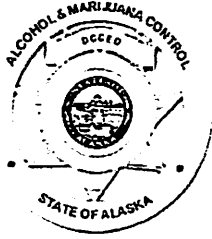
Enter information for the business seeking to be licensed, as identified on the license application.

Licensee:	Northern Lights Indoor Gardens, LLC	License Number:	10138		
License Type:	Retail Marijuana Store				
Doing Business As:	Northern Lights Indoor Gardens, LLC				
Premises Address:	1321 Sawmill Creek Road, Suite O & P				
City:	Sitka	State:	AK	ZIP:	99835

## Section 2 – Individual Information

Enter information for the individual licensee or affiliate.

Name:	Mike Daly
Title:	Joint Owner
SSN:	[REDACTED]



Alcohol and Marijuana Control Office  
550 W 7<sup>th</sup> Avenue, Suite 1600  
Anchorage, AK 99501  
[marijuana.licensing@alaska.gov](mailto:marijuana.licensing@alaska.gov)  
<https://www.commerce.alaska.gov/web/amco>  
Phone: 907.269.0350

Alaska Marijuana Control Board

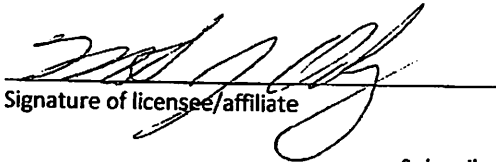
## Form MJ-09: Statement of Financial Interest

### Section 3 – Certifications

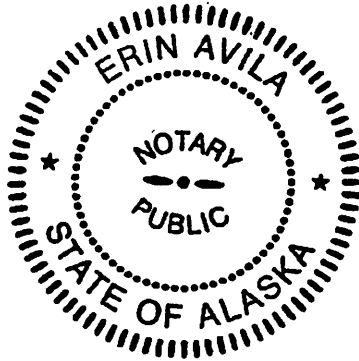
I certify that no person other than a proposed licensee listed on my marijuana establishment license application has a direct or indirect financial interest, as defined in 3 AAC 306.015(e)(1), in the business for which a marijuana establishment license is being applied for.

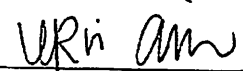
I further certify that any ownership change shall be reported to the board as required under 3 AAC 306.040.

I declare under penalty of perjury that I have examined this form, including all accompanying schedules and statements, and to the best of my knowledge and belief find it to be true, correct, and complete.

  
\_\_\_\_\_  
Signature of licensee/affiliate

Subscribed and sworn to before me this 4<sup>th</sup> day of MAY, 2016.



  
\_\_\_\_\_  
Notary Public in and for the State of Alaska.  
My commission expires: 05/12/2019



Alaska Marijuana Control Board

## Form MJ-09: Statement of Financial Interest

Alcohol and Marijuana Control Office  
550 W 7<sup>th</sup> Avenue, Suite 1600  
Anchorage, AK 99501  
[marijuana.licensing@alaska.gov](mailto:marijuana.licensing@alaska.gov)  
<https://www.commerce.alaska.gov/web/amco>  
Phone: 907.269.0350

### What is this form?

A statement of financial interest completed by each proposed licensee (as defined in 3 AAC 306.020(b)(2)) and affiliate (as defined in 3 AAC 306.990(a)(1)) 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 main office by each proposed licensee or affiliate 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.

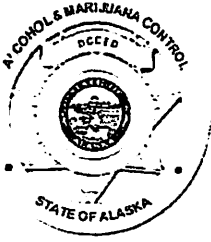
Licensee:	Northern Lights Indoor Gardens, LLC	License Number:	10138		
License Type:	Retail Marijuana Store				
Doing Business As:	Northern Lights Indoor Gardens, LLC				
Premises Address:	1321 Sawmill Creek Road, Suite O & P				
City:	Sitka	State:	AK	ZIP:	99835

### Section 2 – Individual Information

Enter information for the individual licensee or affiliate.

Name:	Micah Miller
Title:	Joint Owner
SSN:	[REDACTED]





Alaska Marijuana Control Board

# Form MJ-09: Statement of Financial Interest

Alcohol and Marijuana Control Office

550 W 7<sup>th</sup> Avenue, Suite 1600

Anchorage, AK 99501

[marijuana.licensing@alaska.gov](mailto:marijuana.licensing@alaska.gov)

<https://www.commerce.alaska.gov/web/amco>

Phone: 907.269.0350

## Section 3 – Certifications

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.

I further certify that any ownership change shall be reported to the board as required under 3 AAC 306.040.

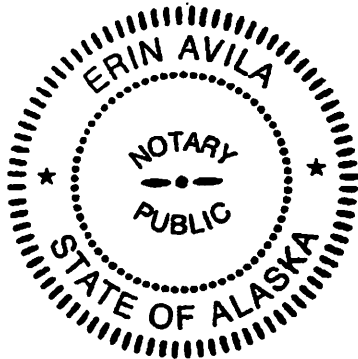
I declare under penalty of perjury that I have examined this form, including all accompanying schedules and statements, and to the best of my knowledge and belief find it to be true, correct, and complete.

Signature of licensee/affiliate

Subscribed and sworn to before me this 4<sup>th</sup> day of MAY, 2016.

Notary Public in and for the State of Alaska.

My commission expires: 05/12/2019



# Alcohol & Marijuana Control Office

**License Number:** 10138

**License Status:** New

**License Type:** Retail Marijuana Store

**Doing Business As:** NORTHERN LIGHTS INDOOR GARDENS, LLC

**Business License Number:** 1019601

**Designated Owner:** Micah Miller

**Email Address:** dalys@gci.net

**Latitude, Longitude:** 57.290940, -135.183000

**Physical Address:** 1321 Sawmill Creek Road Suite O and P  
Sitka, AK 99835  
UNITED STATES

## Owner #1

**Owner Type:** Entity

**Alaska Entity Number:** 10028235

**Alaska Entity Name:** Northern Lights Indoor Gardens,  
LLC

**Phone Number:** 907-747-5858

**Email Address:** dalys@gci.net

**Mailing Address:** 501 Charteris Street  
Sitka, AK 99835  
UNITED STATES

## Affiliate #2

**Owner Type:** Individual

**Name:** Micah Miller

**SSN:** [REDACTED]

**Date of Birth:** 11/13/1985

**Phone Number:** 9077384890

**Email Address:** illmiller@hotmail.com

**Mailing Address:** 201 Nicole Drive  
Sitka, AK 99835  
UNITED STATES

## Affiliate #1

**Owner Type:** Individual

**Name:** Michael Daly

**SSN:** [REDACTED]

**Date of Birth:** 10/15/1965

**Phone Number:** 907-747-5858

**Email Address:** dalys@gci.net

**Mailing Address:** 501 Charteris Street  
Sitka, AK 99835  
UNITED STATES

## Affiliate #3

**Owner Type:** Individual

**Name:** Lorraine Daly

**SSN:** [REDACTED]

**Date of Birth:** 12/24/1966

**Phone Number:** 9077475858

**Email Address:** dalys@gci.net

**Mailing Address:** 501 Charteris Street  
Sitka, AK 99835  
UNITED STATES

**COMMERCIAL LEASE AGREEMENT**

**Eagle Bay Inn LLC  
1321 Sawmill Creek Road Suite C  
Sitka Alaska 99835**

This Lease is made this 1st day of May, 2016 by and between Eagle Bay Inn LLC and Mike Daly, Northern Lights Indoor Gardens LLC. In consideration for the mutual promises and covenants contained herein, and for other good and valuable consideration, the parties hereby agree as follows:

Eagle Bay Inn LLC leases to Mike Daly, Northern Lights Indoor Gardens LLC rents from the Landlord the following described premises: O & P Bays. Eagle Bay Inn LLC understands that this is going to be a marijuana growing business distributions and retail store.

The term of the Lease shall be for 3-year commencing 5/01/2016 and ending 5/01/2019.

Mike Daly, Northern Lights Indoor Gardens LLC shall pay to Eagle Bay Inn LLC as rent \$22,500.00 per year in equal monthly installments of \$1,875.00 payable in advance in 30 days.

Mike Daly, Northern Lights Indoor Gardens LLC shall use and occupy the premises only as a business; this is subject at all times to the approval of Eagle Bay Inn LLC.

Mike Daly, Northern Lights Indoor Gardens LLC shall not make any alterations, additions or improvements to the premises without the prior written consent of Eagle Bay Inn LLC. Eagle Bay Inn LLC, does not furnish the utilities or amenities for the benefit of Mike Daly, Northern Lights. Mike Daly, Northern Lights Indoor Gardens LLC, at his own expense shall furnish all utilities.

Mike Daly, Northern Lights Indoor Gardens LLC shall purchase at his own expense public liability insurance in the amount of one million dollars as well as fire and hazard insurance in the amount of one million dollars, or have it in the business insurance policy, for the premises and shall provide satisfactory evidence thereof to the Landlord and shall continue same in force and effect throughout the Lease term hereof.

Mike Daly, Northern Lights Indoor Gardens LLC, shall not permit or commit waste to the premises. Mike Daly, Northern Lights Indoor Gardens LLC is responsible for snow and ice removal at the back and front of the business entrances. Snow removal of the parking lot is provided and during heavy snow, tenant will comply with all parking and removing vehicles as needed.

Mike Daly, Northern Lights Indoor Gardens LLC shall comply with all rules, regulations, ordinances codes and laws of all Eagle Bay Inn LLC members. The members are: Dan Kelly and JoAnn Daly.

Mike Daly, Northern Lights Indoor Gardens LLC shall not permit or engage in any activity that will affect an increase in the rate of insurance for the Building in which the premises is now

contained nor shall Mike Daly, Northern Lights Indoor Gardens LLC permit or commit any nuisance thereon.

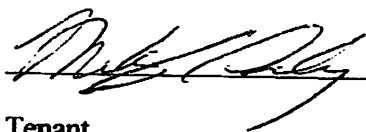
Mike Daly, Northern Lights Indoor Gardens LLC shall not sublet or assign the premises nor allow any other person or business to use or occupy the premises without the prior written consent of Eagle Bay Inn LLC.

At the end of the term of this Lease, Mike Daly, Northern Lights Indoor Gardens LLC shall surrender and deliver up the premises in the same condition (subject to any additions, alterations or improvements, if any) as presently exists, reasonable wear and tear excluded.

Upon default in any term or condition of this Lease, Eagle Bay Inn LLC shall have the right to undertake any or all other remedies permitted by Law.

This Lease shall be binding upon, and insure to the benefit of, the parties, their heirs, successors, and assigns. Eagle Bay Inn LLC agrees to give Mike Daly, Northern Lights Indoor Gardens LLC first option when renewing his lease on March 1, 2016.

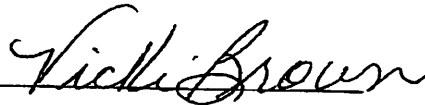
Signed this  1st  day of  May  (Month)  2016  (Year).



Tenant

Mike Daly

Northern Lights Indoors Gardens LLC



Eagle Bay Inn LLC

Vicki Brown

Manager

Eagle Bay Inn LLC

1321 Sawmill Creek Road

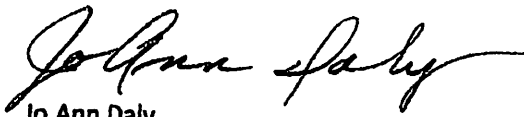
Sitka, Alaska 99835

December 2, 2013

To Whom It May Concern

Vicki Brown is hereby authorized and empowered by Eagle Bay Inn LLC to pursue any and all litigation which concerns Eagle Bay Inn and Sawmill Creek Business Center.

Thank you,

A handwritten signature in black ink that reads "Jo Ann Daly". The signature is written in a cursive style with a long, sweeping tail on the "y".

Jo Ann Daly

Managing Member

504-434-8154

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# Affidavit of Publication

STATE OF ALASKA  
FIRST JUDICIAL DISTRICT ) ss.  
AT SITKA, ALASKA

Travis Smith, being first sworn, says she or he  
is the publisher, managing editor or business manager of the DAILY SITKA  
SENTINEL, a newspaper printed and published in Sitka, Alaska, and le-  
gally qualified as a medium of official and legal publications, and that the  
Legal Notice a copy of

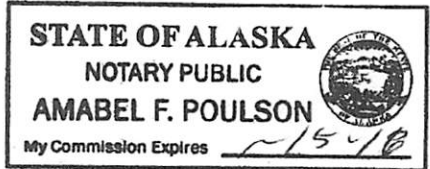
which is hereto annexed, was published in the Daily Sitka Sentinel on:  
3/1, 3/8, 3/15,  
\_\_\_\_\_, \_\_\_\_\_, \_\_\_\_\_,  
\_\_\_\_\_, \_\_\_\_\_, \_\_\_\_\_,  
\_\_\_\_\_, \_\_\_\_\_, \_\_\_\_\_,  
\_\_\_\_\_, \_\_\_\_\_, \_\_\_\_\_,

Signature [Signature]

Sworn and subscribed to  
before me this 16 day of March, 20 16

Notary Public for Alaska Amabel F. Poulson

My commission expires \_\_\_\_\_, 20 \_\_\_\_\_



**LEGAL NOTICE**  
Northern Lights Indoor Gardens, LLC is applying for a new Re-  
tail Marijuana Store License 3 AAC 306.300, doing business  
as NORTHERN LIGHTS INDOOR GARDENS LLC located  
at 1321 Sawmill Creek Road, Suite O and P, Sitka, AK, 99835,  
UNITED STATES.  
Interested persons should submit written comment or objection  
to their local government, the applicant, and to the Alcohol &  
Marijuana Control Office at 550 W 7th Ave, Suite 1600, Anchor-  
age, AK 99501.  
**Published: March 1, March 8, March 15, 2016**