July 27, 2021

To Whom It May Concern:

We can't certify the notice of violation statement on MJ-20 Section 3. We fell behind on taxes and were issued an NOV. We are currently on a payment plan. We had a few issues with our last couple harvests and are working to correct them in order to catch back up and operate at full output.

Thank you,

Kris Thompson
Boreal Inc. CEO
(907)978-9144

Received by AMCO 7.29.21. Payment 7.30.21

Notice of Violation

Email

(3AAC 306.805)
This form, all information provided and responses are public documents per Alaska Public Records Act AS 40.25

Date: 1/25/21

License #/Type: 10514 Standard Cultivation

Designated Licensee: Kris Thompson

AMCO Case#:

DBA: Boreal Inc

Premises Address: 2770 Picket Place #2 Fairbanks, AK 99709

Mailing Address: PO Box 82282, Fairbanks, AK 99708

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

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

As of 1/21/2021, Boreal Inc, 10514, Standard Cultivation license, you were delinquent on your marijuana excise tax liability.

You have 30 days to resolve this matter with the Department of Revenue. If the delinquency is not resolved, an accusation may be brought to the Marijuana Control Board.

Your attention is directed to: AS 17.38.010(b)(2) legitimate, taxpaying business people, and not criminal actors, will conduct sales of marijuana; 3 AAC 306.480. Marijuana tax to be paid; 3 AAC 306.810. Suspension or revocation of license; AS 43.61.030(b). Marijuana cultivation facility fails to pay tax; AS 43.05.230(e) DOR can publish list of taxpayer(s) who failed to pay their taxes.; 15 AAC 61.020. License revocation and suspension.

3 AAC 306.805 provides that upon receipt of a Notice of Violation, a licensee may request to appear before the board and be heard regarding the Notice of Violation. The request must be made within ten days after receipt of the Notice. A licensee may respond, either orally or in writing, to the Notice.

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

***Please send your response to the address below and include your Marijuana Establishment License Number in your response.**

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

Issuing Investigator: J. Hoelscher

Received by:

SIGNATURE:

SIGNATURE:

Delivered VIA: Email

Date:

Davies, Jason M (CED)

From: Boreal Inc <akborealinc@gmail.com>
Sent: Tuesday, February 23, 2021 12:51 PM
To: Davies, Jason M (CED)
Cc: CED AMCO Enforcement (CED sponsored)
Subject: Re: NOV Delinquency in Tax 10514
Attachments: Boreal Tax History.pdf; November 20 NOV Boreal.pdf

Boreal Inc. License 10514

Here is a screenshot as requested and I highlighted the month the NOV is from. I have paid November's tax, penalties and interest in full. I have also attached the demand for payment to show the period the NOV was for. Please let me know if you require anything else or have any questions.

Thank You,

Kris Thompson
Boreal Inc.
(907)978-9144

On Mon, Jan 25, 2021 at 2:01 PM Davies, Jason M (CED) <jason.davies@alaska.gov> wrote:

Hello-

Attached to this email is a notice of violation(s). You have 30 days to resolve this matter with the Department of Revenue. If the delinquency is not resolved, an accusation may be brought to the Marijuana Control Board. AMCO Enforcement must receive a notification from the Department of Revenue to rescind this notice of violation.

NOTE: You must provide proof that,

1. **You are in a payment plan with the Department of Revenue regarding your most current violation.**

   OR

2. **Copy of receipt or screenshot of your department of revenue account that shows your taxes are at a zero balance.**

Please only reply to this email with one of the two request above.

Questions or concerns should be forwarded to amco.enforcement@alaska.gov.

Thank you,

Jason M. Davies
Criminal Justice Technician II

AMCO Enforcement
Alcohol & Marijuana Control Office
550 W. 7th Ave, Suite 1600

Anchorage, AK 99501
Office (907) 754-3410
jason.davies@alaska.gov

Alaska Department of Revenue - Tax Division
Revenue Online

If you have questions concerning your Account Balance(s), please call 907-465-2385 or 907-465-2321.
If you need help with or have questions about Revenue Online please call 907-269-0041.

MARIJUANA TAX

Federal Employer Id	[redacted]
Monthly	MRT-10066113-004
My Balance	$17,735.13
Pending	$0.00
Pay Total Balance	$17,735.13
Payment Source	Setup

NAMES AND ADDRESSES

DBA Name	Add
Legal Name	BOREAL INC
Location Address	2770 PICKET PL # 2 FAIRBANKS AK 997
Mailing Address	PO BOX 82282 FAIRBANKS AK 99708-2

I WANT TO...

View My Profile
Make a Payment
View My Payments
Amend a Return

PERIODS | HISTORY | MESSAGES[19] | LETTERS[25]

ATTENTION NEEDED[4] | ALL PERIODS

PERIODS FROM 23-FEB-2019 Change Date Filter

Period	Return Status			Tax	Penalty	Interest	Other	Credits	Balance	Messages
28-Feb-2021	Not Filed		Pay	0.00	0.00	0.00	0.00	0.00	0.00	
31-Jan-2021	Ontime-Processe	View Return	Pay	7,028.00	0.00	0.00	0.00	0.00	7,028.00	Make a Payment
31-Dec-2020	Ontime-Processe	View Return	Pay	2,116.32	0.00	0.00	0.00	2,116.32	0.00	
30-Nov-2020	Ontime-Processe	View Return	Pay	5,917.78	491.78	25.52	0.00	6,435.08	0.00	
31-Oct-2020	Ontime-Processe	View Return	Pay	2,223.54	0.00	0.00	0.00	2,223.54	0.00	
30-Sep-2020	Ontime-Processe	View Return	Pay	4,885.10	0.00	0.00	0.00	4,885.10	0.00	
31-Aug-2020	Ontime-Processe	View Return	Pay	1,299.68	0.00	0.00	0.00	1,299.68	0.00	
31-Jul-2020	Ontime-Processe	View Return	Pay	8,915.89	0.00	0.00	0.00	8,915.89	0.00	
30-Jun-2020	Ontime-Processe	View Return	Pay	8,119.14	0.00	0.00	0.00	8,119.14	0.00	
31-May-2020	Ontime-Processe	View Return	Pay	8,551.25	137.80	18.60	0.00	8,000.00	707.65	Make a Payment
30-Apr-2020	Ontime-Processe	View Return	Pay	4,228.92	1,057.25	142.71	0.00	0.00	5,428.88	Make a Payment
31-Mar-2020	Ontime-Processe	View Return	Pay	4,853.65	1,213.40	163.13	0.00	1,457.24	4,772.94	Make a Payment
29-Feb-2020	Ontime-Processe	View Return	Pay	3,588.45	0.00	0.00	0.00	3,588.45	0.00	
31-Jan-2020	Ontime-Processe	View Return	Pay	3,434.28	0.00	0.00	0.00	3,434.28	0.00	
31-Dec-2019	Ontime-Processe	View Return	Pay	5,396.56	0.00	0.00	0.00	5,396.56	0.00	
30-Nov-2019	Ontime-Processe	View Return	Pay	2,993.80	0.00	0.00	0.00	2,993.80	0.00	
31-Oct-2019	Ontime-Processe	View Return	Pay	2,102.21	0.00	0.00	0.00	2,102.21	0.00	
30-Sep-2019	Ontime-Processe	View Return	Pay	3,442.95	860.75	260.86	0.00	4,766.90	-202.34	
31-Aug-2019	Ontime-Processe	View Return	Pay	14,755.70	2,815.88	540.93	0.00	18,112.51	0.00	
31-Jul-2019	Ontime-Processe	View Return	Pay	6,672.02	497.20	36.90	0.00	7,206.12	0.00	
30-Jun-2019	Ontime-Processe	View Return	Pay	4,419.71	0.00	0.00	0.00	4,419.71	0.00	
31-May-2019	Ontime-Processe	View Return	Pay	6,089.80	0.00	0.00	0.00	6,089.80	0.00	
30-Apr-2019	Ontime-Processe	View Return	Pay	4,548.68	0.00	0.00	0.00	4,548.68	0.00	
31-Mar-2019	Ontime-Processe	View Return	Pay	4,891.60	0.00	0.00	0.00	4,891.60	0.00	
28-Feb-2019	Ontime-Processe	View Return	Pay	5,436.79	0.00	0.00	0.00	5,436.79	0.00	

25 Rows

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THE STATE of ALASKA
GOVERNOR MIKE DUNLEAVY

Department of Revenue
TAX DIVISION
State Office Building
PO Box 110420
Juneau, Alaska 99811-0420
Main: 907.465.2320
Fax: 907.465.2375

www.tax.alaska.gov

January 12, 2021

Letter ID: L0104812544

BOREAL INC
PO BOX 82282
FAIRBANKS AK 99708-2282

NOTICE AND DEMAND FOR PAYMENT

FEIN:	XX-XXX0427
Tax Type:	Marijuana Tax
License #:	10514
Tax Account #:	MRT-10066113-004
Tax Period End:	November 30, 2020

The following may represent tax, penalties, and/or interest due after a review or an assessment. Interest and penalties are calculated through the date of this letter.

Tax	$5,917.78
Interest	10.70
Delinquency penalties	295.89
Amount Due	**$6,224.37**

You can access your account, view the current balance, and schedule and confirm payments online by visiting: online-tax.alaska.gov. If the amount due is greater than or equal to $100,000.00, payment must be made either online or by wire transfer. If paying by wire transfer, you must notify the State of Alaska, Treasury Division by electronic mail at: dor.trs.cashmgmt@alaska.gov regarding the particulars of the transfer by 2:00 PM Alaska Time **the business day before** the wire transfer is initiated. The notice must include the payor name, payment amount, settlement date, tax type, and the purpose of the payment. If a payment was submitted previously, please advise us of the date and payment method. If payment is made by check, include the attached voucher with the payment to the address indicated on the voucher. Confirmation of payment is available by accessing your account at: online-tax.alaska.gov.

Interest is computed per Alaska Statute and can be found on the Alaska Legislature website: http://www.akleg.gov/basis/statutes.asp#43.05.225. Quarterly interest rates can be found on the Tax Division website: http://tax.alaska.gov/programs/interest.aspx. Interest will continue to accrue on the amounts shown above until paid in full. Failure-to-file and failure-to-pay penalties may continue to accrue at 5% per 30 day period up to a maximum of 25%.

If you disagree with the assessment, you must give notice and request an informal conference with the Department within 60 days after the mailing date of this letter. Use the appeal form available at: online-tax.alaska.gov and submit the completed form either online or mail it to the address above, Attention: Appeals. On the form you should state the Department action to which you object, the relief sought, the grounds for the objection, a brief summary of the facts at issue, and the legal authority that supports the request for appeal.

The penalty and interest shown above was calculated in the following manner:

Tax - Original **Tax Liability: $5,917.78**

Interest

From	To	Days	Basis	Rate	Amount
01-01-2021	01-12-2021	12	$5,917.78	.015068%	$10.70
				Interest Subtotal:	$10.70

Fail-to-Pay Penalty

From	To	Days	Basis	Rate	Amount
01-01-2021	01-01-2021	1	$5,917.78	5%	$295.89
				Fail-to-Pay Penalty Subtotal:	$295.89

Summary - Refer to Page One:

Total Penalty through 01/12/2021: **$295.89**
Total Interest through 01/12/2021: **$10.70**

Note: Interest and penalties are calculated through the date of this letter.

Help us save time and your tax dollars. Pay online at: online-tax.alaska.gov.

Cut here and send only the voucher below.

DO NOT SEND CASH. Pay online at: online-tax.alaska.gov
Use this voucher when mailing payment

TAX DIVISION
DEPARTMENT OF REVENUE
PO Box 110420
Juneau, Alaska 99811-0420

PAYMENT VOUCHER

Total Balance: **$6,224.37**

BOREAL INC

Your payment will be deposited the same day.

Letter ID: **L0104812544**

Payment Type: Bill

Tax Type: Marijuana Tax

Period End: November 30, 2020

Please follow these steps:

- Write your Letter ID on your check
- Enclose this voucher with your payment. Do NOT staple.
- Mail and make checks payable to:

STATE OF ALASKA
DEPARTMENT OF REVENUE
PO Box 110420
Juneau, Alaska 99811-0420

AMOUNT ENCLOSED:

$.

Notice of Violation

Email

(3AAC 306.805)
This form, all information provided and responses are public documents per Alaska Public Records Act AS 40.25

Date: 5/20/21

License #/Type: 10514 Standard Cultivation

Designated Licensee: Kris Thompson

AMCO Case#:

DBA: Boreal Inc

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

Issuing Investigator: J. Hoelscher

Received by:

SIGNATURE:

SIGNATURE:

Delivered VIA: Email

Date: