



## MEMORANDUM

TO: Chair and Members of the Board      DATE: November 1, 2017  
FROM: Erika McConnell      RE: The Herbal Cache #10126  
Director, Marijuana Control Board

This is a renewal application for a Retail Marijuana Store in the Municipality of Anchorage by R and S Enterprises, LLC DBA The Herbal Cache.

Local Government Protest: Protest lifted on 8/31/17.  
LG Protest Period Ends: N/A  
Objection(s) Received/Date: No  
Notice of Violation(s): Yes  
MJ-17a Temp Ownership Change Report: No  
Staff questions for Board: No

**MULTI MEMBER LLC OPERATING AGREEMENT  
OF  
*R & S Enterprises d/b/a The Herbal Cache***

THIS OPERATING AGREEMENT, is formed this 26 day of Feb, 2015, with persons identified as Members on Schedule A and whose signatures appear on the signature page attached, and encompassed by all the members of R & S Enterprises (the "Company").

WITNESSETH

WHEREAS, the Members have established or intended to be established, a limited liability company by filing on the date hereof a Certificate of Organization (the "Certificate") (Exhibit I) under and pursuant to Alaska Statutes – ch. 10.50, the Alaska Revised Limited Liability Company Act (the "Act") in the office of the Secretary of State for the purpose of conducting a retail marijuana store; and

WHEREAS, the Members agree that their respective rights, powers, duties and obligations as Members of the Company, and the management, operations and activities of the Company, shall be controlled by this Operating Agreement (the "Agreement");

NOW THEREFORE, in consideration of the mutual terms, covenants and conditions contained herein, the Members hereby agree as follows:

**ARTICLE I  
General**

**1.01 *Name of the Limited Liability Company.*** The name of the limited liability company formed hereby is "***R & S Enterprises***" pursuant to the Act.

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

**1.03 *Office of the Limited Liability Company; Agent for Service of Process.*** The address of the registered office of the Company for purposes of the Act is PO Box 204, Girdwood, AK 99587.

**1.04 *Principal Place of Business; Offices.*** The principal place of business for the Company shall be 158 Holmgren Place, Suite 101, Girdwood, AK 99587.

**1.05 *Organization.*** The Manager shall cause to be filed such Certificates and documents as may be necessary or appropriate to comply with the Act and any other applicable requirements for the operation of a limited liability company in accordance with the laws of the State of Alaska and any other jurisdictions in which

the Company shall conduct its business and operations and shall continue to do so for so long as the Company conducts business therein.

## ARTICLE II Members

2.01 *Members.* The Members of the Company are identified on Schedule A.

2.02 *Voting Rights.* Except as may otherwise be provided by this Agreement or the Act, the Members shall not participate in the control or management of the business of the Company (except for any Member who is also a Manager).

2.03 *Members as Non-Agents.* The Members are not agents of the Company and do not have authority to act for, or bind, the Company in any matter.

2.04 *Conflicts of Interest.* No Member shall engage or participate or consult in any business activity in competition with the business activities currently conducted or under active planning by the Company, for so long as such Member is a Member.

2.05 *Confidentiality.* No Member shall use or disclose the confidential or proprietary information of the Company or its trade secrets for any purpose but the business of the Company.

2.06 *Liability of Members.* The liability of Members for the losses, debts and obligations of the Company shall be limited to their Capital Contributions, *provided however*, that under applicable law, the Members may under certain circumstances be liable to the Company to the extent of previous distributions made to them in the event the Company does not have sufficient assets to discharge its liabilities.

## ARTICLE III Managers

3.01 *Managers.* Managers are hereby designated by Members of the Company in accordance with this Agreement. Any Manager may withdraw or be removed as a Manager of the Company, and other persons may be added or substituted as Managers as specified in Sections 4.08 of the Agreement.

3.02 *Management Generally.* In accordance with this Agreement and the Act, the business and affairs of the Company shall be conducted, and all its powers shall be exercised, by or under the direction of the Managers.

3.03 *Managers as Members.* Any Manager may hold an interest in the Company as a Member, and such person's rights and interest as a Manager shall be distinct and separate from such person's rights and interests as a Member.

**3.04 Authority of Managers.** Except as otherwise provided in this Agreement or the Act, the Managers shall have exclusive control of the business of the Company. If at any time the number of Managers is two (2), then any action to be taken by the Managers may be taken only by their unanimous approval. If the number of Managers is three (3) or greater, any action to be taken by the Managers may be taken only upon the vote of a majority in number of Managers.

**3.05 Limitations on Authority.** The Managers shall not have the authority to take any of the following actions on behalf of the Company without the consent of a Majority in Interest of the Members:

- (a) sell, lease, exchange or otherwise dispose of all or substantially all of the Company's assets;;
- (b) merge, consolidate or otherwise provide for any business combination of the Company;
- (c) enter into any transaction that would result in a change in control of more than 50% of the Members' Interests in the Company;
- (d) issue any additional Interests or admit new Members to the Company
- (e) reorganize or convert to a form of entity other than a limited liability company
- (f) make any election to be taxed as a corporation
- (g) make any filing against the Company under any Bankruptcy or insolvency law, or make a general assignment for the benefit of creditors.

**3.06 Compensation of Managers.** The Managers of the Company who are involved in the daily operations of the Company shall be entitled to a reasonable compensation for services rendered to the Company as determined by the Managers with the consent of a Majority in Interest.

**3.07 Reliance by Third Parties.** Persons dealing with the Company are entitled to rely conclusively upon the affirmation of the Managers that they are acting upon the power and authority of the Managers as herein set forth.

**3.08 Removal, Resignation and Appointment of Successor Managers.** The Members agree as follows:

- (a) Each Manager shall hold office until death, Bankruptcy, Disability, resignation, or removal as provided in this paragraph.
- (b) A Majority in Interest of Members may remove a Manager at any time, for any reason and for no reason.
- (c) Any Manager may resign effective upon giving thirty (30) days written notice to the other Managers, if any, and the Members of the Company, unless the notice specifies a later time for the effectiveness of such resignation. Upon receipt of notice of resignation from the resigning Manager, the remaining Managers or, if none, a Majority in Interest of the



Members, may notify the Manager of an earlier effective date for the resignation.

- (d) If any Manager is unable or unwilling to continue to serve as Manager, and one or more Managers remains, then the remaining Managers shall continue to serve as Managers. If at any time no Manager remains, then a Majority in Interest of the Members shall appoint one or more successor Managers. If at any time the Company has no Managers, then the Members shall act on behalf of the Company by a Majority in Interest.

*3.09 Officers and Delegation of Authority.* The Managers may delegate their power and authority to one or more officers, employees or agents of the Company. The Managers may set compensation of their delegates and prescribe duties as appropriate. The Managers may remove and replace delegates at any time for any reason or for no reason.

*3.10 Conflict of Interest and Confidentiality.* The Managers accept the same or substantially the same obligations and duties as Members as to Conflict of Interest and Confidentiality as set forth in Sections 3.04 and 3.05 of Article III.

#### ARTICLE IV Capital Contributions

*4.01 Initial Capital Contribution.* The initial Capital Contribution of the Members as of the date of this Agreement are set forth on Schedule A hereto.

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

*4.03 Capital Accounts.* For each Member, the Company shall establish and administer a separate Capital Account.

#### ARTICLE V Allocations and Distributions

*5.01 Profits and Losses.* Members shall be entitled to all allocations and distributions of LLC profits and losses in accordance with the percentage interest.

*5.02 Limitations on Withdrawal of Capital.* No Member shall have the right to withdraw from the Company all or any part of the Member's Capital Contribution. No Member shall have the right to demand any distribution other than upon the dissolution and liquidation of the Company.

*5.03 Sources of Distributions.* Each Member shall look solely to the assets of the Company for all distributions with respect to the Company. Members shall have no

recourse (upon dissolution or otherwise) against the Managers or the other Members.

## ARTICLE VI Tax Status and Reports

6.01 *Tax Return.* A designated Member ("Tax Matters Partner") shall prepare or cause to be prepared all tax returns and statements, if any, that must be filed on behalf of the Company with any taxing authority and shall make timely filing thereof.

6.02 *Tax Report.* A Tax Matters Partner shall prepare or cause to be prepared and delivered to each Member a report setting forth in reasonable detail the information with respect to the Company to enable each Member to prepare his tax returns in accordance with applicable law.

6.03 *Accounting Matters.* The Managers shall cause to be maintained complete books and records accurately reflecting the accounts, business and transactions of the Company.

## ARTICLE VII Assignment of Interests

7.01 *Restrictions on Assignment of Interests.* No member shall make or effect an Assignment or Transfer of all, or any part of, such Member's Interest, except with the consent of the majority of Members.

7.02 *Right of First Refusal.* A Member who desires to make an Assignment of such Member's Interest to any Person, may make such Assignment only after complying with the following provisions:

- (a) Any such Member shall promptly send a notice (Offer Notice) to the Company and each other Member and be deemed to have offered to sell his Interest at the price and on the terms determined in accordance with Article IX.
- (b) Upon notice of a proposed Assignment, the Company shall have the first right and the other Members shall have the second right to purchase, but not less than all, of the proposed Interest to be transferred. The Company shall exercise its right to purchase, if at all, by irrevocable notice to the Company and the selling Member within 60 days of the Offer Notice, and the remaining Members shall exercise their right to purchase, if at all, by irrevocable notice to the Company and the selling Member within 90 days of the Offer Notice.

7.03 *Determination of Purchase Price*

- (a) The price for the Interest of a selling Member shall be set forth in the Offer Notice.
- (b) If the proposed assignment is a pledge or gift or otherwise does not include a good faith arm's length purchase price, then the price shall be the fair market value as determined by an independent certified public accountant.

**7.04 Admission of New Members.** No Person, including any recipient of an Economic Interest in a Permitted Transfer, shall be admitted as a Member without the consent of a Majority in Interest of the Members.

**7.05 Members' Representative and Successors.** If a Member who is a natural person dies or a court of competent jurisdiction adjudges the Member to be incompetent to manage his affairs, the Member's executor, administrator, guardian, conservator or other legal representative may exercise all the Member's rights for the purpose of settling the Member's estate or administering the Member's property.

**7.06 Withdrawal of Members.** No Member shall have the right to withdraw from the Company without the consent of a Majority in Interest of the other Members (excluding the withdrawing Member).

## ARTICLE VIII Dissolution

**8.01 Dissolution.** The Company shall be dissolved and its affairs wound up upon the first to occur of the following conditions:

- (a) The vote of a Majority in Interest of the Members;
- (b) The sale of all or substantially all of the assets of the Company and cessation of its business in the ordinary course; or
- (c) Entry of a decree of judicial dissolution under the Act.

**8.02 Liquidation.** Upon occurrence of an event of dissolution as defined in the Act or Section 10.01 of the Agreement, the Company shall cease to engage in any further business operations, except to the extent necessary to perform existing obligations, and shall wind up its affairs and, if necessary to pay or establish reserves for all debts and contingent or unforeseen liabilities of the Company, liquidate its assets.

**8.03 Liabilities.** Any liquidation shall continue until the Company's affairs are in such condition that there can be a final accounting showing that all fixed or liquidated obligations and liabilities of the Company are satisfied or can be adequately provided for under this Agreement.

8.04 *Settling of Accounts.* Subject to any applicable provisions of the Act, upon the dissolution and any liquidation of the Company, the cash of the Company and any proceeds of liquidation shall be applied as follows:

- (i) first, to pay all expenses of liquidation and winding up;
- (ii) second, to pay all debts, obligations and liabilities of the Company in order of priority as provided by law, other than on account of Members' contributions; and
- (iii) third, to establish reasonable reserves for any remaining contingent or unforeseen liabilities of the Company not otherwise provided for, which reserves shall be maintained by the Managers on behalf of the Company in a regular interest-bearing trust account for a reasonable period of time as determined by the Managers. If any excess funds remain in such reserve at the end of such reasonable time, then such remaining funds shall be distributed by the Company to the Members pursuant to Section 10.05 hereof.

8.05 *Distribution of Assets of the Company.* Subject to any restrictions contained in the Act, upon dissolutions of the Company but not later than the Distributions Date (the date established by the Managers when a final accounting may be determined and the distribution of assets including any proceeds of liquidation occurs), the assets of the Company, including any net proceeds of liquidation, shall be distributed to Members in proportion to the positive balances of their Capital Accounts.

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

## ARTICLE IX Certificates Evidencing Interests

9.01 *Issuance.* The Company may, but shall not be required to, issue to Members of the Company a certificate signed by the Managers specifying the Interest of such Member.

9.02 *Lost or Worn Certificates.* If a certificate for registered Interests is worn out or lost it may be renewed on production of the worn out certificate or on satisfactory proof of its loss together with such indemnity as may be required by the Managers.

9.03 *Not Freely Assigned.* Certificates evidencing an Interest are not freely transferable and are only transferable to the extent a permitted Assignment is made in compliance with Article IX.

## ARTICLE X Indemnification

**10.01 *Exculpation.*** Neither the Managers nor any Member shall be liable to the Company or any Member for any loss in connection with the affairs of the Company so long as such person is not guilty of fraud, willful misconduct, or gross negligence.

**10.02 *Indemnification.***

- (a) The Company shall indemnify, defend, hold harmless and pay all judgments and claims against the Managers and any Member arising from any liability or damage incurred by reason of any actions, inactions or decisions of such person that are within the scope of the authority provided hereunder or are taken upon advice of counsel, provided that the same were not fraud or the result of fraud, willful misconduct or gross negligence. The Company shall provide reasonable attorneys' fees and other costs and expenses incurred by the Managers and Members in connection with the defense of any pending or threatened action or proceeding which arises out of conduct that is the subject of the indemnification provided hereunder, subject to the agreement of such Manager or Member, as the case may be, to reimburse the Company for such provision to the extent that it shall finally be determined by a court of competent jurisdiction that the Manager or Member was not entitled to indemnification under this Section.
- (b) Each Manager and Member shall indemnify and hold harmless the Company and its other Members from and against any claim, loss, expense, liability, action or damage including, without limitation, reasonable costs and expenses of litigation and appeal by reason of said Manager's fraud or Member's fraud, willful misconduct or gross negligence.

**10.03 *Continuing Rights.*** Any repeal or modification of Section 10.01 or Section 10.02 shall not adversely affect any right or protection of the Managers or Members existing at or prior to the time of such repeal or modification.

## ARTICLE XI Inspection of Company Records

**11.01 *Records to be Kept.*** The Company shall keep at its principal place of business or at such other office as shall be designated by the Member:

- (a) A current and past list in alphabetical order of the full name and last known mailing address of each Member and Manager;
- (b) A copy of the filed Certificate and all amendments thereto, together with executed copies of any powers of attorney pursuant to which any document has been executed;
- (c) Copies of this Agreement, and all amendments hereto;

- (d) Copies of the Company's federal, state and local income tax returns and reports and financial statements, if any, for the three (3) most recent years or, if such returns and statements were not prepared, copies of the information and statements provided to the Members to enable them to prepare their tax returns for such period.

**11.02 *Inspection of Company Records.*** The books and records set forth in Section 11.01 shall be open to inspection upon the reasonable request of any Member at any reasonable time during usual business hours, for a purpose reasonably related to such Member's interest as a Member. Such inspection by a Member may be made in person or by agent or attorney, at the Member's expense, and the right of inspection includes the right to copy and make extracts.

## ARTICLE XII Miscellaneous

**12.01 *Amendments.*** This Agreement may be amended only by the consent of a majority in Interest of Members.

**12.02 *Successors and Assigns.*** This Agreement shall be binding upon and inure to the benefit of the Members and their respective heirs, administrators, executors, legal representatives, successors and assigns.

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

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

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

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

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


12.08 *Notices.* Any and all notices or elections permitted or required to be made as provided in this Agreement shall be in writing, signed by the Member or Manager giving such notice or making such election, and shall be delivered by hand or by nationally recognized overnight courier service or sent by registered or certified U.S. Mail, postage prepaid, return receipt requested, to parties receiving the notice or election at their addresses set forth in Schedule A, or if to the Company, at its address set forth in Section 2.03, or such other address as may be designated from time to time by written notice to the Company and the Members.

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

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

IN WITNESS WHEREOF, the Members hereby execute this Limited Liability Company Agreement as of the date first written in this Agreement.

MEMBERS:

  
Susan Carse

  
Ronda Lambert



## SCHEDULE A

### Names, Address, Initial Capital Contributions and Percentage Interests of Members

Name	Address	Initial Capital Contribution	Percentage Interest
Susan Carse	PO Box 204 Girdwood, AK 99587	\$1,000	50%
Ronda Lambert	6237 East 34 <sup>th</sup> Ave. Anchorage, AK 99504	\$1,000	50%

EXHIBIT I

CERTIFICATE OF ORGANIZATION  
OF  
R & S Enterprises

1. The name of the limited liability company (the "Company") is: R & S Enterprises, LLC
2. The purpose of the Company is to engage in any lawful act or activity for which limited liability companies may be formed under the Alaska Revised Limited Liability Company Act, as amended from time to time.
3. The address of the principal office is: 158 Holmgren Pl., Ste. 101, Girdwood, AK 99587.
4. The name of the agent for service of process is Susan H. Carse, with the following addresses:

Business Address: 158 Holmgren Pl. Ste. 101, Girdwood, AK 99587

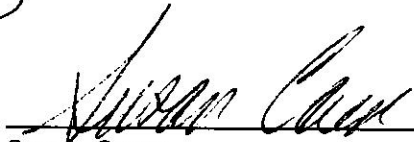
Residence Address: 122 Jewel Mine Rd., Girdwood, AK 99587

5. The name of an initial member is Susan Carse, with the following addresses:

Business Address: PO Box 204, Girdwood, AK 99587

Residence Address: 122 Jewel Mine Rd., Girdwood, AK 99587

Dated this 26 day of February 2015

  
Susan Carse

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

Division of Corporations, Business and Professional Licensing

P.O. Box 110806, Juneau, Alaska 99811-0806

This is to certify that

**THE HERBAL CACHE**

PO BOX 204 GIRDWOOD AK 99587

owned by

R AND S ENTERPRISES, LLC

is licensed by the department to conduct business for the period

December 27, 2016 through December 31, 2017

for the following line of business:

42 - Trade



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

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

Chris Hladick



Alaska Marijuana Control Board

## Form MJ-20: Renewal Application Certifications

### What is this form?

This renewal application certifications form is required for all marijuana establishment license renewal 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. 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 licensee (as defined in 3 AAC 306.020(b)(2)) before any license renewal application will be considered complete.

### Section 1 – Establishment Information

Enter information for the licensed establishment, as identified on the license application.

Licensee:	R & S Enterprises	License Number:	10126		
License Type:	Retail Marijuana Store				
Doing Business As:	The Herbal Cache				
Premises Address:	158 Holmgren Place, Suite 101				
City:	Girdwood	State:	AK	ZIP:	99587

### Section 2 – Individual Information

Enter information for the individual licensee who is completing this form.

Name:	Ronda Lambert
Title:	Co-Owner

### Section 3 – Changes to Licensed Marijuana Establishment

Read each line below, and then sign your initials in the box to the right of only the applicable statement:

Initials

I certify that no changes have been made, except for those that have been previously reported or requested on a form prescribed by the Board, to this licensed establishment's business name, ownership, licensed premises diagram, or operating plan, and (for marijuana product manufacturers) that I do not wish to request Board approval for production of any new proposed marijuana products.



I certify that a change has been or will be made to one or more of the items listed above for this establishment, and I understand that an additional form(s) and fee(s) must be submitted to AMCO before any renewal application for this license can be considered complete.



*If you have selected the second certification, please list any and all of the five types of changes that need to be reported/requested:*

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Alaska Marijuana Control Board

## Form MJ-20: Renewal Application Certifications

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 4 – Certifications

Read each line below, and then sign your initials in the box to the right of any applicable statements:

Initials

I certify that I have **not** been convicted of any criminal charge in the previous two calendar years.

☒

I certify that I have **not** committed any civil violation of AS 04, AS 17.38, or 3 AAC 306 in the previous two calendar years.

☐

Sign your initials to the following statement **only if you are unable to certify one or both of the above statements**:

Initials

I have attached a written explanation for why I cannot certify one or both of the above statements, which includes the type of offense, as required under 3 AAC 306.035(b)(4).

☒

Read each line below, and then sign your initials in the box to the right of each statement:

Initials

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

☒

I certify that this establishment complies with any applicable health, fire, safety, or tax statute, ordinance, regulation, or other law in the state.

☒

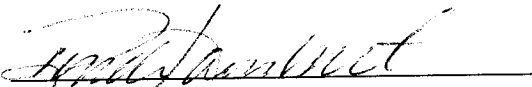
I certify that I have not violated any restrictions pertaining to this particular license type, and that this license has not been operated in violation of a condition or restriction imposed by the Marijuana Control Board.

☒

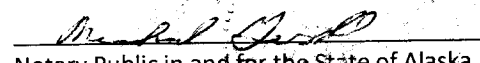
I certify that I understand that providing a false statement on this form, the online application, or any other form provided by or to AMCO is grounds for rejection or denial of this application or revocation of any license issued.

☒

As an applicant for a marijuana establishment license renewal, I declare under penalty of unsworn falsification that I have read and am familiar with AS 17.38 and 3 AAC 306, and that this application, including all accompanying schedules and statements, is true, correct, and complete. I agree to provide all information required by the Marijuana Control Board in support of this application and understand that failure to do so by any deadline given to me by AMCO staff may result in additional fees or expiration of this license.

  
Signature of licensee

Ronda Lambert  
Printed name of licensee

  
Notary Public in and for the State of Alaska

My commission expires: 3/23/18

Subscribed and sworn to before me this 22<sup>nd</sup> day of June, 2017.



Alaska Marijuana Control Board

## Form MJ-20: Renewal Application Certifications

### What is this form?

This renewal application certifications form is required for all marijuana establishment license renewal 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. 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 licensee (as defined in 3 AAC 306.020(b)(2)) before any license renewal application will be considered complete.

### Section 1 – Establishment Information

Enter information for the licensed establishment, as identified on the license application.

Licensee:	R & S Enterprises	License Number:	10126		
License Type:	Retail Marijuana Store				
Doing Business As:	The Herbal Cache				
Premises Address:	158 Holmgren Place, Suite 101				
City:	Girdwood	State:	AK	ZIP:	99587

### Section 2 – Individual Information

Enter information for the individual licensee who is completing this form.

Name:	Susan Carse
Title:	Co-Owner

### Section 3 – Changes to Licensed Marijuana Establishment

Read each line below, and then sign your initials in the box to the right of only the applicable statement:

Initials

I certify that **no changes have been made**, except for those that have been previously reported or requested on a form prescribed by the Board, to this licensed establishment's business name, ownership, licensed premises diagram, or operating plan, and (for marijuana product manufacturers) that I do not wish to request Board approval for production of any new proposed marijuana products.

☒

I certify that **a change has been or will be made** to one or more of the items listed above for this establishment, and I understand that an additional form(s) and fee(s) must be submitted to AMCO before any renewal application for this license can be considered complete.

☐

*If you have selected the second certification, please list any and all of the five types of changes that need to be reported/requested:*



Alaska Marijuana Control Board

## Form MJ-20: Renewal Application Certifications

### Section 4 – Certifications

Read each line below, and then sign your initials in the box to the right of any applicable statements:

Initials

I certify that I have **not** been convicted of any criminal charge in the previous two calendar years.



I certify that I have **not** committed any civil violation of AS 04, AS 17.38, or 3 AAC 306 in the previous two calendar years.



Sign your initials to the following statement only if you are unable to certify one or both of the above statements:

Initials

I have attached a written explanation for why I cannot certify one or both of the above statements, which includes the type of offense, as required under 3 AAC 306.035(b)(4).



Read each line below, and then sign your initials in the box to the right of each statement:

Initials

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



I certify that this establishment complies with any applicable health, fire, safety, or tax statute, ordinance, regulation, or other law in the state.




I certify that I have not violated any restrictions pertaining to this particular license type, and that this license has not been operated in violation of a condition or restriction imposed by the Marijuana Control Board.



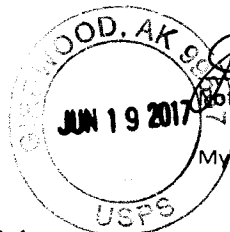
I certify that I understand that providing a false statement on this form, the online application, or any other form provided by or to AMCO is grounds for rejection or denial of this application or revocation of any license issued.

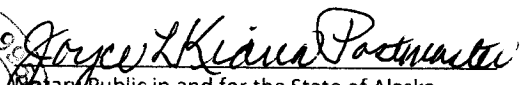


As an applicant for a marijuana establishment license renewal, I declare under penalty of unsworn falsification that I have read and am familiar with AS 17.38 and 3 AAC 306, and that this application, including all accompanying schedules and statements, is true, correct, and complete. I agree to provide all information required by the Marijuana Control Board in support of this application and understand that failure to do so by any deadline given to me by AMCO staff may result in additional fees or expiration of this license.

  
Signature of licensee

Susan Carse  
Printed name of licensee



  
Notary Public in and for the State of Alaska  
My commission expires: "June" 19, 2017

Subscribed and sworn to before me this 19<sup>th</sup> day of June, 2017.



6/22/17

R & S Enterprises d/b/a The Herbal Cache License #10126 received a Notice of Violation on 02/10/17 from AMCO as follows:

“On 2/9/17, it was observed by an AMCO investigator that your location had marijuana oil (CBD oil) manufactured from a source outside the State of Alaska for sale.”

We went before the board and the board ruled that CBD oil was marijuana. R & S Enterprises is currently appealing this decision along with other retailers. Attached is our response to that violation.

I am before the Marijuana Control Board for a Notice of Violation stating that The Herbal Cache in Girdwood violated several regulations pertaining to licensure as a marijuana retail establishment.

The Herbal Cache does not dispute that, after careful review of applicable state and federal regulations, statutes and caselaw had industrial hemp derived CBD products for sale at our shop. THC also understands that the basis for this violation, as set forth in the press release issued by Sara Chambers, the acting director of AMCO,, is that the CBD lotions, balms sprays and drops offered for sale meets the definition of marijuana, marijuana product and marijuana concentrate. As a result of this legal interpretation, the determination was made that the sale of these items would be contrary to the statutes defining marijuana and the regulations set forth for its' legal sale and distribution to the public.

It is undisputed that the CBD products available for sale at THC prior to its' seizure, did not comply with the seed to sale requirements, the inventory tracking system, nor was tested by a testing facility licensed by the state of Alaska. However, to conclude that a violation of the regulations occurred as a result, the Board is compelled to find that the substance, i.e., the non-psychoactive CBD lotions, balms and oils containing hemp derived CBD meet the definition of marijuana. After careful review and legal analysis before, during and after the sale of these products, THC concluded these products and its' ingredients,

are not defined as marijuana as set forth by federal and state statutes.

Although THC is not disputing the sales of these products, I am hoping the Board is open to a discussion as to what constitutes marijuana as statutorily defined. As a new industry, such determinations are critical to help guide all licensed retailers as they are beginning their individual enterprises. THC disagrees with the legal analysis and conclusions made by our acting director and would like to explain the basis of their independent conclusions. At the very least, it would offer an explanation to the Board and show the genuine lack of intent by THC to violate any regulations set out by the Marijuana Control Board.

I would first and foremost like to state and emphasize, that my legal opinions and conclusions, are just that, my opinion. Although I believe it is based primarily on federal statute and caselaw, I want to make it very clear to the Board that they are the regulatory body in Alaska over this industry. I want to make it clear to each member of the board that THC fully and firmly intends to follow any and all directives of the Board regarding this and any other issue and will fully comply with any directives laid out by the Board. I believe I speak for everyone facing this issue when I say we have worked too hard, for too long, at too great an expense to jeopardize our license over the sale of lotions. It is my hope that I am simply providing food for thought over this presently complex issue.

As noted in the violation as well as the press release, the definition of marijuana is set forth in Alaska Statute 17.38 and AAC 306. AS 17.38.900(7) defines marijuana. The statute states, "Marijuana does not include fiber produced from the stalks, oil or cake made from the seeds of the plant, sterilized seed of the plant which is incapable of germination, or the weight of any other ingredient combined with marijuana to prepare topical or oral administrations, food, drink or other products. Alaska Statute 11.71.900 similarly defines marijuana and specifically excludes "the stalks of the plant, fiber produced from the stalks, oil or cake made from the seeds of the plant, any other compound, manufacture, salt, derivative, mixture or preparation of the stalks, fiber, oil or cake, or the sterilized seed of the plant which is incapable of germination."

Unfortunately, no court in Alaska has determined whether hemp derived CBD fits within the statutory definition of marijuana. However, federal courts have. The Controlled Substance Act sets forth its definition of marijuana which is substantively identical to the Alaska statute in that it specifically excludes the mature stalk of such plant, any other compound, manufacture, salt, derivative, mixture or preparation of such mature stalks (except the resin extracted therefrom), fiber, oil or cake, or the sterilized seed of such plant. Found at 21 U.S.C. Sec. 802(16). This statutory exclusion of industrial hemp stalk, fiber, sterilized seed, and seed oil from the scope of the

CSA has enabled US individuals and businesses to legally import, purchase, use, and trade in sterilized industrial hemp seed, oil, stalk and fiber, and products made from those exempt parts of the plant. As a result, industrial hemp food, oil and fiber products, are available such as those for sale at THC as well as numerous shops, grocery and garden supply stores, are available for sale in Alaska, the US and the world.

In *Hemp Industry Ass. v. DEA*, 357 F.3d 1012, the federal 9th Circuit Ct. of Appeal ruled that naturally occurring cannaboids in industrial hemp foods, including oil, were never scheduled under the Controlled Substance Act. This means that CBD is legal.

The court in that case concluded "as in the case of poppy seeds commonly consumed on bagels and expressly exempted from the CSA, that come from a non-drug variety of, but the same species as, the opium poppy... non-psychoactive hemp seed products do not contain any controlled substance as defined by the CSA. The court specifically found that "the non-psychoactive hemp in products is derived from the mature stalks or is oil and cake made from the seeds of the cannabis plant and therefore fits within the plainly stated exception to the CSA definition of marijuana and is not included in Schedule I... Congress knew what it was doing and its' intent to exclude non-psychoactive hemp from regulation is entirely clear. *Id* at 1018.

Since our state statute tracks the definition as set out in the federal control substance act, it was, and frankly continues to be, the opinion of THC that these hemp derived products do not fit the within the definition of marijuana and are thus, not subject to regulation by AMCO. Regardless, again, I want to state that should the Board not agree with this analysis, we will follow the findings and directions of the AMCO.

The products seized from THC were ordered on line and sent through the mail from 3 different companies, all located in the U.S. The products were mostly lotions and topical balms, with a few oral sprays and drops. All 3 companies sell to every state in the nation without any legal interference. Products such as ours are found in many grocery stores, garden supply stores, such as Natural Pantry, Walgreens, Fred Myers and all can be ordered on line.

Feedback I have received, for what it's worth, has been 100%positive. Customers have included those suffering with Parkinson's, arthritis, carpal tunnel, back, knee and neck pain and those in recovery from surgery. All products are non-psychoactive so there is no high as a result of the use or consumption of these products. If I am not permitted to sell these products, I will not sell them. I will then refer them to the large corporate stores in Anchorage that are still selling these products. It would be disheartening to me as I would not be able to offer these amazing products with the immediate

pain relief they have all been found to provide.

I understand Senate B 6 with its' recent amendments will clarify this issue by specifically excluding hemp from the definition of marijuana.



# Alcohol & Marijuana Control Office

**License Number:** 10126

**License Status:** Active

**License Type:** Retail Marijuana Store

**Doing Business As:** THE HERBAL CACHE

**Business License Number:** 1019845

**Designated Licensee:** Ronda Lambert

**Email Address:** susan@thcofak.com

**Local Government:** Anchorage (Municipality of)

**Community Council:** Girdwood

**Latitude, Longitude:** 60.963373, -149.135803

**Physical Address:** 158 Holmgren Place  
Suite 101  
Girdwood, AK 99587  
UNITED STATES

## Licensee #1

**Type:** Entity

**Alaska Entity Number:** 10028006

**Alaska Entity Name:** R and S Enterprises, LLC

**Phone Number:** 907-360-5438

**Email Address:** ronda@thcofak.com

**Mailing Address:** PO Box 204  
Girdwood, AK 99587-0204  
UNITED STATES

## Entity Official #1

**Type:** Individual

**Name:** Susan Carse

**Phone Number:** 907-360-5438

**Email Address:** susan@thcofak.com

**Mailing Address:** PO Box 204  
Girdwood, AK 99587  
UNITED STATES

## Entity Official #2

**Type:** Individual

**Name:** Ronda Lambert

**Phone Number:** 907-242-5807

**Email Address:** ronda@thcofak.com

**Mailing Address:** 6237 E. 34th Ave.  
Anchorage, AK 99504  
UNITED STATES

**Note:** No affiliates entered for this license.

## COMMERCIAL LEASE AGREEMENT

This Commercial Lease Agreement ("Lease") is made and effective MARCH 15, 2016, by and between GIRDWOOD COMMUNITY NEEDS CENTER, LLC (GCNC), ("Landlord") and R & S ENTERPRISES, LLC d/b/a THE HERBAL CACHE, LLC and SUSAN CARSE and RONDA LAMBERT, jointly and severally ("Tenant").

Landlord is the owner of land and improvements commonly known and numbered as THE LAUNDROMALL. 158 HOLMGREN PLACE, GIRDWOOD, ALASKA 99587 and legally described as follows (the "Building"): Block 1, Lot 11, New Girdwood Town site, Girdwood, Alaska 99587.

Landlord makes available for lease a portion of the Building designated as Suite 101 (the "Leased Premises").

Landlord desires to lease the Leased Premises to Tenant, and Tenant desires to lease the Leased Premises from Landlord for the term, at the rental and upon the covenants, conditions and provisions herein set forth.

THEREFORE, in consideration of the mutual promises herein, contained and other good and valuable consideration, it is agreed:

### 1. Term.

A. Landlord hereby leases the Leased Premises to Tenant, and Tenant hereby leases the same from Landlord, for an "Initial Term" of THREE (3) YEAR, beginning MARCH 15, 2016 and ending MARCH 14, 2019. Landlord shall use its best efforts to give Tenant possession as nearly as possible at the beginning of the Lease term. If Landlord is unable to timely provide the Leased Premises, rent shall abate for the period of delay. Tenant shall make no other claim against Landlord for any such delay.

B. Tenant may renew the Lease for one extended term of THREE (3) YEARS. Tenant shall exercise such renewal option, if at all; by giving written notice to Landlord not less than ninety (90) days prior to the expiration of the Initial Term. The renewal term shall be at the rental set forth below and otherwise upon the same covenants, conditions and provisions as provided in this Lease.

### 2. Rental.

- A. Tenant shall pay to Landlord during the Initial Term rental of Sixteen Thousand Eight Hundred (\$16,800) dollars per year, payable in installments of One Thousand Five Hundred (\$1,500.00) per month for the first lease year. Second year rent beginning March 15, 2017 shall be \$1,900 per month and year three monthly rent shall be \$2,300 Each installment payment shall be due in advance on the first day of each calendar month during the lease term to Landlord at PO BOX 501, Girdwood, Alaska, 99587 or hand deliver or at such other place designated by written notice from Landlord or Tenant. The rental payment amount for any partial calendar months included in the lease term shall be prorated on a daily basis.
- B. If option to renew is elected, monthly rent for the option period shall be a mutually agreed amount six (6) months prior to the expiration of the lease term.

### 3. Use

Notwithstanding the forgoing, Tenant shall not use the Leased Premises for the purposes of storing, manufacturing or selling any explosives, flammables or other inherently dangerous substance, chemical, thing or device.

### 4. Sublease and Assignment.

Tenant shall not have the right without Landlord's consent, to assign this Lease to a corporation with which Tenant may merge or consolidate, to any subsidiary of Tenant, to any corporation under common control with Tenant, or to a purchaser of substantially all of Tenant's assets. Except as set forth above, Tenant shall not sublease all or any part of the Leased Premises, or assign this Lease in whole or in part without Landlord's consent, such consent not to be unreasonably withheld or delayed.



## **10. Signs.**

Following Landlord's consent, Tenant shall have the right to place on the Leased Premises, at locations selected by Tenant, any signs which are permitted by applicable zoning ordinances and private restrictions. Landlord may refuse consent to any proposed signage that is in Landlord's opinion too large, deceptive, unattractive or otherwise inconsistent with or inappropriate to the Leased Premises or use of any other tenant. Landlord shall assist and cooperate with Tenant in obtaining any necessary permission from governmental authorities or adjoining owners and occupants for Tenant to place or construct the foregoing signs. Tenant shall repair all damage to the Leased Premises resulting from the removal of signs installed by Tenant.

## **11. Entry.**

Landlord shall have the right to enter upon the Leased Premises at reasonable hours to inspect the same, provided Landlord shall not thereby unreasonably interfere with Tenant's business on the Leased Premises.

## **12. Common Area Maintenance (C.A.M.)**

Tenant shall be responsible for one third (33%) of the cost for snow removal and shall purchase one (1) boxes of toilet paper and one box (1) hand towels per year.

## **13. Building Rules.**

Tenant will comply with the rules of the Building adopted and altered by Landlord from time to time and will cause all of its agents, employees, invitees and visitors to do so; all changes to such rules will be sent by Landlord to Tenant in writing. The initial rules for the Building are attached hereto as Exhibit "A" and incorporated herein for all purposes.

## **14. Damage and Destruction.**

Subject to Section 8 A. above, if the Leased Premises or any part thereof or any appurtenance thereto is so damaged by fire, casualty or structural defects that the same cannot be used for Tenant's purposes, then Tenant shall have the right within ninety (90) days following damage to elect by notice to Landlord to terminate this Lease as of the date of such damage. In the event of minor damage to any part of the Leased Premises, and if such damage does not render the Leased Premises unusable for Tenant's purposes, Landlord shall promptly repair such damage at the cost of the Landlord. In making the repairs called for in this paragraph, Landlord shall not be liable for any delays resulting from strikes, governmental restrictions, inability to obtain necessary materials or labor or other matters which are beyond the reasonable control of Landlord. Tenant shall be relieved from paying rent and other charges during any portion of the Lease term that the Leased Premises are inoperable or unfit for occupancy, or use, in whole or in part, for Tenant's purposes. Rentals and other charges paid in advance for any such periods shall be credited on the next ensuing payments, if any, but if no further payments are to be made, any such advance payments shall be refunded to Tenant. The provisions of this paragraph extend not only to the matters aforesaid, but also to any occurrence which is beyond Tenant's reasonable control and which renders the Leased Premises, or any appurtenance thereto, inoperable or unfit for occupancy or use, in whole or in part, for Tenant's purposes.

Tenant shall be responsible for damaged incurred to the building if such damage is directly related to a break-in or an attempted break-in to the leased space.

## **15. Default.**

If default shall at any time be made by Tenant in the payment of rent when due to Landlord as herein provided, and if said default shall continue for fifteen (15) days after written notice thereof shall have been given to Tenant by Landlord, or if default shall be made in any of the other covenants or conditions to be kept, observed and performed by Tenant, and such default shall continue for thirty (30) days after notice thereof in writing to Tenant by Landlord without correction thereof then having been commenced and thereafter diligently prosecuted, Landlord may declare the term of this Lease ended and terminated by giving Tenant written notice of such

**21. Non-Sufficient Funds.** Tenant shall be charged \$30.00 as reimbursement of the expenses incurred by Landlord for each check that is returned to Landlord for lack of sufficient funds. In addition, a check returned due to insufficient funds will be subject to any and all Late Payments provisions included in this lease. All charges will be immediately due from Tenant and failure to make immediate payment will constitute a default under the terms of this Lease.

Landlord reserves the right to demand future payments by cashier's check, money order or certified funds on all future payments in the event of a check returned for insufficient funds. Nothing in this paragraph limits other remedies available to the Landlord as a payee of a dishonored check. Landlord and Tenant agree that three returned checks in any twelve month period constitutes frequent return of checks due to insufficient funds and may be considered a just cause for eviction.

**22. Late Payments.** For any payment that is not paid within three (3) days after its due date, Tenant shall pay a late fee of \$25.00.

**22. Termination upon Sale Of Premises.** Notwithstanding any other provision of this Lease, Landlord may terminate this lease upon 90 day written notice to Tenant that the Premises have been sold.

**23. Notice.**

Any notice required or permitted under this Lease shall be deemed sufficiently given or served if sent by United States certified mail, return receipt requested, or hand delivered, addressed as follows:

*If to Landlord to:*

Daniel J. Pfister  
PO Box 501  
Girdwood, Alaska 99587

*If to Tenant to:*

Susan Carse, R & S Enterprises, LLC  
PO Box 204  
Girdwood, AK 99587

Landlord and Tenant shall each have the right from time to time to change the place notice is to be given under this paragraph by written notice thereof to the other party.

**24. Brokers.**

Tenant represents that Tenant was not shown the Premises by any real estate broker or agent and that Tenant has not otherwise engaged in, any activity which could form the basis for a claim for real estate commission, brokerage fee, finder's fee or other similar charge, in connection with this Lease.

**25. Waiver.**

No waiver of any default of Landlord or Tenant hereunder shall be implied from any omission to take any action on account of such default if such default persists or is repeated, and no express waiver shall affect any default other than the default specified in the express waiver and that only for the time and to the extent therein stated. One or more waivers by Landlord or Tenant shall not be construed as a waiver of a subsequent breach of the same covenant, term or condition.

**26. Memorandum of Lease.**

The parties hereto contemplate that this Lease should not and shall not be filed for record, but in lieu thereof, at the request of either party, Landlord and Tenant shall execute a Memorandum of Lease to be recorded for the purpose of giving record notice of the appropriate provisions of this Lease.

**27. Headings.**

The headings used in this Lease are for convenience of the parties only and shall not be considered in interpreting the meaning of any provision of this Lease.



**28. Successors.**

The provisions of this Lease shall extend to and be binding upon Landlord and Tenant and their respective legal representatives, successors and assigns.

**26. Consent.**

Landlord shall not unreasonably withhold or delay its consent with respect to any matter for which Landlord's consent is required or desirable under this Lease.

**27. Performance.**

If there is a default with respect to any of Landlord's covenants, warranties or representations under this Lease, and if the default continues more than fifteen (15) days after notice in writing from Tenant to Landlord specifying the default, Tenant may, at its option and without affecting any other remedy hereunder, cure such default and deduct the cost thereof from the next accruing installment or installments of rent payable hereunder until Tenant shall have been fully reimbursed for such expenditures, together with interest thereon at a rate equal to the lesser of twelve percent (12%) per annum or the then highest lawful rate. If this Lease terminates prior to Tenant's receiving full reimbursement, Landlord shall pay the un reimbursed balance plus accrued interest to Tenant on demand.

**28. Compliance with Law.**

Tenant shall comply with all laws, orders, ordinances and other public requirements now or hereafter pertaining to Tenant's use of the Leased Premises. Landlord shall comply with all laws, orders, ordinances and other public requirements now or hereafter affecting the Leased Premises.

**29. Final Agreement.**

This Agreement terminates and supersedes all prior understandings or agreements on the subject matter hereof. This Agreement may be modified only by a further writing that is duly executed by both parties.

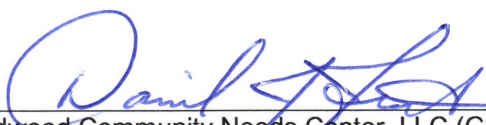
**30. Governing Law.**

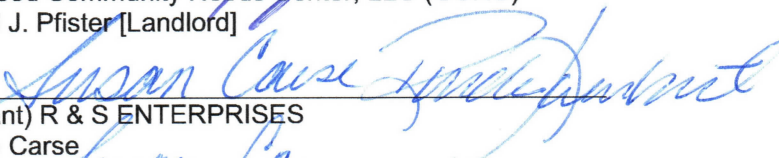
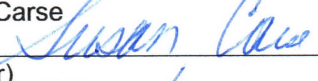
This Agreement shall be governed, construed and interpreted by, through and under the Laws of the State of Alaska.

**31. Escapement Clause**

If Tenant fails to receive an application approval for a marijuana dispensary, the lease term shall terminate after one year on March 14, 2017.

IN WITNESS WHEREOF, the parties have executed this Lease as of the day and year first above written.

  
\_\_\_\_\_  
Girdwood Community Needs Center, LLC (GCNC)  
Daniel J. Pfister [Landlord]

  
\_\_\_\_\_  
[Tenant] R & S ENTERPRISES  
Susan Carse  
  
\_\_\_\_\_  
(Owner)

  
\_\_\_\_\_  
(Owner) Ronda Lambert

# Notice(s) of Violation



Alcohol & Marijuana Control Office  
550 W. 7<sup>th</sup> Ave, Suite 1600  
Anchorage, AK 99501

Date: 2-10-17  
Case Number: AB17-0074  
Page 1 of 1 Page

## Notice of Violation

(3AAC 306.805)

Licensee <b>Ronda Lambert</b>	License Number <b>10126</b>	Type of License <b>Retail</b>
D.B.A. <b>The Herbal Cache</b>	How Delivered <b>Electronic/Certified Mail</b> <b>7013 2250 0000 9617 5095</b>	Law Enforcement Agency <b>AMCO</b>
Street or P.O. Box <b>158 Holmgren Place</b>	City, State <b>Girdwood, AK</b>	Zip <b>99587</b>

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.**

On 2/9/17, it was observed by an AMCO investigator that your location had marijuana oil (CBD Oil) manufactured from a source outside the State of Alaska for sale. This action is in violation of the following:

3AAC306.305-Retail Marijuana Store Privileges  
3AAC306.310-Acts Prohibited at Retail Marijuana Store  
3AAC306.330-Marijuana Inventory Tracking System  
3AAC306.340-Testing Required for Marijuana and Marijuana Products  
3AAC306.345-Packaging and Labelling

Reference:

AS17.38.010(b)(2),(3)  
AS17.38.131-Enforcement Powers  
AS17.38.900(10),(15)-Definitions  
3AAC306.830-Seizure of Marijuana Product

**You are directed to respond to the Director of the Marijuana Control Board in writing to this Notice of Violation within 10 days of receipt to explain what action you have taken to prevent a reoccurrence of this violation. FAILURE TO RESPOND TO THIS NOTICE OF VIOLATION WITHIN 10 DAYS WILL RESULT IN YOUR APPEARANCE, EITHER IN PERSON OR TELEPHONICALLY, BEFORE THE MARIJUANA CONTROL BOARD AT THEIR NEXT REGULARLY SCHEDULED BOARD MEETING.**

**\*Please include your Marijuana Establishment License Number in your response.**

Alcohol & Marijuana Control Office  
ATTN: Enforcement Unit  
550 W. 7<sup>th</sup> Ave, Suite 1600  
Anchorage, Alaska 99501

### A Response is Required

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 shall respond, either orally or in writing, to the Notice.

Receipt:	Violation Observed By: <b>F.R. Hamilton</b>
Filed By: <b>Jeff Rukes</b>	Title: <b>Investigator III</b>





THE STATE  
of **ALASKA**  
GOVERNOR BILL WALKER

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

ALCOHOL AND MARIJUANA CONTROL OFFICE

550 West 7th Ave, Suite 1600  
Anchorage, AK 99501  
Main: 907.269.0350  
Fax: 907.272.9412

February 10, 2017

The Herbal Cache  
158 Holmgren Place, Suite 101  
Girdwood, AK 99587  
Via Certified and Electronic Mail

## **NOTICE OF HEARING**

**Re: Alaska Retail Marijuana Store License #10126**

You are hereby notified that, on February 9, 2017, the following marijuana product was seized from your licensed place of business in accordance with 3 AAC 306.830. Seizure of marijuana or marijuana product :

Description of Item	Estimated Weight/Volume/Amount
*Please see attached Written Inventory Receipt	

The marijuana product listed above was found to be in violation of regulations pertaining to licensure as a Marijuana Retail Establishment:

**3 AAC 306.305. Retail marijuana store privileges**

**3 AAC 306.310. Acts prohibited at retail marijuana store**

**3 AAC 306.330. Marijuana inventory tracking system**

**3 AAC 306.340. Testing required for marijuana and marijuana products**

A hearing before the board has been scheduled to discuss the disposition of the items listed above.

**Time: 10:30 am**

**Date: 2-17-17**

**Location: 550 West 7th Avenue Suite 1600 Conference room, Anchorage, AK 99501**

To participate telephonically, you must provide the following investigator the telephone number at which a registered representative of the licensed business may be reached. Your representative will be contacted at this number at the appointed time of hearing.

**Investigator: Joe Bankowski**

**Email address: [joe.bankowski@alaska.gov](mailto:joe.bankowski@alaska.gov)**

**Phone number: 907-269-0355**

If a registered representative of the licensed business does not appear in person or participate telephonically at this hearing, or if after a hearing the board finds that seizure of the marijuana product was justified, the marijuana product may be destroyed.

A registered representative of the licensed business may request a reasonable delay by notifying the investigator listed above no later than 48 hours prior to the hearing. The seized items will remain in the possession of the state until the board has rendered a decision.

Please contact the investigator listed above with any additional questions you may have.

Herbal cache

owner Susan Carse ~~Susan Carse~~

FR. Hamilton  
AMCO INVESTIGATOR

1oz cream / 9 Kush Creme LOTION variety of scents — 2-9-17  
4 FL oz spray 9 CBD For Life spray —

3 Kush Cream Head Hope chems conditioner (6) (1) Shampoo —

0.5 oz Eye serum pump 3 CBD for Life —

1.7 oz 2 CBD For Life face cream — 10 SoftGel (1) plus CBD oil 15mg —

5oz 3 CBD For Life Foot cream — CBD For Life Lip Balm (1) 0.3 oz —

2 FL oz 1 plus CBD oil drops — (6) Kush Cream Lotion Testers —

1 F oz 1 plus CBD oil drop —

1 Gram 1 CBD oil Gold Formula —

10 gram 1 plus CBD oil Oral Applicator —

60 Soft Gels 1 plus CBD oil —

# Renewal Application