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

Date: 2/10/17
Case Number:AB17-073

Notice of Violation

(3AAC 306.805)

Licensee	License Number	Type of License
Caleb L Saunders	**10008**	**Retail**
D.B.A.	**How Delivered**	**Law Enforcement Agency**
Green Jar	**Electronic/Certified Mail**	**AMCO**
Street or P.O. Box	**City, State**	**Zip**
4901 E Blue Lupine Dr	**Wasilla, AK**	**99654**

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

On 2/9/17 It was observed by AMCO investigators 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
3AAC306.830(b)-Seizure of Marijuana Product (Hearing within 10 Days)

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

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. 7th 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: Rukes
Filed By: Jeff Rukes	Title: Investigator III

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

Green Jar
4901 E Blue Lupine Dr., Bldg 2, Unit E
Wasilla, AK 99654
Via Certified and Electronic Mail

NOTICE OF HEARING

Re: Alaska Retail Marijuana Store License #10008(Delegated)

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: 2:00 pm
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
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.

Green Jar

- JuJu Rx Concentrated CO_2 Hemp oil
  calm and Centered 250 mg - 7

- Charlottes web
  Disp Vape pen 50 mg
  - Strawberry - ~~4~~ 21
  - Natural - ~~7~~ 24
  - mint chocholate - 15

- Charlottes web
  - Infused topical Gel 50 - 2 mg Applications - 6

Mary's Nutritionals
CBD Capsules 30 - 5 mg Capsules - 2

Muscle freeze 75 mg 1.5 oz - 2
" 200 mg 4 oz - 4

Transdermal patch . 92 gm - 1

Charlottes web

Everyday advanced 1 oz Olive oil - 1

Everyday plus 1 oz mint choch - 3
olive oil - 9

Everyday 1 oz mint choch - 7
Olive oil - 8

3.38 fl oz olive oil - 2

Everyday Plus 3.38 oz Olive oil - 1

Jeff Rukes AMCO 2/9/17

Bailey Stuart 2/9/17

AMCO Director,

In response to the NOV issued to Green Jar License Number 10008 on Feb 10th 2017.

We would first like to outline the actions we will take to ensure that this violation does not occur again in the future, then explain the thought process that enabled this violation to take place at all.

We will no longer be selling any CBD or hemp containing products, neither now or in the future, unless the board explicitly allows us to do so or those products are in full compliance with AS 17.38, including but not limited to:

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

It was never our intention to violate any of the regulations in AS 17.38. We were fully under the impression that Hemp products did not fall under the jurisdiction of AMCO or AS 17.38 due to several factors. Section 7606 of the 2014 Farm Bill passed by congress specifically allows Hemp production and sales in the US. The criteria in place to distinguish Hemp from Cannabis is that it needs to contain less than 0.3% THC by dry weight. This effectively separated Hemp from Cannabis and removed Hemp from the Schedule 1 classification. This allowed Hemp to be grown under a pilot program in any of the 31 states in the US that have legalized the production of Hemp, manufactured into many different products, shipped, and sold anywhere in the US. Most stores in the US are now carrying these products including most stores in Alaska. These products can be found at Walmart, Fred Meyer, Costco, Safeway, Natural Pantry, and almost all other grocery type stores, health and supplement stores, natural food stores, and head shops in the country to name a few.

The first few meetings the board had there were many discussions about whether these regulations included Hemp and Hemp products. While the regulations clearly do not specify, we were under the impression based on these discussions that the board did not consider Hemp or Hemp products to be included under these regulations as they were tasked with regulating recreational Cannabis, not Hemp or medical Cannabis.

Due to these reasons, we did not see a problem with carrying Hemp products in our store. We can see now, how CBD and Hemp products could be included under the regulations of AS 17.38 and if we had

known that AMCO would include Hemp and Hemp products under the definition of “Marijuana”, “Marijuana Products” and “Marijuana Concentrates” we never would have carried them in our store.

Thank you for your time on this matter,

Caleb L Saunders

CEO / Owner / Licensee of Green Jar

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