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GARVEY SCHUBERT BARER
A PARTNERSHIP OF PROFESSIONAL CORPORATIONS

Please reply to ERIN L. ELIASEN
eeliasen@gsblaw.com
DIRECT DIAL 206 816 1468

May 18, 2017

VIA EMAIL (amco.enforcement@alaska.gov) AND FEDEX

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

Re: Bob's Morning Bear Cultivation (License #10063) – Response to Notice of Violation
AMCO Case #: AB17-222

To the Alcohol & Marijuana Control Office:

This office represents licensee Brennan J. Norden d/b/a Bob's Morning Bear Cultivation ("**Licensee**"), a marijuana cultivator licensed by the State of Alaska, license number 10063. We respond to the Notice of Violation dated May 10, 2017 ("**Notice of Violation**").

Licensee has never intentionally violated state laws or regulations in the course of its operation as a marijuana establishment and has only run afoul of certain regulations through misunderstanding the scope of the records requested by AMCO. ***Because the Notice of Violation is based on Licensee's unintentional behavior, Licensee requests that AMCO take no further action with regard to the Notice of Violation.***

As set forth in the Notice of Violation, the Licensee did not promptly provide certain business records to AMCO. Licensee has always operated in strict compliance with state law and is fully aware of its *own* operational duties under state law. However, because this is the first time Licensee has operated in a highly-regulated business and Licensee has never been subject to an investigation, Licensee was not fully aware of his duty to cooperate with investigations and the scope of the required cooperation. Mr. Jeff Rukes, an AMCO Investigator ("**Investigator**"), requested certain information from Licensee related to business dealings with a particular marijuana establishment.

Licensee and Licensee's Independent Contractor Did Not Fully Understand Investigator's Request

In response to the Investigator's request, over the course of several days, Licensee and Licensee's independent contractor engaged with Investigator. Due to a miscommunication, neither Licensee nor Licensee's independent contractor understood that Investigator was formally requesting certain

information and that the information must be provided within three business days. At no time did Licensee or Licensee's independent contractor understand the requests were subject to a particular deadline.

Moreover, the formality of the request was not made apparent to Licensee. Licensee assumed that any formal requests made of him would be made in writing and not over the phone (as they were in this case).

Once Magnitude of Request Was Understood, A Response Was Made Within Hours

Eventually, the formality of the reporting obligation of Licensee was made apparent. Once it was, Licensee provided all requested information within two (2) hours. While Licensee could have been more proactive in understanding the nature of the requests being made of him, once he understood what was at issue, the requested information was provided within hours.

In conclusion, Licensee requests that no further action be taken with regards to the Notice of Violation. The marijuana retail market is nascent in Alaska and much of Licensee's time and energy is spent in operating not only a successful business, but a business completely in compliance with state laws and regulations as it relates to the operation of its facility. And Licensee has, to date, accomplished those goals. Only due to a lack of familiarity with requests from investigators (due to never being investigated himself) and through misunderstanding the verbal requests of the Investigator did Licensee mistakenly not provide the requested information in a timely manner. Licensee now understands its obligations to supply business records to investigators in accordance with 3 AAC 306.755(b) and 306.800(b). In the future, Licensee will promptly respond to any requests for business records, in accordance with the regulations found in 3 AAC ch. 306. For the above reasons, Licensee requests that no further action be taken regarding the Notice of Violation.

Sincerely,

GARVEY SCHUBERT BARER

By

Erin L. Eliasen

ELE:mct
cc: Brennan J. Norden

Notice of Violation

(3AAC 306.805)

This form, all information provided and responses are public documents per Alaska Public Records ACT AS 40.25

Date: 5/10/17

License #/Type: 10063

Licensee: Brennan J Norden

Address: 21725 Evelyn May, Kasilof, AK 99610

DBA: Bob's Morning Bear Cultivation

AMCO Case #: AB17-222

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.

Licensee, Brennan J Norden, of Bob's Morning Bear Cultivation failed to provide business records within three days, when given two weeks. This is in violation of 3AAC306.755(b) Business records. This action further violated 3AAC306.800(b)(2) Inspection and Investigation.

When asked what a check was written for the licensee, Brennen J Norden, of Bob's Morning Bear Cultivation stated that he did not have to tell the AMCO investigator that information. This is in violation of 3AAC306.800 (b). Inspection and investigation.

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. 3 AAC 306.810(3)(A)(B)(C) failed, within a reasonable time after receiving a notice of violation from the director, to correct any defect that is the subject of the notice of violation of AS 17.38 or this chapter, a condition or restriction imposed by the board or other applicable law.

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. Rukes

Received by:

SIGNATURE: JRukes

SIGNATURE:

Delivered VIA: Mail

Date: