THE STATE of ALASKA
GOVERNOR BILL WALKER

Department of Commerce, Community, and Economic Development

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

September 7, 2017

Harold Henly
DBA: Henleys' Happy Harvest
Via email: miss_jsisley@yahoo.com

Re: Limited Marijuana Cultivation Facility #12572

Dear Harold,

I have reviewed the documents submitted for the proposed marijuana establishment license referenced above. Per my conversation with you and with your wife, in separate instances, it appears that you submitted your online application incorrectly. The following are applications/documents that need be submitted and/or re-submitted.

- **Online Application**
  - Please contact Division of Corporation and apply for your LLC of which you and Julie are the members https://www.commerce.alaska.gov/web/cbpl/
  - Obtain a new business license through Division of Corporations. This business license must show that the owner is the LLC you form with your wife.
  - When you obtain the new business license give me a call or email me with the business license number so I can change it in the system. I will then roll the application back to "New" status so that you can amend the online application. Updated Public Notice, Advertisement Notice, and Cover Page will generate; you will need these for your corrections.
  - Please note that I am not familiar with the entire process of forming entities or applying for business licenses with Division of Corporations. You will need to contact them if you have questions.
  - **The above needs to happen first before you try to correct pages of MJ forms.**

- **MJ-00 Application Certifications**
  - Submit new MJ-00 for each of you. Please note that the context of "Licensee" in Section 1 of this form is the name of the LLC. Use your updated cover page to guide you in this section.

- **MJ-01 Operating Plan**
  - This application will need to be re-done and submitted brand new. There were too many sections where more information from you would be needed that it would just make it more complicated. Please make sure you re-review the statutes and regulations, your answers to the boxes need to reflect that you have a good understanding of the statutes and regulations. List of things you need to keep in mind when re-doing your MJ-01 are, but not limited to:

- Page 2, both boxes: what do you mean by "licensed employee" .
- Page 3, first box: what is a "licensed employee".
- Page 4, first box: more detail on your exterior lighting. For example, how is it going to facilitate surveillance?
- Page 4, second box: describe the alarm system. For example, what does it do? Does it alert anyone? What are the steps to follow in case of breach of security?
- Page 5, first box: how are you going to prevent diversion of marijuana by employees? Besides METRC, any other way you will be keeping track for the prevention of diversion?
- Page 5, second box: what else are you going to be doing to prevent loitering? What if the sings do not work?
- Page 6: what is a licensed employee?
- Page 7, first box: how will the cameras be placed to produce a clear view as required by the regulations?
- Page 7, second box: surveillance records must be accessible to law enforcement personnel including a peace officer or an agent of the board so the secure area where you are storing them offsite has to be disclosed.
- Page 9: give examples of the records, electronic or hard copy, you will be keeping.
- Page 11: cultivation facilities should not have marijuana products in its inventory. So, to avoid any confusion, please replace or remove the word "product" after the word "marijuana".
- Page 12, first box: enforcement must be notified of waste by email before the marijuana is rendered unusable and disposed of. Please make a reference in this box that you understand that.
- Page 12, second box: include the ratio of marijuana to compostable or non-compostable material required under the regulations
- Page 13, describe further the process or processes you will use to make the marijuana plant waste unusable.
- Page 15, first box:
    - Re-review 3 AAC 306.750, 3 AAC 306.470, and 3 AAC 306.475 and elaborate further on your answer to this box. For example, packaging requirements depend upon whether you are selling to a retail marijuana store for direct consumer sale or for retail repackaging. You don't mention the requirements of vehicle transporting.
    - Remove or replace the word "product" after the word "marijuana"
    - What is a licensed employee?
- Page 15, second box: your answer to this box does not describe the locked, safe, and secure storage compartments that will be used in any vehicles transporting marijuana.
- Page 18: the entire wording of signs that are posted at Restricted Access Areas is- "Restricted access area. Visitors must be escorted".

- **MJ-02 Premises Diagram (call me on this one if you need clarification).**
    - Page 1-section 1: please correct this page with updated information.
    - The plot survey is good but it is dark. Please submit a clear one.
    - On the diagram that shows what I think is a house clearly outline the licensed premises.

- On the larger scale version of the what I think is the licensed premises show the camera placements and entrances and exits.

- **MJ-04 Cultivation Supplemental**
  - Page 1-section 1: please correct this page with updated information.
  - Page 2: one of your diagrams show a seed/clone rack but you did not include it in this box. Also, please include the areas that are actually under cultivation (the tables). Page 2 of MJ-04 must be congruent with your diagram(s).
  - Page 3, boxes 2 & 3: please list a summary of the growing mediums and nutrients, respectively, in these boxes. You may attach additional information about them but not in lieu of listing them in the boxes.
  - Page 4, first box: you need to notify AMCO enforcement via email three days before rendering the waste unusable and disposing of it. METRC does not track it. Please make a reference that you understand this in the box.
  - Page 6: can you provide samples of the labels required under 3 AAC 306.470 and 3 AAC 306.475.

- **MJ-07 Public Notice Posting Affidavit**
  - You will need to re-post. Post the updated Public Notice at the proposed location and another conspicuous location for ten days. I will need a new MJ-07 filled out and signed in front of a notary after the posting has been done.
  - Use your cover page to guide you with section 1 of this form.
  - **Please be more descriptive of the other conspicuous location on this form.**

- **MJ-08 Local Government Notice Affidavit**
  - Notify your local government with the updated Public Notice which by now should be updated. I will need a new MJ-08 filled out and signed in front of a notary.
  - Use your cover page to guide you with section 1 of this form.

- **MJ-09 Statement of Financial Interest**
  - Submit new MJ-09 for each of you. Please note that the context of "Licensee" in Section 1 of this form is the name of the LLC. Use your updated cover page to guide you in this section.

- **Publisher's Affidavit**
  - You will need to re-advertise. Take the updated Advertisement Notice to a newspaper of regular circulation and put the ad once a week for three consecutive weeks. Like you did with the original application. I will need the publisher's affidavit from these

- **Proof of Possession for Proposed Premises**
  - I will need proof of right to possession for the LLC you form. I know you submitted a warranty deed, but we need proof that the LLC has the right to the proposed premises.
  - If you are going to provide a commercial lease, the lease must be a legally binding lease and it should include the following:
    - An acknowledgment from the landlord/lessor that the premises will be used as a marijuana establishment, and

- A disclaimer that the landlord/lessor may not take possession or remove marijuana from the premises and AMCO will be contacted (this is usually under the "Default" section).

- **Entity Documents**
  - Submit the operating agreement for the LLC you and Julie formed.
  - Make sure you have filed your initial report with Division of Corporations. I need copies of that.
  - You submitted a Power of Attorney but I am not sure for what.

If we do not receive your completions within 90 days, per 3 AAC 306.025(f), you must file a new application and pay a new fee.

Respectfully,

Jane Sawyer, Occupational Licensing Examiner
For,
Erika McConnell, Director
marijuana.licensing@alaska.gov