THIS PERMIT MUST BE CONSPICUOUSLY POSTED IN A PUBLIC PLACE IN THE ESTABLISHMENT

Municipality of Anchorage

DEPARTMENT OF HEALTH & HUMAN SERVICES PERMIT

PERMIT NO.

FA0013635

FACILITY NAME **AK FUZZY BUDZ**

OWNER'S NAME: AK GLD LLC

LOCATION: 2612 EAGLE ST

ISSUED BY THE DEPARTMENT OF HEALTH & HUMAN SERVICES AND SUBJECT TO THE ANCHORAGE MUNICIPAL CODE OF ORDINANCES TITLES 15 AND 16. UNLESS THE OWNERSHIP CHANGES, THIS PERMIT IS VALID FROM 1/1/2017 TO 12/31/2017

AK FUZZY BUDZ
407 E NORTHERN LIGHTS BLVD
ANCHORAGE, AK 99503

70-031 Ver 9 02

THIS CERTIFICATE AND PERMIT IS NOT TRANSFERABLE
AND IS THE PROPERTY OF THE MUNICIPALITY OF ANCHORAGE

Received by AMCO 6.28.18

Jana Weltzin

From: Nesheim, Janine R. <NesheimJR@ci.anchorage.ak.us>
Sent: Tuesday, August 14, 2018 9:02 AM
To: Jana Weltzin
Cc: McConnell, Erika B (CED); Valerie Mastolier; Griffith, Shelley A; Honest, Miranda L.; Oates, Sarah D (CED)
Subject: RE: DHHS call to owner of AKGLD, LLC (owner of Fuzzy Budz; Green Light District)

Good morning Jana,

I apologize for the confusion, and thank you again for the clarification.

Shelley has confirmed that because AKGLD, LLC facilities have not undergone the transfer of ownership and are still operating under the original business license, AKGLD, LLC DBA ALASKA'S GREEN LIGHT DISTRICT and AK FUZZY BUDZ are still in compliance with DHHS, and I am able to approve LC10808 at this time. Once the transfer is complete, these facilities must submit Change-Of-Ownership health permit applications to our office.

The following is the language for DHHS approval of the AK Fuzzy Budz Application for Report of Ownership Change and Transfer of a Marijuana License LC10108:
DHHS - AKGLD, LLC DBA ALASKA'S GREEN LIGHT DISTRICT and AK FUZZY BUDZ have active 2018 health permits under the current business license, and are in compliance with DHHS. LC10108 has DHHS approval provided that change of ownership health permit applications for these facilities are submitted to DHHS once the ownership transfer is completed (ref: AMC 16.60.050, 16.60.080.C, and 16.60.110.J).

Respectfully,

Janine Nesheim, BS Bacteriology
Environmental Health Specialist III – Plan Review
Municipality of Anchorage
Dept. of Health & Human Services
Environmental Health Services Program
825 L St., Suite 300
Mail: P.O. Box 196650 Anchorage, AK 99519-6650
Telephone: (907) 343-4815
Fax: (907) 249-7311

From: Jana Weltzin [mailto:jana@jdwcounsel.com]
Sent: Wednesday, August 8, 2018 3:53 PM
To: Nesheim, Janine R. <NesheimJR@ci.anchorage.ak.us>; McConnell, Erika B (CED) <erika.mcconnell@alaska.gov>
Cc: Valerie Mastolier <valerie@jdwcounsel.com>; Griffith, Shelley A <GriffithSA@ci.anchorage.ak.us>; Honest, Miranda L. <HonestML@ci.anchorage.ak.us>; Jana Weltzin <jana@jdwcounsel.com>; Oates, Sarah D (CED)

Received by AMCO 9.27.18

<sarah.oates@alaska.gov>
Subject: RE: DHHS call to owner of AKGLD, LLC (owner of Fuzzy Budz; Green Light District)

Hi all – I think we should maybe let Shelley and Erika weigh in or have a call about this issue, bc that may be most efficient way to figure out the best way to handle these types of transfers if those two ladies directly communicate and figure out how to proceed. I would ask that if necessary to continue its operation, my client get temporary approval of heath permit (again, only if its necessary to continue their operations).

I had brief communication with Erika and she is really slammed right now preparing for quarterly ABC board meeting and the MCB board meetings next week, she wanted us to know that she can turn her attention to this issue the week after next when she is back from ABC and MCB meetings. I copied her Program Director Sarah Oates so that she is in the loop on this issue as well.

Thanks all – Jana

From: Nesheim, Janine R. <NesheimJR@ci.anchorage.ak.us>
Sent: Wednesday, August 08, 2018 3:43 PM
To: Jana Weltzin <jana@jdwcounsel.com>; McConnell, Erika B (CED) <erika.mcconnell@alaska.gov>
Cc: Valerie Mastolier <valerie@jdwcounsel.com>; Griffith, Shelley A <GriffithSA@ci.anchorage.ak.us>; Honest, Miranda L. <HonestML@ci.anchorage.ak.us>
Subject: RE: DHHS call to owner of AKGLD, LLC (owner of Fuzzy Budz; Green Light District)

Good afternoon Jana,

Thank you for this information. I understand from our permit clerks that this is the first change of ownership that our office has been approached with, and I am not clear what our policy will be to work around the requirements you have relayed.

In summary: I relayed to the applicant that I am unable to approve the Application for Report of Ownership Change and Transfer of a Marijuana License until a Change of Ownership application for each affected marijuana retail facility owned by AKGLD, LLC has been received by our office. Because the health permit and our paperwork must reflect the business license, we do not accept Change of Ownership applications until the business license reflects the ownership change.

I have included my supervisor, Shelley Griffith, and will act on her guidance.

Respectfully,

Janine Nesheim, BS Bacteriology
Environmental Health Specialist III – Plan Review
Municipality of Anchorage
Dept. of Health & Human Services
Environmental Health Services Program
825 L St., Suite 300
Mail: P.O. Box 196650 Anchorage, AK 99519-6650
Telephone: (907) 343-4815
Fax: (907) 249-7311

Received by AMCO 9.27.18

DHHS
ANCHORAGE
DEPARTMENT OF HEALTH
& HUMAN SERVICES

From: Jana Weltzin [mailto:jana@jdwcounsel.com]
Sent: Wednesday, August 8, 2018 3:01 PM
To: Nesheim, Janine R. <NesheimJR@ci.anchorage.ak.us>; McConnell, Erika B (CED) <erika.mcconnell@alaska.gov>
Cc: Valerie Mastolier <valerie@jdwcounsel.com>; Jana Weltzin <jana@jdwcounsel.com>
Subject: DHHS call to owner of AKGLD, LLC (owner of Fuzzy Budz; Green Light District)

Hi Janiene & Erika:

My client Jamie Millhouse, licensee for Fuzzy Budz and Green Light District, got a call from DHHS office (which I believe Janiene made the phone call to Jamie) and was told he should go ahead and file with the Alaska Corporations Division a notice of change of officials to reflect the ownership change that removes the co-owner and names Jamie as 100% owner of AKGLD, LLC. Shortly after I got a phone call from Rich, the general manager, explaining the DHHS call and that my client Jamie was stressed bc he thought that we failed to file something on his behalf that should have been filed.

I wanted to take this opportunity to hopefully avoid unnecessary confusion in the future – these businesses are obviously different than a normal type of business, we have a complex set of regulations to follow including strict regulation and required approval of major changes in ownership. All controlling ownership interest changes (such as this one, removing a 50% owner and naming the remaining owner as 100% owner) need to be approved by the Marijuana Control Board *prior* to making the legal ownership change with the corporation commission. Therefore, while we submit all the required application materials requesting the approval of the transfer of ownership to the muni and to the MCB, we cannot legally effectuate the change until that controlling change in ownership interest has been approved by the MCB.

If Jamie had taken the advice to go ahead and file for the change of ownership with the corporation commission, Enforcement at AMCO could have given my client a violation as it would be violative of the regulations - all major ownership changes need to be approved by the control board and then legally changed in the AK Corporation Commission. Thanks for all your hard work and help with these licensees, we are all still learning as the industry evolves ☺

I copied Erika in case I misstated anything regarding the regulations or if she wanted to clarify any of the above, etc. thanks all!

Jana D. Weltzin, Esq.
JDW, LLC
Principal Owner
Of Counsel to Hoban Law Group
3003 Minnesota Drive Suite 201
Anchorage, Alaska 99503
janaweltzin@gmail.com
jana@jdwcounsel.com
630-913-1113 (cell & text)
907-231-3750 (main office)
*Licensed in Alaska and Arizona

Received by AMCO 9.27.18

The information contained in this message is privileged and confidential. It is intended only to be read by the individual or entity named above or their designee. If the reader of this message is not the intended recipient, you are on notice that any distribution of this message, in any form is strictly prohibited. If you have received this message in error, please immediately notify the sender and delete or destroy any copy of this message.

IRS Circular 230 Disclaimer: To ensure compliance with IRS Circular 230, we are required to inform you that unless we have specifically stated to the contrary in writing, any advice we provide in this email or any attachment concerning federal tax issues or submissions is not intended or written to be used, and cannot be used, to avoid federal tax penalties.
Thank you.

Think green, please don't print unnecessarily

Received by AMCO 9.27.18