CORRESPONDENCE

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

October 8, 2018

Pharma Initiative, LLC
DBA: CannaFrost
Via email: dhuskey25@gmail.com

Re: Limited Marijuana Cultivation Facility #14245

Dear applicant,

AMCO has reviewed the documents submitted for the transfer of ownership for the license referenced above. This letter is notice under 3 ACC 306.025(e)(2) that your application is incomplete and additional items are needed to complete the application. The additional items that need correction or resubmittal are listed below—please be sure to read the entire letter. **Please note that if the corrections and/or additional documents submitted in response to this letter are not found to be complete, your application will be returned to you in accordance with 3 AAC 306.025(e)(1), and you will need to file a new application and pay a new fee should you wish to continue pursuing licensure.**

- **MJ-01 Operating Plan**
  - Page 1, section 1, Licensee: please add the 'LLC' to the end of Pharma Initiative.
  - 3.6: the answer to this box is cut off. You may need to continue your answer in a separate page.
  - 6.4: the answer to this box is cut off. You may need to continue your answer in a separate page.
  - 7.5 & 7.6: you state the toilet and handwashing facilities are on the MJ-02, but they are not clearly identified. Correct this section accordingly, or the diagram needs the porta-potty shown.
  - 7.7: what do you mean the porta-potty will be on site? I do not see it on the diagram.
  - 8.1: the answer to this box is cut off. You may need to continue your answer in a separate page.

- **MJ-02 Premises Diagram**
  - Did you actually submit all the required diagrams? I could not really tell, although I think you are missing at least one, because the two diagrams submitted are not numbered according to the guide on MJ-02.
  - Please revisit your diagrams and provide the information on each, and number them according to the guide.
  - The diagram that shows the layout of the facility is good, except is missing the following information:
    - What diagram number(s) is this?
    - Name of business
    - True north arrow

- Where is the porta-potty? Is it inside the licensed premises? if it is, show it, and it should be outlined/shaded in color and labeled as licensed premises but not restricted access area.

- **MJ-04 Cultivation Supplemental**
  - 6.1: you answered 'No' to this box, yet you initialed the statement immediately below. Correct this section accordingly.
  - 8.1: please add to your answer in this box and describe how you will comply with 3 AAC 306.470(a)(1); packaging marijuana that will be packaged without additional handling by the retail marijuana store.

- **MJ-19 Creditors Affidavit**
  - This form needs to be filled out and signed by one of the current licensees (David Huskey or Aaron Edwards), it was initialed and signed by Kerry Teekell.
  - Furthermore, this form needs the Federal Tax ID/EIN for Pharma Initiative, LLC, and if there are not debts or taxes owed you need to write the word 'None' (N/A is inadequate).
  - I need a new MJ-19 filled out and signed in front of a notary by one of the current licensees.

- **Publisher's Affidavit**
  - Your newspaper ad circulated in Anchorage, your area of circulation of the ad should be in Wasilla. Please run your newspaper ad once a week for three consecutive weeks in a newspaper that circulates in Wasilla (Journal of Commerce is not acceptable, just in case and FYI). I will need the Publisher's Affidavit with a copy of the newspaper ad for that.

- **Entity Documents**
  - Pharma Initiative, LLC's Operating Agreement shows that this LLC is already owned by David and Kerry 50% each (unless I missed an effective date in the future not earlier than when the Marijuana Control Board approves the transfer). Because a transfer of ownership including a transfer of controlling interest may not happen until the Board has approved the transfer (3 AAC 306.045), the LLC's Operating Agreement will need to take effect no earlier than when the Board approves the transfer. Please amend the operating agreement accordingly.
  - Do not file your Notice of Change of Officials with Division of Corporations until the Board approves the transfer of controlling interest.

- **Proof of Possession for Proposed Premises**
  - The lease you submitted has all the components we are looking for in a lease, but I am just curious, why was the lease for the renewal of this license from Aaron Edwards as the landlord/lessor, and the lease for the transfer of this license is from Kerry Teekell Investments, LLC as the landlord/lessor? Mat-Su Borough's property search still shows Aaron Edwards as the owner of the property.

It is very important that you submit the above corrections and/or documents in a timely manner so that AMCO staff has adequate time to review the corrections and/or additional documents which must be found to be complete within 90 days of the date of this letter.

Respectfully,

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

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  - I need a new MJ-19 filled out and signed in front of a notary by one of the current licensees.

- **Publisher's Affidavit**
  - The dates on the affidavit itself, and the dates on the newspaper ad are inconsistent. Please obtain a new affidavit with copy of the newspaper from the newspaper company.

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It is very important that you submit the above corrections and/or documents in a timely manner so that AMCO staff has adequate time to review the corrections and/or additional documents which must be found to be complete within 90 days of the date of this letter.

Respectfully,

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

From:	Marijuana Licensing (CED sponsored)
To:	"Jana Weltzin"; Marijuana Licensing (CED sponsored)
Cc:	Kerry Teekell; David Huskey; Valerie Mastolier
Subject:	Follow up on corrections 11.27.18-Cannafrost license 14245
Date:	Wednesday, November 28, 2018 2:56:00 PM

Hi, I reviewed the corrections, there is more to do:

- The publisher's affidavit states the ad was published 10.28.18, and 11.04.18, the newspaper rep. forgot to include 10.21.18. Please get a new one.
- I did not request this on the original letter because we were not asking for it at that time yet: there is a new version of MJ-04 on our website https://www.commerce.alaska.gov/web/Portals/9/pub/MCB/MarijuanaApplication/MJ-04.pdf. Please take page 3 of it and complete by transferring your information over to this page, and filling out the new box which is 4.6.

Please have the above items back to me if at all possible by Friday, if not then no later than Monday, 12.3.18, to be considered for the December meeting.

Thank you

Jane Sawyer
Occupational Licensing Examiner
Alcohol and Marijuana Control Office
907-269-0350

From:	Marijuana Licensing (CED sponsored)
To:	"dhuskey25@gmail.com"; Jana Weltzin; "Valerie Mastolier"; Sherri Lindfors
Cc:	Marijuana Licensing (CED sponsored)
Subject:	Corrected-Incomplete Transfer Application Notice-CannaFrost license 14245
Date:	Wednesday, October 10, 2018 3:55:00 PM
Attachments:	14245 Incomplete Transfer Application Notice.2.pdf

Corrected letter. The correction has to do with the newspaper ad.

Thank you

Jane Sawyer
Occupational Licensing Examiner
Alcohol and Marijuana Control Office
907-269-0350

From: Marijuana Licensing (CED sponsored)
Sent: Monday, October 08, 2018 4:33 PM
To: 'dhuskey25@gmail.com' <dhuskey25@gmail.com>; Jana Weltzin <jana@jdwcounsel.com>; 'Valerie Mastolier' <valerie@jdwcounsel.com>; Sherri Lindfors <sherri@jdwcounsel.com>
Cc: Marijuana Licensing (CED sponsored) <marijuana.licensing@alaska.gov>
Subject: Incomplete Transfer Application Notice-CannaFrost license 14245

Hello,

Your transfer application has been reviewed, attached is correspondence regarding corrections, additional documents, and/or resubmittals that need to be addressed.

Please make sure to read the entire letter. If the submitted corrections are not found to be complete, your application will be returned to you in accordance with 3 AAC 306.025(e)(1), and you will need to file a new application and pay a new fee should you wish to continue pursuing licensure. Essentially, we will accept corrections one time within your 90-day deadline period. Feel free to call or email if you need clarification on any items from the Incomplete Letter.

Please let me know if you need copies of the transfer paperwork I have. I want to make sure you receive this email and its attachment first. Send any documents/correspondence to marijuana.licensing@alaska.gov

Respectfully,

Jane Sawyer
Occupational Licensing Examiner
Alcohol and Marijuana Control Office
550 W 7th Avenue Ste. 1600
Anchorage, AK 99501
907-269-0350