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: 8-10-18 License #/Type: 11031 / Retail Marijuana Store

Licensee: Kerby Coman Address: 2301 S. Knik-Goosebay Road, Wasilla, AK

DBA: Green Degree AMCO Case #: AB18-0976

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.

An advertisement for Green Degree was located on social media (Facebook) depicting Green Degree Cannabis Shuttle. The advertisement state's "Come get some of what the Judges are chiefin' on! Green Degree will be featuring most of the 'Cup Entries' on our shelves before and during the cannabis cup"

The required warnings are not present in the advertisement. **See attached advertisement.

In addition to the violation above, I will be bringing the following information to the Marijuana Control Board:

The ad offers hourly shuttle rides from Green Degree to The Cannabis Cup. This coupled with your advertisement of offering strains "before and during" the Cannabis Cup gives the appearance that you are encouraging attendees to bring marijuana to the High Times Cannabis Cup event on August 11, 2018.

Your attention is referred to 3 AAC 306.360(e)(1-5): Restriction on advertising of marijuana and marijuana products and AS 17.38.040: Public consumption

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

IT IS RECOMMENDED THAT YOU RESPOND IN WRITING TO DOCUMENT YOUR RESPONSE FOR THE MARIJUANA CONTROL BOARD.

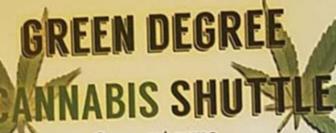
*Please send your response to the address below and include your Marijuana Establishment License Number in your response.

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

Issuing Investigator: J. Hoelscher Received by:

SIGNATURE: SIGNATURE:

Delivered VIA: Email Date:



Come get some

of what the Judges are chiefin' on!

Green Degree will be featuring most of the 'Cup Entries' on our shelves before and during

The Cannabis Cup.



Look for the limo at the top of every hour ONLY on Saturday the 1th!



Department of Commerce, Community, and Economic Development

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

MEMORANDUM

To: AMCO Director Erika McConnell Date: August 10, 2018

From: Enforcement Supervisor James Hoelscher RE: Case # AB18-0976

On August 10, 2018, I observed an advertisement in the form of a flyer posted on Facebook. The flyer appeared to be posted by a third party, not by Green Degree.

I wrote the NOV for the flyer, not for the social media post, as the flyer advertised specific strains of marijuana that were featured at The Cannabis Cup". I sent the designated licensee, Kerby Coman, an email with the email attached on August 10, 2018.

Shortly after sending out the NOV, I received a phone call from Kerby Coman, he asked why I had send the NOV, as he felt that this was not an advertisement because the board had ruled that an advertisement had to be for "specific strains". Mr. Coman stated that it was because of this ruling that he did not apply a warning. I explained that the advertisement was advertising specific strains and these types of advertisements should not be done as it gives the appearance of circumventing the regulations. I also informed Mr. Coman that I would also bring the issue of the shuttle rides to the High Times Cannabis Cup to the board.

On August 16, 2018, Mr. Coman send a written response to the NOV stating that he did not post the picture on Facebook and that it was an employee that he did not direct to post the flyer. He also provided a photograph of the back of a "hand-out", which appears to have a label with the required warnings attached to a blank white piece of paper.

As stated above, Mr. Coman informed me initially that he did not have the warnings as he felt it was not an advertisement, he made no mention of the flyers having the warnings affixed to the back of them.

I do not have the flyer, only a photo of the flyer from the Facebook post.

Please see attached photos taken from a video titled "2018 High Times Cannabis Cup, Wasilla, Alaska" posted on YouTube on August 13, 2018.

https://m.youtube.com/watch?v=i0Z7MJZ JzU







From: Hoelscher, James C (CED)

To: Davies, Jason M (CED); CED AMCO Enforcement (CED sponsored); McConnell, Erika B (CED)

Subject: FW: Green Degree, lic 11031, NOV.pdf

Date: Monday, September 17, 2018 2:02:44 PM

Attachments: <u>image002.png</u> image003.png

Green Degree Cannabis Cup Advertisement memo JCH1.pdf

Please attached memo to the NOV response.

James

From: Hoelscher, James C (CED)

Sent: Thursday, August 16, 2018 2:53 PM

To: 'Kerby Coman' <greendegree420@yahoo.com>

Cc: CED AMCO Enforcement (CED sponsored) <amco.enforcement@alaska.gov>; McConnell, Erika B

(CED) <erika.mcconnell@alaska.gov>; Davies, Jason M (CED) <jason.davies@alaska.gov>

Subject: RE: Green Degree, lic 11031, NOV.pdf

Mr. Coman,

I have received your response and forwarded it to the Director. Your NOV will be brought to the board during the next scheduled meeting.

Thank you,

James

From: Kerby Coman < greendegree 420@yahoo.com >

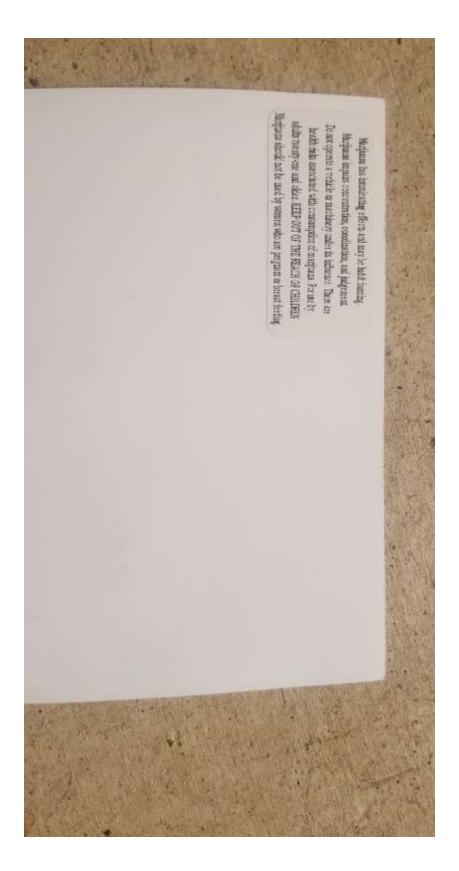
Sent: Thursday, August 16, 2018 11:23 AM

To: Hoelscher, James C (CED) < <u>james.hoelscher@alaska.gov</u>>

Subject: Re: Green Degree, lic 11031, NOV.pdf

I feel that this violation should not be considered valid for multiple reasons, I also feel I am not in violation of any regulation set forth in 3 AAC 306.360(e)(1-5): or Statutes set forth in 17.38.040: for the following reasons: The picture of the postcard hand-out that was depicted in NOV sent to us was put out on Facebook by a David Morrison, although he is an employee of ours he was not directed by us to post a picture of the front of the handout on Facebook. It was also put out on his personal page, not the business page. What his Facebook post failed to capture is the stickers that have the required warnings stated on them that were also attached to the rear of the hand-outs as shown in the attachment. Further more it is my understanding that unless we are advertising specific marijuana products that the advertisement does not need to have the required warnings. We try to attach the required warnings to any and all advertisements regardless.

We definitely were not promoting public consumption. Our objective was to allow people who already were at the Cannabis Cup the convenience of getting a free ride to our store to bye some products that were displayed at the event, seeing as how our store closed before the event was over we thought it was important to offer a safe ride to and from the store if we had planned on getting any business from this event. Thats all.



Respectfully,

Kerby Coman, CEO



2301 South Knik-Goose Bay Rd. #1 Wasilla, AK 99654 (907) 884-3153

www.greendegree.net kerby@greendegree.net

On Friday, August 10, 2018 1:48 PM, "Hoelscher, James C (CED)" < james.hoelscher@alaska.gov > wrote:

Please see revised NOV with corrections.

James

From: Hoelscher, James C (CED) Sent: Friday, August 10, 2018 1:23 PM

To: 'greendegree420@yahoo.com' < <u>greendegree420@yahoo.com</u>>

Cc: CED AMCO Enforcement (CED sponsored) amco.enforcement@alaska.gov; McConnell, Erika B (CED) erika.mcconnell@alaska.gov; Marijuana Licensing (CED)

sponsored) < <u>marijuana.licensing@alaska.gov</u>>; Bankowski, Joe (CED)

<ioe.bankowski@alaska.gov>; Chiesa, Michael R (CED) <michael.chiesa@alaska.gov>;

Davies, Jason M (CED) < <u>iason.davies@alaska.gov</u>>; Hamilton, Joe (CED)

 $<\!\!\underline{joe.hamilton@alaska.gov}\!\!>; Johnson, Steven M (CED) <\!\!\underline{steven.johnson@alaska.gov}\!\!>;$

Rukes, Jeffrey B (CED) < <u>jeff.rukes@alaska.gov</u>>; Stonecipher, Amanda M (CED)

<amanda.Stonecipher@alaska.gov>; Whiteman, Kendrick J (CED)

< kendrick.whiteman@alaska.gov>

Subject: Green Degree, lic 11031, NOV.pdf

Kirby,

Please review the attached notice of violation and follow the instructions printed in red. I am also sending one via USPS. You can either wait for the hard copy or respond via e-mail.

James

James Hoelscher Special Investigator II Enforcement Supervisor Alcohol & Marijuana Control Office 550 W. 7th Ave, Suite 1600



Anchorage, AK 99501 Office (907) 269-0353

james.hoelscher@alaska.gov

In regards to an NOV issued to Kerby's Corporation dba Green Degree Lic # 11031 on 8/10/18 in regards to an advertisement issue. Immediately upon being made aware that the violation was issued we pulled all of the handouts referred to in the violation and applied the disclaimer to the remaining handouts in order to be in compliance with advertising standards.

Kerby Coman

8/6/19

Alcohol & Marijuana Control Office

License Number: 11031

License Status: Active-Operating **License Type:** Retail Marijuana Store

Doing Business As: GREEN DEGREE

Business License Number: 1033365

Designated Licensee: Kerby Coman

Email Address: kerby@greendegree.net
Local Government: Matanuska-Susitna Borough

Community Council: Knik-Fairview

Latitude, Longitude: 61.556770, -149.485300

Physical Address: 2301 South Knik-Goose Bay Rd #1B

Wasilla, AK 99654 UNITED STATES

Licensee #1

Type: Entity

Alaska Entity Number: 10036431

Alaska Entity Name: Kerby's Corporation

Phone Number: 907-884-3153

Email Address: kerby@greendegree.net

Mailing Address: 189 E Nelson Ave

#255

Wasilla, AK 99654 UNITED STATES **Entity Official #1**

Type: Individual

Name: Kerby Coman

Phone Number: 907-884-3153

Email Address: kerby@greendegree.net

Mailing Address: 189 E Nelson Ave

#255

Wasilla, AK 99654 UNITED STATES

Note: No affiliates entered for this license.



Alaska Marijuana Control Board

Alcohol and Marijuana Control Office 550 W 7th Avenue, Suite 1600 Anchorage, AK 99501

marijuana.licensing@alaska.gov https://www.commerce.alaska.gov/web/amco

Phone: 907.269.0350

Form MJ-20: Renewal Application Certifications

What is this form?

This renewal application certifications form is required for all marijuana establishment license renewal applications. Each person signing an application for a marijuana establishment license must declare that he/she has read and is familiar with AS 17.38 and 3 AAC 306. A person other than a licensee may not have direct or indirect financial interest (as defined in 3 AAC 306.015(e)(1)) in the business for which a marijuana establishment license is issued, per 3 AAC 306.015(a).

This form must be completed and submitted to AMCO's main office by each licensee (as defined in 3 AAC 306.020(b)(2)) before any license renewal application will be considered complete.

Section 1 - Establishment Information

Enter information for the licensed establishment, as identified on the license application.						
Licensee:	Kerby's Corporation	License Number:		3a-11031		
License Type:	Retail Marijuana Store					
Doing Business As:	Green Degree					
Premises Address:	2301 South Knik-Goose Bay Rd #1B					
City:	Wasilla	State:	AK	ZIP:	99654	

Section 2 - Individual Information

Enter information t	for the individual licensee who is completing this fo	orm.	
Name:	Kerby Coman		
Title:	CEO	> %	
		*	

Read each line below, and then sign your initials in the box to the right of any applicable statements: I certify that I have not been convicted of any criminal charge in the previous two calendar years. I certify that I have not committed any civil violation of AS 04, AS 17.38, or 3 AAC 306 in the previous two calendar years. I certify that a notice of violation has not been issued for this license. Sign your initials to the following statement only if you are unable to certify one or more of the above statements: Initials

I have attached a written explanation for why I cannot certify one or more of the above statements, which includes the type of violation or offense, as required under 3 AAC 306.035(b).

9



Alaska Marijuana Control Board

Form MJ-20: Renewal Application Certifications

Section 4 - Certifications

Read each line below, and then sign your initials in the box to the right of each statement: Initials I certify that no person other than a licensee listed on my marijuana establishment license renewal application has a direct or indirect financial interest, as defined in 3 AAC 306.015(e)(1), in the business for which the marijuana establishment license has been issued. I certify that I meet the residency requirement under AS 43.23 or I have submitted a residency exception affidavit (MJ-20a) along with this application. I certify that this establishment complies with any applicable health, fire, safety, or tax statute, ordinance, regulation, or other law in the state. I certify that the license is operated in accordance with the operating plan currently approved by the Marijuana Control Board. I certify that I am operating in compliance with the Alaska Department of Labor and Workforce Development's laws and requirements pertaining to employees. I certify that I have not violated any restrictions pertaining to this particular license type, and that this license has not been operated in violation of a condition or restriction imposed by the Marijuana Control Board. I certify that I understand that providing a false statement on this form, the online application, or any other form provided by or to AMCO is grounds for rejection or denial of this application or revocation of any license issued. As an applicant for a marijuana establishment license renewal, I declare under penalty of unsworn falsification that I have read and am familiar with AS 17.38 and 3 AAC 306, and that this application, including all accompanying schedules and statements, is true, correct, and complete. I agree to provide all information required by the Marijuana Control Board in support of this application and understand that failure to do so by any deadline given to me by AMCO staff may result in additional fees or expiration of this license. Notary Public in and for the State of Alaska Signature of licensee My commission expires: Aug 15 7017 Kerby Coman Printed name of licensee Subscribed and sworn to before me this _____ day of _____ day of _____ B. NEAL AINSWORTH B. M. A. A. A. Source

[Form MJ-20] (rev 4/24/2019)

License #_3a-11031

Notary Public

State of Alaska

Commission Expires Au

Page 2 of 2

Notary Public

State of Alaska

My Commission Expires Aug 15, 2022