CORRESPONDENCE

THE STATE of ALASKA
GOVERNOR MIKE DUNLEAVY

Department of Commerce, Community, and Economic Development

Alcohol and Marijuana Control Office

550 West 7th Avenue, Suite 1600
Anchorage, AK 99501
Main: 907.269.0350

January 17, 2020

HNP, Inc.
DBA: The Next Degree
Via email: kerby@greendegree.net

Re: Marijuana Product Manufacturing Facility License #23989

Dear applicant,

The AMCO Office has reviewed the documents submitted for the proposed marijuana establishment license referenced above. This letter is notice under 3 AAC 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.**

- In previous correspondence regarding the License Application for #23398, it was stated that the name of Entity #10117822: HNP, Inc was being changed to HMP, Inc. However, I don't see that this change has gone through with the Alaska Division of Corporations, Business and Professional Licensing (CBPL), so the application will be reviewed with HNP, Inc. considered as the Licensee.
- **MJ-01 Operating Plan**
  - Page 1, Section 1 – Establishment & Contact Information:
    - Ensure that the correct Licensee is listed.
- **MJ-02 Premises Diagram**
  - Page 1, Section 1 – Establishment Information:
    - Ensure that the correct Licensee is listed.
  - Diagram 5 & 1 (Exterior):
    - Please include a description of what the rest of the building the licensed premises is located in will be used for. If there are multiple addresses or unit numbers associated with the building, they should also be listed.
  - Interior Diagram:
    - Please identify which diagram number this diagram is intended to meet the requirements of.
    - Include more details of the interior layout. What are the different areas of the licensed premises used for, and are there any counters, fixtures, or tables inside?
    - A door and window is mentioned in your MJ-01 Operating Plan. Where are the door(s) and window on this diagram?

        - You state in MJ-01 that toilet and handwashing facilities are identified on your MJ-02. Where are these facilities?
    - Diagram 2:
        - A diagram that outlines all areas of the property that HNP, Inc. has right to possession to will be needed with your application. Please also identify other existing or proposed licensed establishments located in that area, as applicable.
- **MJ-05 Manufacturing Supplemental**
    - Page 1, Section 1 – Establishment Information:
        - Ensure that the correct Licensee is listed.
- **MJ-05 – Marijuana Products**
    - In the Ingredients section of many products, there are no commas between individual ingredients. Please include them so it is clear what each individual ingredient is.
    - Cannabis is listed in the Ingredients of many products, but please be more specific regarding the type of cannabis that will be used. If it will be made with bud or flower, please specify so. If another marijuana product or concentrate will be used as an ingredient, that product name should be included in Ingredients (for example, TND BHO has cannabis as an ingredient, but the Standard Production Procedure states that TND Infused Sugar will be used).
    - The Packaging Description for many of the wholesale/in-house ingredient products only lists "glass jar". More information is needed, such as what size jars will be used to package these products. Also include a sample image of the glass jar(s).
    - The warning statements listed on your Sample Label must be verbatim to regulation. Refer to 3 AAC 306.570 for the correct wording of these statements.
    - Rico Rossi Leangria:
        - In the Packaging Description and/or Ingredients section, please list all proposed flavors and colors for the proposed product.
        - In the Standard Production Procedure, please clarify what the extracts and additional ingredients being added are.
        - In the Packaging Description, information about the individual serving size, what the serving size delineations will look like, total amount of THC per package, and THC per serving is needed.
    - TND Almond Oil:
        - What is the expected texture of this product? Some of your other proposed products specify that they will be solid.
        - In the Ingredients, specify whether the almonds used are nuts or oil.
    - TND Berry High Syrups:
        - In Ingredients, can you specify whether the only cannabis ingredient is TND Sugar, or something else in addition?
        - In the Packaging Description, please show whether there will be serving size delineations on the bottle.
    - TND Bubble Hash:
        - In the Standard Production Procedure, please define what "y" stands for, such as "25y" or "190y". Should they be microns?
    - TND Daze'elnut Spread:
        - In the Packaging Description, how will the serving sizes be measured? If there will be delineations on the container, please show them.
    - TND Dry Ice Bubble Hash:
        - In the Standard Production Procedure, define what "y" stands for.
    - TND Salty Caramel Sauce:
        - For the Packaging Description, will there be serving size delineations on the jar?
    - TND Tincture:

        - The Standard Production Procedure is a little unclear. I think that it is saying that decarboxylated cannabis will be infused in either Everclear or vegetable glycerin, but can you make the description a bit clearer?
- **MJ-09 Statement of Financial Interest**
    - Page 1, Section 1 – Establishment Information:
        - Ensure that the correct Licensee is listed.
- **Applicant's Alaska Residency**
    - I am not able to verify Alaska residency at the time that your application was reviewed due to technical issues. If you intend to apply for the Permanent Fund Dividend, you are encouraged to apply sooner and provide proof of eligibility prior to this application being brought to the Board for consideration.
    - If you do not intend to apply for the PFD, please notify us via email at marijuana.licensing@alaska.gov.

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,

TJ Zielinski, Occupational Licensing Examiner
For,
Glen Klinkhart, Interim Director
marijuana.licensing@alaska.gov

From:	Marijuana Licensing (CED sponsored)
To:	kerby@greendegree.net
Cc:	Marijuana Licensing (CED sponsored)
Subject:	Incomplete Application - The Next Degree, License #23989
Date:	Friday, January 17, 2020 9:43:46 AM
Attachments:	23989 Incomplete Notice.pdf image001.png

Good morning,

I have reviewed your application for a marijuana establishment, but at this time your application is considered incomplete. See the attached notice regarding corrections, additional documents, and/or resubmittals that need to be addressed in your application.

Please make sure to read the entire notice. If the submitted corrections for your application are inadequate to deem your application complete, or your application is still incomplete after ninety (90) days from the date of this notice, your application will be returned to you in accordance with 3 AAC 306.025(e)(1) and 3 AAC 306.025(f). Should you wish to continue pursuing licensure, it would be necessary to file a new application and pay new fees.

Ninety-day Due Date: April 16, 2020

Let us know if you require copies of any submitted documents, and feel free to call or email if you need clarification on any items in the Incomplete Notice. Correspondence should be sent to marijuana.licensing@alaska.gov.

Sincerely,

TJ Zielinski
Occupational Licensing Examiner
Alcohol & Marijuana Control Office
550 West 7th Avenue, Suite 1600
Anchorage, Alaska 99501

From:	Marijuana Licensing (CED sponsored)
To:	kerby@greendegree.net
Cc:	Marijuana Licensing (CED sponsored)
Subject:	RE: Incomplete Application - The Next Degree, License #23989
Date:	Friday, March 6, 2020 8:59:29 AM
Attachments:	image001.png

Good morning,

I finished going through the corrections that you submitted for your application yesterday, and most forms in your application are now considered complete. There are some more corrections needed on MJ-02 Premises Diagram and some of your products. I also have questions on some of your other products that might not need corrections. Those questions are at the bottom of my email.

Corrections

- MJ-02 Premises Diagram
  - On Diagram 1, outline and label the licensed premises, restricted access area, and the surveillance room (if the surveillance room is not in the licensed premises, you can show it on one of the other diagrams as applicable).
  - Your other diagrams show the required information, but you don't have a Diagram 3 or 4 labeled and these are required with your application. Please double-check the requirements for each diagram on the first page, and re-label your diagrams as appropriate.
- Rico Rossi Leangria
  - In your Incomplete Notice, I asked you to put the list of flavors in either the Packaging Description section or the Ingredients section, but "Packaging" was a typo on my part. Can you move the list of flavors to either the Product Description or Ingredients section?
  - In the Packaging Description, please specify how much of the product will equal one serving. I see this information in the Sample Label, but it should be included here also.
    - Also in this section, the Board often asks for graphical representations of serving size delineations on the bottle. Can you show what the delineations will look like on the sample image?
  - There are discrepancies in the warning statements on all of your Sample Labels that include them, so please re-review the correct wording as written under 3 AAC 306.570. Some of the common discrepancies are (in bold, and not a comprehensive list):
    - Do not operate a vehicle or machinery under **its** influence (not "it's").
    - Keep out of **the** reach of children.
- TND Berry High Syrup
  - The Product Name is TND Berry Syrup on the first page (Page 5) and TND Berry High Syrup on the following page. Which is the correct name?
  - In the Packaging Description, please specify how much of the product equals one serving, and also the THC per serving. Also show serving size delineations.
- TND Blueberry Lemon Muffins
  - Is the Product Name TND Blueberry Muffins, or TND Blueberry Lemon Muffins?
  - Check your warning statements on the Sample Label.
- TND Brownie Bites
  - Check your warning statements on the Sample Label
- TND Bubble Hash
  - Include a description of the packaging in the Packaging Description, including size and materials used.
- TND Daze'elnut Spread
  - The Standard Production Procedure lists TND Coconut oil/Coconut oil in the process. Should regular coconut oil be listed here, since the TND Coconut Oil would be the marijuana ingredient?
  - In the Packaging Description, specify how much of the product is one serving, and the

THC per serving.
    - Check your warning statements on the Sample Label.
- TND Dry Ice Bubble Hash
    - Please add more text information to the Packaging Description section.
- TND High Pop
    - In the Packaging Description, can you specify the individual serving size? It currently says that 5 mg is one serving, but I think you may mean that it will contain 5 mg of THC. Also show the serving delineations on the jar.
    - Check your warning statements on the Sample Label.
- TND Lollypops
    - Check your warning statements on the Sample Label.
- TND Peanut Butter Cookies
    - Check your warning statements on the Sample Label.
- TND Pumpkin Muffins
    - Check your warning statements on the Sample Label.
- TND Salty Caramel Sauce
    - The Ingredients list TND Sugar **and or** TND butter, but the Standard Production Procedure doesn't mention butter. You can leave in the word "and" if you plan on using both ingredients in this recipe, but if it will be one or the other, just use the word "or". Please also mention TND Butter in the Standard Production Procedure if you will be using it.
    - In the Packaging Description, specify how much of the product is a single serving. Also show the serving delineations.
    - Check your warning statements on the Sample Label.
- TND Snickerdoodle Bites
    - The Packaging Description does not specify individual serving sizes or total THC per package.
    - Check your warning statements on the Sample Label.

Questions (Products that might not need corrections)

Many of the infused oils and butters (almond, avocado, butter, canola, coconut, grapeseed, olive, peanut, and sesame) and also TND Honey include Shatter or TND BHO as possible ingredients. If you use these ingredients instead of trim or flower, will the Standard Production Procedure still be the same, such as decarboxylation and straining the end product?

Is TND BHO going to have a consistent appearance and consistency? In most contexts where I see BHO, it refers to butane hash oil and can describe a number of things that we consider separate products, like crumble or shatter for example.

I can present TND Tincture to the Board as is, but I think that it should be submitted as two products – one with Everclear, and one with vegetable glycerin, particularly since BHO is specifically using Everclear versus the other kind of Tincture.

Let me know if you have any questions or need copies of any documents.

Sincerely,

TJ Zielinski
Occupational Licensing Examiner
Alcohol & Marijuana Control Office
550 West 7th Avenue, Suite 1600
Anchorage, Alaska 99501

From: Marijuana Licensing (CED sponsored)
Sent: Friday, January 17, 2020 9:44 AM
To: kerby@greendegree.net
Cc: Marijuana Licensing (CED sponsored) <marijuana.licensing@alaska.gov>
Subject: Incomplete Application - The Next Degree, License #23989

Good morning,

I have reviewed your application for a marijuana establishment, but at this time your application is considered incomplete. See the attached notice regarding corrections, additional documents, and/or resubmittals that need to be addressed in your application.

Please make sure to read the entire notice. If the submitted corrections for your application are inadequate to deem your application complete, or your application is still incomplete after ninety (90) days from the date of this notice, your application will be returned to you in accordance with 3 AAC 306.025(e)(1) and 3 AAC 306.025(f). Should you wish to continue pursuing licensure, it would be necessary to file a new application and pay new fees.

Ninety-day Due Date: April 16, 2020

Let us know if you require copies of any submitted documents, and feel free to call or email if you need clarification on any items in the Incomplete Notice. Correspondence should be sent to marijuana.licensing@alaska.gov.

Sincerely,

TJ Zielinski
Occupational Licensing Examiner
Alcohol & Marijuana Control Office
550 West 7th Avenue, Suite 1600
Anchorage, Alaska 99501

From:	Marijuana Licensing (CED sponsored)
To:	kerby@trichcorp.com
Cc:	Marijuana Licensing (CED sponsored)
Subject:	Incomplete Application - The Next Degree, License #23989
Date:	Tuesday, March 10, 2020 3:38:35 PM
Attachments:	Rico Rossi Leangria - Incomplete.pdf TND Sesame Oil - Incomplete.pdf TND Tincture (Everclear) - Incomplete.pdf image001.png

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Thank you for confirming. Your MJ-02 is now complete and MJ-05 is almost ready, but there are a few revisions still needed on three of your products. The latest copies that you provided are attached. When you resubmit, please be sure to convert the PDFs to non-fillable formats.

1. Rico Rossi Leangria
    a. On the Sample Label warning statements in the third line, please correct the word "it's" to "its".
2. TND Sesame Oil
    a. The first Ingredient is olive oil.
3. TND Tincture (Everclear)
    a. Please remove "vegetable glycerin" from the first line in the Standard Production Procedure, since the tincture made with this is now its own product.

Sincerely,

TJ Zielinski
Occupational Licensing Examiner
Alcohol & Marijuana Control Office
550 West 7th Avenue, Suite 1600
Anchorage, Alaska 99501

From: Kerby Coman [mailto:kerby@trichcorp.com]
Sent: Tuesday, March 10, 2020 1:30 PM
To: Marijuana Licensing (CED sponsored) <marijuana.licensing@alaska.gov>
Subject: RE: 1 of 3 RE: Incomplete Application - The Next Degree, License #23989

That should be it. 5 total

Respectfully,

Kerby Coman, CEO

4426 E Curtis Dr.
Wasilla, AK 99654
(907) 884-3153
www.trichcorp.net

Kerby@trichcorp.com

---- On Tue, 10 Mar 2020 09:31:18 -1000 marijuana.licensing@alaska.gov wrote ----

> Hello,
>
> I am confirming receipt of this email submission. Are there any others coming? I only ask because the subject line still includes "1 of 3".
>
> Sincerely,
>
> **TJ Zielinski**
> Occupational Licensing Examiner
> Alcohol & Marijuana Control Office
> 550 West 7th Avenue, Suite 1600
> Anchorage, Alaska 99501
>
> ---
>
> **From:** Kerby Coman [mailto:kerby@trichcorp.com]
> **Sent:** Tuesday, March 10, 2020 11:16 AM
> **To:** Marijuana Licensing (CED sponsored) <marijuana.licensing@alaska.gov>
> **Subject:** RE: 1 of 3 RE: Incomplete Application - The Next Degree, License #23989
>
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>
> Kerby Coman, CEO
>
> 4426 E Curtis Dr.
> Wasilla, AK 99654
> (907) 884-3153
> www.trichcorp.net
> Kerby@trichcorp.com
>
> ---- On Mon, 09 Mar 2020 11:06:05 -1000 **Marijuana Licensing (CED sponsored) <**marijuana.licensing@alaska.gov**>** wrote ----
>
> > Hello,
> >
> > I am following up to confirm receipt of four emails with attachments, but I'll wait until all corrections have been submitted before reviewing them. See attached for copies of the first and second set of diagrams submitted with this application.
> >
> > Sincerely,
> >
> > **TJ Zielinski**
> > Occupational Licensing Examiner
> > Alcohol & Marijuana Control Office

550 West 7th Avenue, Suite 1600
Anchorage, Alaska 99501

From: Kerby Coman [mailto:kerby@greendegree.net]
Sent: Monday, March 9, 2020 10:09 AM
To: Marijuana Licensing (CED sponsored) <marijuana.licensing@alaska.gov>
Subject: 1 of 3 RE: Incomplete Application - The Next Degree, License #23989

This email is 1 of 3
Can you please send me all the diagrams I have submitted for this application.
Attached are some of the corrected recipes.

Respectfully,

Kerby Coman, CEO

4426 E Curtis Dr.
Wasilla, AK 99654
(907) 884-3153
www.greendegree.net
Kerby@greendegree.net

---- On Fri, 06 Mar 2020 07:59:27 -1000 **Marijuana Licensing (CED sponsored) <**marijuana.licensing@alaska.gov**>** wrote ----

> Good morning,
>
> I finished going through the corrections that you submitted for your application yesterday, and most forms in your application are now considered complete. There are some more corrections needed on MJ-02 Premises Diagram and some of your products. I also have questions on some of your other products that might not need corrections. Those questions are at the bottom of my email.
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TND Snickerdoodle Bites

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Alcohol & Marijuana Control Office
550 West 7th Avenue, Suite 1600
Anchorage, Alaska 99501

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Sent: Friday, January 17, 2020 9:44 AM
To: kerby@greendegree.net
Cc: Marijuana Licensing (CED sponsored) <marijuana.licensing@alaska.gov>
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