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

April 24, 2020

ClaSim, LLC
DBA: Cannabaska
Via email: smadi@cannabaska.com

Re: Retail Marijuana Store License #10254

Dear applicant,

The Alcohol and Marijuana Control Office has reviewed the documents submitted for the transfer of ownership for the 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.

- **MJ-17c License Transfer Application**
  - Page 1, Section 1 – Transferor Information:
    - Please correct the Doing Business As name to reflect the MJ-13: Business Name Change that was filed for this license.
  - Page 3, Section 4 – Other Licenses:
    - One of the licenses listed in this section is #2168737, but marijuana licenses are five digits long.
- **Publisher's Affidavit**
  - The license number in the advertisement is #10236. It will be necessary to run a corrected advertisement **once a week for three consecutive weeks**, and provide a new affidavit from the publisher along with a copy of the corrected ad.
    - Please also correct the current DBA to reflect the MJ-13: Business Name Change that was effectuated.
- **MJ-19 Creditors Affidavit**
  - Page 1, Section 2 – Debts and Taxes Owed:
    - No creditors are listed in this section, but the lease for AlaskaSense, LLC for this location references to unpaid rent. Has that debt been settled?
- **Proof of Possession for Proposed Premises**
  - The lease that was provided does not show that ClaSim, LLC will have right and title to the premises. The tenant identified in this lease is the current licensee, AlaskaSense, LLC.
    - Please note that unless and until the transfer has been approved and effectuated, AlaskaSense, LLC will need to retain right and title to the premises to continue operating. Per this lease, assignment or subleasing is not permitted under any circumstances.
  - A lease must contain a disclaimer that the landlord will not take possession of or remove marijuana or marijuana products from the premises, and will contact AMCO for guidance in the

event that removal of marijuana is necessary (such as in the event of default). This lease instead states that the landlord will transfer marijuana to local law enforcement.

- **Entity Documents**
  - A signed copy of ClaSim, LLC's Operating Agreement is required with this application.
- **Applicant's Alaska Residency**
  - Please provide proof of Smadar Warden's eligibility for the 2020 Permanent Fund Dividend to verify Alaska residency, or let me know if she has not and will not be applying for it.

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:	Smadi Warden
Cc:	Marijuana Licensing (CED sponsored); Jana Weltzin; Brenda Mills; Legal Counsel
Subject:	Incomplete Transfer Application - Cannabaska #10254
Date:	Friday, April 24, 2020 8:48:47 AM
Attachments:	10254 Incomplete Transfer Application Notice.pdf image001.png

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Good morning,

I have reviewed your application for transfer of 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: 7/23/2020

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:	smadi@cannabaska.com
Cc:	Marijuana Licensing (CED sponsored); Jana Weltzin; Legal Counsel; Brenda Mills
Subject:	RE: Incomplete Transfer Application - Cannabaska #10254
Date:	Friday, May 22, 2020 10:55:20 AM
Attachments:	image001.png

Good morning,

I have completed my review of the corrections submitted for this transfer application, and most have been addressed. However, there may be an issue with the sublease between AlaskaSense, LLC and ClaSim, LLC. The sublease begins on May 1, 2020, which indicates that the current licensee, AlaskaSense, LLC, no longer holds sole right to possession of the licensed premises as required by 3 AAC 306.020(b)(9). If AlaskaSense, LLC wishes to continue operating the license until the transfer has been effectuated, then they will need to maintain sole right of possession until that time, or otherwise surrender the license.

Please let me know how you wish to proceed.

Sincerely,

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

From: Brenda Mills [mailto:brenda@jdwcounsel.com]
Sent: Wednesday, May 20, 2020 1:01 PM
To: Marijuana Licensing (CED sponsored) <marijuana.licensing@alaska.gov>
Cc: Smadi Warden <smadi@cannabaska.com>; Jana Weltzin <jana@jdwcounsel.com>; Legal Counsel <legal@jdwcounsel.com>
Subject: Re: Incomplete Transfer Application - Cannabaska #10254

Good Afternoon,

Please find the attached JDW response letter, Affidavit of Publication, Authorization to Sublease, ClaSim, LLC Operating Agreement, Sublease Agreement, MJ-17c and MJ-19.

Let us know if there is anything else required to deem this transfer complete.

Please confirm receipt of this email submission and all 7 of its attachments.

Thank you!

On Fri, Apr 24, 2020 at 8:48 AM Marijuana Licensing (CED sponsored) <marijuana.licensing@alaska.gov> wrote:

> Good morning,
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> Anchorage, Alaska 99501

--

*** Please REPLY ALL when responding to this Email***

Brenda Mills
JDW, LLC
Paralegal
& Accounts Payable/Receivable
901 Photo Ave
Anchorage, Alaska 99503
907-231-3750
brenda@jdwcounsel.com
info@jdwcounsel.com

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Think green, please don’t print unnecessarily

From:	Marijuana Licensing (CED sponsored)
To:	Jana Weltzin; Marijuana Licensing (CED sponsored)
Cc:	smadi@cannabaska.com; Legal Counsel; Brenda Mills
Subject:	RE: Incomplete Transfer Application - Cannabaska #10254
Date:	Friday, May 22, 2020 1:27:34 PM
Attachments:	image001.png

That may be an option, but more frequently I have seen leases have an open-ended start date to begin on the date that transfer of the marijuana license has been effectuated. That would also work.

Sincerely,

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

From: Jana Weltzin [mailto:jana@jdwcounsel.com]
Sent: Friday, May 22, 2020 12:04 PM
To: Marijuana Licensing (CED sponsored) <marijuana.licensing@alaska.gov>
Cc: smadi@cannabaska.com; Legal Counsel <legal@jdwcounsel.com>; Brenda Mills <brenda@jdwcounsel.com>
Subject: Re: Incomplete Transfer Application - Cannabaska #10254

Oh I just entered that date - did you want us to leave it undated until the transfer is approved? or what would you prefer? we just put that date in as a placeholder - let me know, thanks! jana

Jana D. Weltzin, Esq.
JDW, LLC
Principal Owner
901 Photo Avenue
Anchorage, Alaska 99503
jana@jdwcounsel.com
907-231-3750 Office Line
630-913-1113 Cell
*Licensed in Alaska and Arizona

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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.
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