Written Explanation

Alaska Cannabis Exchange license # 12437 received a Notice of Violation for Accepting a package that was not classified correctly and not inventoried or discovered until the day after it was received. It was corrected immediately with a virtual transfer approval from enforcement.

AMCO Case # AM 21-0963 dated 9-1-21

AMCO
JUN 23 2022

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: 9/30/21

License #/Type: 12437 Marijuana Retail Stores

Licensee: Aaron Ralph

Address: 2906 Spenard Rd, Anchorage, AK

DBA: Alaska Cannabis Exchange

AMCO Case #: 21-0963

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.

Amended Notice of Violation

On 8-30-21, AMCO received an e-mail from Bristol Bay Company employee James Burkham requesting a virtual transfer regarding manifest #0001796324. Burkham was creating package tag #10036 when he accidentally entered Immature Bud instead of Bud/Flower. Burkham stated he usually does a double check of the manifest before sending it out "but that day I was a little rushed". Employee Cody Curfman took possession of the product at Alaska Cannabis Exchange (ACE) at approximately 1426 hours, 8-27-21, but did not inventory the manifest. The manifest was accepted into METRC by ACE employee Michael Richardson-Gould at 2006 hrs that day while he was off the licensed premises. On 8-28-21, Richardson Gould did an inventory of the items on the manifest and discovered the error. AMCO authorized a virtual transfer on 9-1-21.

Your attention is referred to 3AAC 306.330(a) & (b): Marijuana tracking system and 3AAC 306.750(e): Transportation

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 of Violation. A licensee may respond, either orally or in writing to the Notice. 3 AAC 306.810 (2)(A)(B)(C) failed, within a reasonable time after receiving a notice of violation, to correct any defect that is the subject of the notice of violation of AS 17.8 or this chapter.

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 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. Hamilton

Received by:

SIGNATURE: J.R. Hamilton

SIGNATURE:

Delivered VIA: Email

Date:

updated 4/23/19

Response to NOV
AMCO Case # 21-0963

Attention: AMCO Enforcement

From: Alaska Cannabis Exchange # 4A-10671
1805 & 1807 W. 47th Ave
Anchorage Alaska 99517

This NOV contains clerical errors. First and foremost, this NOV is issued to Alaska Cannabis Exchange's Cultivation License # 4A-10671. This event occurred at our Retail Store license # 3A-12437.
Secondly, the dates listed on the NOV do not represent being outside of regulation of 3AAC-306.330(a)(b) or 3AAC 306.750(e) but rather a clerical error when accepting the package before acknowledging the discrepancy of one of the 4 packages containing Bud/Flower that was listed as Immature Bud.
Thirdly, Employee Michael Richardson-Gould inventoried the manifest #0001796324, he accepted into METRC and immediately noticed the error after accepting. It was after 8pm when the mistake was noticed and Michael Richardson-Gould had to wait until the next day to discuss the mistake and figure out how to fix the error by calling the delivering party to notify them of the input error, then calling METRC to see if they could fix the issue when METRC suggested a phone call to AMCO for a remedy.
Neither party, at any time believed that a Notice of Violation would occur for self-reporting a clerical mistake made on the manifest and accidently overlooked before accepting into METRC. Receiving this NOV after self-reporting an honest mistake does not constitute a working relationship between Enforcement and Licensees/Employees of Licensees but rather deters Licensees/Employees of licensees from self-reporting any issues or mistakes in the future and we do not believe this is Enforcement's intention or the intention of the Marijuana Control Board.

Alaska Cannabis Exchange works diligently to abide by all State Regulations surrounding Alaska's Cannabis Industry and will continue these efforts indefinitely into the future. We have and will continue to strengthen our procedures and protocols so that mistakes and errors do not occur moving forward. However as seen with the mistake on the manifest, and the mistake of the error not being found before accepting into METRC as well as this NOV being incorrectly issued to the wrong license number and the schedule of events being incorrectly itemized shows that mistakes can happen at any time to anyone.

Sincerely,

Aaron Ralph
Alaska Cannabis Exchange

<james.hoelscher@alaska.gov>
Subject: Video Request

Mr. Ralph,

Thank you for pointing out my error, I will send you a new amended notice after the issue is resolved. Since what I was told and you wrote differ, I am requesting the video from about 1415 hours, 8-27-21, just prior to the delivery arriving at your establishment and Cody Curfman taking possession of the package and video **of where it sat until Mr. Richardson-Gould came in. Footage showing the package accepted at 2027 hrs** (on the 27th) **into METRC by Mr. Richardson-Gould and he inventorying the package, (on the 27th) before acceptance or after it being entered, inventoried**. Also requested would be video footage of Mr. Richardson-Gould activities on the 28 regarding his contact with the package in question. Package being the items that were on Manifest 0001796324. Camera coverage of the package from receiving, to storing, to accepted into METRC to being inventoried. I believe these are specific directions on what is needed regarding the package, but if you have any questions please e-mail me. This request is being made under regulation 3 AAC 306.755. Business records

(b) A marijuana establishment shall provide any record required to be kept on the

licensed premises to an employee of the board upon request. Any record kept off premises must

be provided to the board's employees not later than three business days after a request for the

record.

I believe this request could be complied with by 1400 hours, 9-17-21. If your video is stored off premises, no later than three business days. Thank you.

Joe

Joe Hamilton

Special Investigator 1

Enforcement Unit

Alcohol & Marijuana Control Office

550 W. 7th Ave, Suite 1600

Anchorage, AK 99501

Hamilton, Joe (CED)

From: Hamilton, Joe (CED)
Sent: Wednesday, September 29, 2021 6:10 PM
To: Aaron Ralph
Subject: Re: Video Request

Are you wanting to amend your response?

Sent from my iPhone

On Sep 29, 2021, at 6:09 PM, Aaron Ralph <alaskacannabisexchange@gmail.com> wrote:

Joe,

You are correct in your description of both Mr. Richardson-Gould and Mr. Curfman.
After reviewing footage and discussing events from the 27th again with both staff members it appears the manifest in question was accepted into METRC by Mr. Richardson-Gould off site after confirming delivery with Mr. Curfman. Mr. Richardson-Gould was off on the 27th in order to spend time with his daughter who was flying back to her mother in Washington.
Alaska Cannabis Exchange only allows our purchasing manager to accept orders into METRC, or add orders into our POS system in order to avoid any mistakes that may arise from discrepancies in the actual order itself such as (in this case) classification of said products that we purchase as Flower for a higher cost incoming as Immature that carries a lower value than what was actually ordered. We follow these practices to avoid having multiple staff members involved in the processes for accountability reasons.

Thanks
Aaron

On Tue, Sep 28, 2021 at 9:33 AM Hamilton, Joe (CED) <joe.hamilton@alaska.gov> wrote:

Mr. Ralph,

Please refer to the highlighted portion of my first request, this was not provided.

Joe

From: Hamilton, Joe (CED)
Sent: Wednesday, September 15, 2021 8:01 AM
To: ALASKACANNABISEXCHANGE@GMAIL.COM
Cc: Davies, Jason M (CED) <jason.davies@alaska.gov>; Hoelscher, James C (CED)

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: 9/1/21

License #/Type: 10671 Standard Marijuana Cultivation Facilities

Licensee: Aaron Ralph

Address: 1805 & 1807 W. 47th Ave, Anchorage, AK

DBA: Alaska Cannabis Exchange

AMCO Case #: 21-0963

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Note: This is not an accusation or a criminal complaint.

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Your attention is referred to 3AAC 3-6.330.(a) & (b): Marijuana Tracking System and 3AAC 306.750(e): Transportation

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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

Alaska Marijuana Control Board

Form MJ-20: 2022-2023 Renewal Application Certifications

Why is this form needed?

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 Anchorage 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:	Alaska Cannabis Exchange LLC	**License Number:**	12437		
License Type:	Retail Marijuana Store				
Doing Business As:	Alaska Cannabis Exchange LLC				
Premises Address:	2906 SPENARD ROAD				
City:	Anchorage	**State:**	AK	**ZIP:**	99503

Section 2 – Individual Information

Enter information for the individual licensee who is completing this form.

Name:	Aaron C. Ralph
Title:	Member

Section 3 – Violations & Charges

Read each line below, and then sign your initials in the box to the right of any applicable statements:	Initials
I certify that I have **not** been convicted of any criminal charge in the previous two calendar years.	A.R.
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.	A.R.
I certify that a notice of violation has **not** been issued for this license between July 1, 2021 and June 30, 2022.	

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).	A.R.

AMCO
JUN 23 2022

Alaska Marijuana Control Board

Form MJ-20: 2022-2023 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. A.R.

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. A.R.

I certify that this establishment complies with any applicable health, fire, safety, or tax statute, ordinance, regulation, or other law in the state. A.R.

I certify that the license is operated in accordance with the operating plan currently approved by the Marijuana Control Board. A.R.

I certify that I am operating in compliance with the Alaska Department of Labor and Workforce Development's laws and requirements pertaining to employees. A.R.

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. A.R.

By initialing this box, I certify I have submitted an original fingerprint card and the applicable fees to AMCO for AMCO to obtain criminal justice information and a national criminal history record required by AS 17.38.200 and 3 AAC 306.035(d). If I have multiple marijuana licenses being renewed, I understand one fingerprint card and fee will suffice for all marijuana licenses being renewed. A.R.

If multiple licenses are held, list all license numbers below:

3A-12437 & 4A-10671

I hereby certify that I am the person herein named and subscribing to this application and that I have read the complete application, and I know the full content thereof. I declare that all of the information contained herein, and evidence or other documents submitted are true and correct. I understand that any falsification or misrepresentation of any item or response in this application, or any attachment, or documents to support this application, is sufficient grounds for denying or revoking a license/permit. I further understand that it is a Class A misdemeanor under Alaska Statute 11.56.210 to falsify an application and commit the crime of unsworn falsification. A.R.

AARON C. RALPH

Printed name of licensee

Signature of licensee

AMCO

JUN 23 2022

License # 12437

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

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Doing Business As:	Alaska Cannabis Exchange LLC				
Premises Address:	2906 SPENARD ROAD				
City:	Anchorage	**State:**	AK	**ZIP:**	99503

Section 2 – Individual Information

Enter information for the individual licensee who is completing this form.

Name:	Andrea S. Hobbs
Title:	Member

Section 3 – Violations & Charges

Read each line below, and then sign your initials in the box to the right of any applicable statements:	Initials
I certify that I have **not** been convicted of any criminal charge in the previous two calendar years.	A.H.
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.	A.H.
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AMCO
JUN 23 2022

Alaska Marijuana Control Board

Form MJ-20: 2022-2023 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

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Andrea S. Hobbs
Printed name of licensee

Andrea S Hobbs
Signature of licensee

AMCO
JUN 23 2022

License # 12437