

February 16, 2018

E: <u>laura.murray@alaskaair.com</u> P: 206 392 5875

VIA EMAIL AND FEDERAL EXPRESS

State of Alaska Alcohol & Marijuana Control Office 550 W 7th Avenue, Ste 1600 Anchorage, AK 99501 alcohol.licensing@alaska.gov

Re: Alaska Airlines, Inc. – Resubmission of liquor license renewal documentation

Dear TJ,

In response to your letter dated December 29, 2017 (copy enclosed), I now enclose the revised documentation for resubmission in order to renew the Alaska Airlines Liquor licenses listed in Exhibit A attached. Please note the following in response to your letter requests:

- 1. A Change of Officials form has been mailed today for filing with Corporations, Businesses and Professional Licensing (CBPL) noting the appointment of Kyle Levine, as requested. I have removed the name of Laura Murray from the primary points of contact section since she is not an officer of Alaska Airlines and therefore not required to be listed with the CBPL or with the Alcohol & Marijuana Control Office (AMCO).
- 2. Page 3, section 4 entity ownership information:
 - o A phone number for each individual has been included;
 - Mr. Kyle Levine's title has been corrected;
 - o Information for all officers has been provided; and
 - O An associated Change of Officials Form has been mailed to the CBPL for filing noting the appointment of Andrew Harrison, Kyle Levine, Brandon Pedersen, Shane Tackett, Ann Ardizzone, Jeffrey Butler, Christopher Berry, Annabel Chang, Kevin J. Ger, Charu Jain, Shane Jones, Thomas Kemp, Kurtis Kinder, John Kirby, David Kuhl, Gregory Mays, Wayne Newton, Thomas Nunn, David Oppenheim, Diana Birkett Rakow, Andrew Schneider, Todd Sproul, and Sangita Woerner, along with the removal of Shannon Alberts. Please note that Alaska's officer list changes frequently and there have been some additional officer appointments since your letter dated December 29, which I have incorporated. A copy of the CBPL filing is enclosed for your records.
 - O Alaska Airlines objects to the AMCO's request for <u>all</u> officers to submit Form AB-08A Authorization of Records Release and fingerprint cards. As indicated, Alaska's list of officers changes very frequently and maintaining current fingerprints on file for a fluctuating list of officers would be unduly burdensome. Per Jeremy Ross' email to your office dated December 29, 2017, Alaska Airlines has always been specifically exempt from this requirement by

PO Box 68900, Seattle, WA 98168-0900 P 206-433-3200



AMCO staff and this is the first time AMCO has sought to enforce it. Alaska hereby proposes to submit Form AB-08A and fingerprint cards for its President, Secretary and Treasurer. You should already have this information on file for Alaska Airlines CEO, Mr. Brad Tilden. This will make a total of 4

- 3. As requested, enclosed is Form AB-08a Authorization for Release of Records signed by Benito Minicucci, as President. A fingerprint card and check to cover the cost of processing were mailed to you in our original letter dated December 15, 2017 (check # 4160908, copy attached for ease of reference). A cover letter listing the licenses supplementing Form AB-08a is also enclosed, as requested.
- 4. Enclosed is Form AB-08a Authorization for Release of Records signed by Kyle Levine along with a cover letter listing the licenses, as requested. A fingerprint card was mailed to you in our original letter dated December 15, 2017 along with payment
- 5. Enclosed is Form AB-08a Authorization for Release of Records signed by Mark Eliasen as Treasurer. A fingerprint card together with a check in the amount of \$47.00 is enclosed to cover the cost of processing, in an effort to provide you with a complete set of records for Alaska's core management team.
- 6. Page 5, Section 8 Certifications have been signed and notarized separately for each license, as requested.
- 7. License 4423 DBA Board Room
- o Form AB-13 Business Name Change in respect of the Alaska Lounge (formerly Alaska Boardroom License #4423) and check in the amount of \$250.00 to cover the cost of processing is now enclosed, as requested.
 - Enclosed also is an updated tourism statement, as requested.

I hope the enclosed revised documentation will be acceptable to renew Alaska Airlines liquor licenses for 2018-2020. If you have any questions, please do not hesitate to contact me on the details provided above.

Sincerely,

Laura Murray

Senior Paralegal

Laura Mureay



Exhibit A

License Number 1 11 12 13 15 16 17 18 20 21 1417 1522 1523 1627 1650 1651 1683	Location Multiple Adak Anchorage Kodiak King Salmon Bethel Barrow Cordova Dillingham Gustavus Juneau Ketchikan Sitka Kotzebue Nome Petersburg Prudhoe Bay
1684	Wrangell
1921	Fairbanks
1981	Yakutat
4423	Alaska Lounge (formerly Alaska Boardroom)





Department of Commerce, Community, and Economic Development

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

February 26, 2018

Laura Murray Senior Paralegal Alaska Airlines PO Box 68900 Seattle, WA 98168-0900

Via Email to laura.murray@alaskaair.com

Re: Alaska Airlines, Inc. Liquor Licenses Renewal

Dear Ms. Murray:

I am in receipt of your February 16, 2018, letter where you state you will only provide Form AB-08a and fingerprint cards for four officers of your corporation. You appear to refuse to provide the records release forms and fingerprint cards for over twenty vice presidents.

AS 04.11.295 requires that an applicant for issuance of a license submit fingerprints for a national criminal history record check. Section (b) defines "applicant" as all individuals whose names and addresses are required to be provided with an application under AS 04.11.260.

AS 04.11.260(b) states that a corporation applying for a license shall provide the names and addresses of the president, vice-president, secretary, managing officer, and all stockholders who own 10 percent or more of the stock in the corporation.

AS 04.11.270 states that an application for renewal of a license must include the information required for a new license under AS 04.11.260.

I acknowledge that these requirements have not been implemented in the past and Alaska Airlines, Inc., has been permitted to renew its licenses without providing the information required by statute. I do not believe that Alaska Airlines has been "specifically exempt" from these requirements. If you have documentation of a specific exemption, I would appreciate it if you would share that with me.

Lack of proper implementation of the statutes in the past does not mean that the statutes should not be properly enforced now. In fact, AS 04.11.537, Application of precedent, specifically states that the board "need not conform to or distinguish its decision from any action it has taken in the past on applications presenting similar facts, but may instead base its decision only on the particular facts before it."

Alaska Airlines, Inc. February 26, 2018 Page 2 of 2

With all other elements of your application corrected, the outstanding matter is the records release forms and fingerprint cards and fees for the numerous vice-presidents. You were informed of this requirement of statute on December 29, 2017, almost two months ago.

Before February 28,2018, I will issue temporary licenses for the Alaska Airlines licenses (#s 1, 11, 12, 13, 15, 16, 17, 18, 20, 21, 1417, 1522, 1523, 1627, 1650, 1651, 1683, 1684, 1921, 1981, and 4423). The renewal applications for these licenses will be brought to the board at the next meeting, on April 3, 2018, in Nome. If you provide the required records release forms and fingerprint cards and fees by close of business on March 16, 2018, which is the cut-off date for information to be provided to the board in their pre-meeting packets, I will recommend approval of the renewal of your licenses. If not, I will recommend the license renewals be denied.

Because you have not provided the documentation required for a complete renewal application by the required deadline, you are assessed a late fee of \$500 per license, totaling \$10,500. AS 04.11.270(b)(3) states, "a renewal application filed after December 31 is delinquent and must be accompanied by a \$500 penalty fee." I have no authority to waive the penalty fee.

In addition, I would like to remind you of AS 04.11.050, which requires corporations holding a license to report any change in its corporate officers or in the membership of its board of directors within 10 days of the change in officers or directors, in writing in duplicate. You could be excepted from this requirement if Alaska Airlines, Inc., is required by law to file periodic reports with the United States Securities and Exchange Commission. If that is the case, please submit documentation of that requirement.

Please feel free to contact me if you have any questions.

Sincerely,

Erika McConnell

Guther M. Connell

Director

CC: Harriet Dinegar, Assistant Attorney General