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SUPERIOR COURT OF WASHINGTON COUNTY OF PIERCE

MMH, LLC, a Washington limited liability company,

Plaintiff.

and

CITY OF FIFE, a Washington municipal corporation

Defendant.

No. 14-2-10487-7

DECLARATION OF MIKE HENERY IN SUPPORT OF PLAINTIFFS' MOTION FOR PARTIAL SUMMARY JUDGMENT

Hearing Date: August 29, 2014

Time: 8:30 a.m.

- I, Michael Henery, subject to penalty of perjury under the laws of the state of Washington, declare as follows:
- 1. MMH, LLC is a Washington limited liability company. Attached as **Exhibit**1 is a true and correct copy of the Certificate of Formation for MMH, LLC. I am the sole member and manager of MMH, LLC. I am over the age of twenty-one and am competent to testify to the matters addressed herein. I make this declaration from personal knowledge.
 - 2. In November 2013, I timely submitted to the Washington State Liquor

DECLARATION OF MIKE HENERY IN SUPPORT OF PLAINTIFFS' MOTION FOR PARTIAL SUMMARY JUDGMENT

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DAVIES PEARSON, P.C. ATTORNEYS AT LAW 920 FAWCETT -- P.O. BOX 1657 TACOMA, WASHINGTON 98401 TELEPHONE (253) 620-1500 FAX (253) 572-3052

Control Board ("WSLCB") an application for a marijuana retail outlet license. My application included an operating plan as required by the WSLCB that demonstrates! am qualified to hold a marijuana license. The operating plan included all necessary elements in accordance with the applicable standards in the Washington Administrative Code (WAC).

- 3. I am qualified in every way to be issued a license by WSLCB: I am over the age of twenty-one, have passed all personal/criminal history background checks, have satisfied all financial investigations, am familiar with WSCLB marijuana laws and rules, have resided in the state of Washington for more than three months, and am current in any tax obligations to the Washington State Department of Revenue.
- 4. In October 2013, WSLCB promulgated rules setting forth the application requirements for a marijuana license and the method by which retail locations would be distributed throughout the state. The number of retail outlet locations was determined using a formula that distributed the number of locations proportionate to the most populous cities within each county. Retail outlets that were not assigned to a specific city were deemed "at large." Under WSLCB rules, an at large license may be used to establish a retail outlet in a city that was not formally assigned licenses in the process described above.
- 5. WSLCB determined that there would be seventeen at large retail licenses in Pierce County and zero retail licenses assigned to the City of Fife.
 - 6. In April 2014, WSLCB held a lottery to award qualified applicants retail

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outlet licenses. MMH, LLC was awarded a Pierce County at large license. Attached as **Exhibit 2** is a true and correct copy of a letter from the Washington State Liquor Control Board stating that MMH, LLC's application was selected fifth for one of the seventeen Pierce County at large retail locations.

- 7. Throughout 2014, I actively participated in the City of Fife's development of marijuana land use ordinances. I carefully reviewed the Planning Commission's recommendations to the Council. I learned that the Planning Commission recommended that Fife's temporary moratorium be repealed and that zoning ordinances permitting marijuana retail outlets be adopted.
- 8. MMH, LLC entered into a lease agreement for the property at 4500 Pacific Highway East, Fife, Washington, for the purpose of operating a retail marijuana outlet. The City of Fife did not object to its application.
- On July 7, 2014, I attempted to submit a business license application for 9. MMH LLC's retail outlet to the Fife City Clerk. The Clerk would not accept the application.
- 10. On July 21, 2014, I again attempted to submit a business license application for MMH, LLC's retail outlet to the Fife City Clerk. The Clerk would not accept the application.
- 11. MMH, LLC's WSLCB license will be finalized once they inspect its place of business. Without the City of Fife business license, I am unable to prepare for the inspection.

DECLARATION OF MIKE HENERY IN SUPPORT OF PLAINTIFFS' MOTION FOR PARTIAL SUMMARY JUDGMENT

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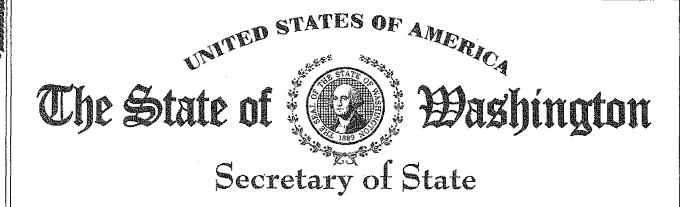
12. MMH, LLC has expended an extensive amount of time and money in developing a retail outlet in Fife. But for the City's denial of a business license, it would be licensed by the WSLCB and operating a retail outlet. It has lost and will continue to lose significant revenue due to the City's denial of a business license.

Signed at Gig Harbor, Washington, this 1st day of August, 2014.

MMH, INC,

MIKE HENER

Plaintiff



I, KIM WYMAN, Secretary of State of the State of Washington and custodian of its seal, hereby issue this

CERTIFICATE OF FORMATION

to

MMH LLC

a/an WA Limited Liability Company. Charter documents are effective on the date indicated below.

Date: 12/5/2013

UBI Number: 603-354-861



Given under my hand and the Seal of the State of Washington at Olympia, the State Capital

Kim Wyman, Secretary of State

Date Issued: 12/5/2013

Page 1 of 2 This Box For Office Use Only Office of the Secretary of State Corporations & Charities Division **Limited Liability Company** See attached detailed instructions ☐ Filing Fee \$180,00 ☑ Filing Fee with Expedited Service \$230.00 **UBI Number:** 603-354-861 CERTIFICATE OF FORMATION Chapter 25.15 RCW **ARTICLE 1** NAME OF LIMITED LIABILITY COMPANY: (Must contain one of the following designations: Limited Liability Company, Limited Liability Co or one of these abbreviations; L.L.C. or LLC. If the designation is omitted, it will default to LLC when processed) **ARTICLE 2** ADDRESS OF THE PRINCIPAL PLACE OF BUSINESS: Street Address 10421 Brenham De. NW City Gr. Hebox State Ws. Zip 98332 State Zip _____Clty___ PO Box ____ **ARTICLE 3** EFFECTIVE DATE OF FORMATION: (Please check one of the following) A Upon filing by the Secretary of State ___(Specified effective date must be within 90 days AFTER the Certificate Specific Date: of Formation has been filed by the Office of the Secretary of State) **ARTICLE 4**

Washington LLC - Formation

Perpetual existence

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Washington Secretary of State

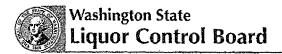
Specific term of existence (Number of years or date of termination)

TENURE: (Please check one of the following and indicate the date if applicable)

Revised 11/11



Page 2 of 2						
ARTICLE 5						
THE LIMITED LIABILITY COMPANY IS MANAGED BY: (see instructions) Members or Managers Mana						
ADTIALES						
ARTICLE 6						
NAME AND ADDRESS OF THE WASHINGTON STATE REGISTERED AGENT:						
Name: PAVIET PEARSON P	<u> </u>					
Physical Location Address (required):						
920 FANCETT AVE	· ·					
City TRC ONCA					88401.	
Mailing or Postal Address (optional):						
City		State		_Zip Code _		
Liability Company; to forward mail to the Lir Secretary of State if I resign or change the X Signature of Registered Agent	Registered Offi	ice Addr	'ess			
ARTICLE 7						
NAME, ADDRESS AND SIGNATURE OF EACH EXECUTOR: (If necessary, attach additional names, addresses and signatures) Name: M. Chael Man Roc Henery (5th Address: 4615 Scadle back Fre. NW City Grig Herber State Was Zip Code 98532 This decument is hereby executed under penalties of periury, and is, to the best of my knowledge, true and correct.						
Address U.T. Caddeback Dr. NW	City &	بار حال	2-41	State tu	≥ Zin Code 98532	
This document is hereby executed under penalties of perjury, and is, to the best of my knowledge, true and correct.						
/// // //	Mعاملا به نظر Printed Name				36e-30+e450 Phone	
Name:					,	
Address:	City			State	Zip Code	
This document is hereby executed under penalties of perjury, and is, to the best of my knowledge, true and correct.						
X					- Di	
Signature of Executor	Printed Name	;		Date	Phone	



May 1, 2014

MMH LLC 920 FAWCETT AVE TACOMA, WA 98401

RE:

Marijuana Retail Lottery Results

Trade name: MMH LLC License No.: 413813

UBI No.: 6033548610010001

Dear Sir or Madam:

The marijuana retail license lottery for Pierce at large is complete. Pierce at large has been allotted 17 retail locations.

Your application was selected number 5.

We will begin processing applications for the allotted number of stores in the coming weeks. If an application is disqualified for any reason or withdrawn by the applicant, the next application on the lottery list will take its place. If an application appears to not qualify, a statement of Intent to Deny will be issued with the right to appeal that decision. Once all licenses have been issued in a jurisdiction the remaining applications will be administratively closed.

Applicants selected in the lottery to move forward in the licensing process are not guaranteed to receive a license. The application must undergo our rigorous investigation process and pass a final inspection prior to issuance.

Sincerely,

WSLCB Marijuana Licensing Unit