

Photos by Rick Ray

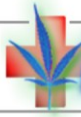
Friends of CCL

Friends of Charles C. Lynch



Press Kit

www.friendsofccl.com



Cheryl Aichele
310-694-2523
cherylaichele@gmail.com

Re: Charles C. Lynch's Federal medical Cannabis case

Attached is a press kit with a significant amount of information about the Charles C. Lynch case. As you can see, he is caught in the middle of the federal government's war on medical cannabis and state's rights. Under state law he was legal. Due to federal mandatory minimums and sentencing guidelines he faces up to 100 years in federal prison. And he needs your help.

If you had a chance to meet Charlie, you would see he's no criminal and he doesn't deserve to spend any time behind bars. He's going bankrupt and losing the home which he has had for years before starting his own medical marijuana dispensary. Many friends have abandoned him because they fear the government (rightfully so).

His life has been ruined, not by medical marijuana, but by the laws that are meant to protect people. The laws are said to protect people from marijuana but who will protect the people from the laws? Charlie's case is a perfect example of a bad law gone severely wrong.

It has been estimated that the federal government has spent hundreds of thousands of (if not over a million) dollars on prosecuting this non-violent man. That doesn't include the amount of California taxpayers' money spent by the San Luis Obispo County Sheriff, Patrick Hedges, on investigating Charlie's dispensary for nearly a year. Within that year, the Sheriff didn't find any evidence to get a state search warrant against Charlie. He has never faced State charges.

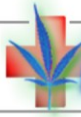
We will have a peaceful demonstration in Charlie's honor Monday Feb. 23 at Noon on the Main St side of the LA Federal courthouse. He needs your help. Please stand up for him. Please protect him and the law Californians voted on in 1996. Within this press kit are the facts of this case, you will see he's a victim of the Federal government's cruel injustices and the state's misconduct and negligence.

Sincerely,

Cheryl Aichele

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Central Coast Compassionate Caregivers (CCCC) chamber of commerce ribbon cutting ceremony



The photo shows Charles C. Lynch (center) cutting the Chamber of Commerce ribbon with Mayor Janice Peters (right of him).

Brief Bio

Charles C. Lynch is the former owner and managing Caregiver for Central Coast Compassionate Caregivers in Morro Bay.

The dispensary opened on April 1, 2006 with the blessing of the city and even joined the Chamber of Commerce. In July 2006 the dispensary was granted a Conditional Use Permit from the City of Morro Bay to include a Medical Cannabis Nursery at the dispensary.

The Dispensary operated for almost one year without any major problems or complaints to the owner. On March 29, 2007 the Local Sheriff and Drug Enforcement Administration (DEA) agents raided the dispensary and home of Charles Lynch.

Lynch was not arrested at the time and reopened the dispensary on April 7, 2007 with the blessing of the City of Morro Bay. A week after reopening the dispensary the DEA called the Landlord to threaten him with forfeiture of his property unless he evicted the dispensary from the building. On May 16, 2007 the dispensary closed permanently.

On July 17, 2007 Lynch was arrested at his home and charged with federal charges for marijuana distribution.

On August 5, 2008 Lynch was convicted in Federal Court for operating the Central Coast Compassionate Caregivers. On January 5, 2009 Judge Wu denied Lynch even though new evidence had been submitted to disprove the “conspiracy” charge.

On February 23, 2009 Charles will be sentenced in Federal Court and faces up to 100 years in federal prison. He will most likely appeal the conviction and sentencing. Charles is currently out on a \$400,000 bail posted by his loving and trusting family.

A Rally of support for Charles Lynch and other patients and providers will occur on the Main Street side of the Federal Court house at 312 N. Spring St on Monday Feb 23 at Noon. Supporters and media are encouraged to attend.



Frequently Asked Questions

What are donations used for?

Charles C. Lynch has been diligently seeking employment for the past year, but with the Federal Government hanging over his head it has been difficult to find full time employment. He has been working from his home doing part time website development but still is bankrupt and losing his home of six years. Your donation will assist Charles in his everyday cost of living expenses.

Is Charles currently employed?

Charles is actively seeking employment and has found web site development work which he does from his home in California.

Is Charles in jail?

No. Charles is currently out on a \$400,000 bond placed by his loving family and is at his home in California awaiting his sentencing.

Who is Charles' lawyer?

Charles has been assigned a Federal Public Defender.

Was Charles selling to children and minors?

The dispensary had rules and regulations regarding age as issued by the city of Morro Bay. The city told Charles that nobody under 18 years of age unless accompanied by a parent was allowed in the dispensary. Under Federal Law anybody under the age of 21 is considered a minor. The Federal Government used this law as a propaganda tool to make it look and sound like Charles was selling to children.

I've heard Charles made a 2 million dollar profit, is this true?

This is not true. Charles earned reasonable compensation for his work as allowed by California State Law. He was working 6-7 days a week 10-12 hours per day. The Federal Government and the Sheriff's department used the gross proceeds of the business for 1 year operation without accounting for the cost of doing business such as the cost of goods, employees, rent and a wide variety of other expenses related to operating the business. Charles currently has over \$200,000 worth of debt and never even recaptured the cost of starting up the business. The business even ran a normal payroll using Quicken Payroll Services which withdrew State, Federal and all other taxes as required by law.

So Charles had a business License that allowed him to distribute Medical Marijuana?

Yes. Charles obtained a business license [attached] from the City of Morro Bay which stated "Medical Marijuana Dispensary" as the business type.

I heard Charles was growing massive amounts of Marijuana that he sold for huge profits. Is this true?

No. Charles had obtained a Medical Cannabis Nursery Permit [attached] from the City of Morro Bay which allowed him to provide plants to his patients. Also California State Laws allow Caregivers to cultivate 6 mature or 12 immature plants per patient. Charles only provided clones to his patients and never was a grower himself and never made a cent profit from growing marijuana himself.

So Charles called the DEA before he opened his dispensary?

Yes. Charles called the DEA before opening his dispensary. He asked about opening a dispensary and was told by an agent that "It is up to the Cities and Counties to decide how to handle the matter". Since it didn't seem like a big deal to the agent at the time Lynch did not get the name of the male agent he talked to.

Comments of Support from Morro Bay Mayor

"Heartbreaking. Tragic. Unbelievably sad."

Janice P.
Mayor of Morro Bay

"...I'm just sorry you are the person caught between federal and state law when I've always believed your true motives were reflected by the name of your business."

Janice P.
Mayor of Morro Bay

Letter of Support from Army Sergeant

"Hello Charlie, my name is Sgt. Zachary Stotz and I am currently serving in Afghanistan as an Infantry Team Leader. I am sorry to hear about your case and I think it is just stupid what the federal government is doing to you. This is just another reason why I am getting out of the military in a couple of years when my contract is up. I can't stand watching the federal government walk all over the rights of the states laws and a citizen's rights. I feel I am fighting the wrong war right now, and need to be fighting politically for so many rights that we are losing every day by the big government that is in place right now. I wish you well, and hope you win your case. Me and the guys of HSC, 101 DSTB, 101 Airborne Division are pulling for you. "

Zachary S.
101 Airborne Division

Letter of Support from Valerie Corral

"We send our loving hope for our freedom. Sorry to hear that the court is ignoring the evidence. Our thoughts are with you..."

Val
WAMM

[WAMM is a nonprofit that offers free cannabis to qualified patients in Santa Cruz]



A Letter from a Juror who Convicted Charles C. Lynch

Honorable Judge Wu,

May I respectfully suggest that a five-year sentence for Mr. Charles Lynch is too harsh. It was ironic to arrive every day at the main entrance of the Superior Court to serve on the jury of Mr. Lynch's case and pass a large stone sculpture into which was carved:

NO LAW IS STRONGER THAN THE PUBLIC SENTIMENT
OF THE PLACE WHERE IT IS TO BE ENFORCED.

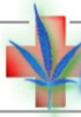
To any thinking person, it was clear from the evidence that Mr. Lynch impeccably followed the letter and sentiment of the California State law. He ran an orderly, clean, healthful, humble, service organization and kept meticulous records. It was clear that he hid nothing. It was clear he made an effort to assure himself (erroneously as it turned out) that the California law was as strong as the Federal law.

A lot of evidence was presented to suggest that Mr. Lynch was a drug dealer interested in large profits. This evidence took a long time and was either not relevant or not convincing.

Since the Supreme Court ruled that the Federal law takes precedence over the State law I had to find Mr. Lynch guilty of breaking the Federal law. Mr. Lynch is in the impossible position of being caught between two valid contradictory laws. Common sense was abandoned. Justice is questionable at best. To compound this lack of justice with further punishment is untenable.

Sincerely,

M. Costello



Dear Judge Wu,

I am writing on behalf of Charles C. Lynch. My name is Irvin Rosenfeld and I am the longest surviving federal medical Cannabis patient in the United States. As one of the four federal Cannabis patients that are left, I have been receiving 10-12 Cannabis cigarettes per day for over twenty-six years. My "Compassionate Care Protocol" started on November 20, 1982. I receive my medical Cannabis for my bone tumor disorders called Multiple Congenital Cartilaginous Exostosis and a variant of the syndrome Pseudo Pseudo Hypoparathyroidism, which means I have over 200 bone tumors throughout my body on mostly the long bones that can grow at anytime and I can grow new ones at anytime. Even though I was told at age 10 I might not outlive my teenage years, because of medical Cannabis, I am still doing well at age 55.

I do not know Charles C. Lynch nor have I ever even talked to him. The reason for my concern is simple: A person might go to jail for a substance that is supplied to me on a daily basis paid for by taxpayers' money...which you help pay for and I want to thank you. I don't see how society is bettered by locking up a person for trying to help sick patients.

I know our full society has not embraced medical Cannabis as a medicine; however 14 states have passed medical Cannabis laws. Even though the federal government has been supplying me my medicine for over 26 years, they have not wanted to know why I am doing so well. That's sad, for I am living proof on how well it works. It's also sad "Your Honor," that you are put in a position to maybe have to sentence a person to prison because certain lobby organizations want to keep medical Cannabis illegal for their benefit.

If you "google" me, you will find over 35 pages on me showing how I have tried to educate the masses and tried to help sick patients. I know we have a "War on Drugs,"... just don't the fight the "War" on sick people. I can be contacted at 8500 NW 51st. Street Lauderhill, Florida 33351 cell 954-536-9011 email irosenfeld@newbridgesecurities.com

Thank you for your time,

Irvin Rosenfeld



Letter of Support from Bodine Jones, Charlie's Mom

Dear Judge Wu,

I am writing you on behalf of my son Charles C. Lynch, former owner-operator Central Coast Compassionate Caregivers, a medical marijuana dispensary in Morro Bay California. My heart is so full of sadness that I find it difficult to write this letter; however it is important to me that I continue the fight for justice in the matter of my son Charles.

On November 1, 2008, my youngest son Pat was taken home to be with his maker. He suffered from juvenile diabetes for thirty years, yet fought his battle with a zest for life, and a true and dedicated love for his family. We are a good family, honest, hardworking and proud. Pat considered his brother Charlie a hero, a man of courage, much as he himself was. He felt that Charlie had taken a stand for what he believed in, he believed that Charlie was representative of the many medical marijuana patients that relied on him for relief from their suffering. And Pat himself knew what suffering was. His battle with diabetes and ultimately colon cancer in July of this year was truly courageous. His passing, along with the arrest and conviction of his brother Charles, has been devastating to our family and many friends and relatives.

I myself am sixty nine years old and rely heavily on the emotional and financial support of my remaining children, Tom, Charles, and Amanda. All responsible and productive citizens of these great United States of America. I truly cannot imagine the loss of another son to years in prison. My fight to remain strong is, is to say the least, difficult. As a mother, the loss of a child is devastating, the loss of another child to the federal government, due to conflicting laws between the federal and state government seems more than I can bear. I raised my children, first and most important, with love, they were taught to respect the laws of the land, to be honest and hardworking, they responded to these teachings and are productive and responsible citizens. I accept that God has decided to take my son Pat from me, but can I accept the loss of another son to the federal government? I'm not sure. At the age of sixty nine, and with the emotional distress I am feeling, it will be difficult. I am not a person to beg, as being strong was part of the teachings as I raised my children, but I beg of you to consider leniency in the sentencing of my son Charles. He is a good and honest son. His sentencing weighs heavily on the lives of his family and many friends and supporters. I implore you, as a mother who loves her family, and who loves the freedom guaranteed by the constitution of this great land, to address these issues and to allow my son, Charles C. Lynch to remain free.

With respect I remain
Bodine Jones

Proud and Loving Mother of Charles C. Lynch and his loving family, Thomas A Lynch, Amanda Garcia, and In Memoriam, James Patrick Lynch.



January 9, 2009

Mr. Jeff Jones
Oakland Cannabis Buyers Cooperative
1733 Broadway
Oakland, CA 94612

Dear Jeff,

By now, you've probably heard about medical marijuana dispensary owner Charlie Lynch, who is facing up to 100 years in federal prison for drug trafficking—even though he scrupulously followed California laws governing medical marijuana. The federal government's prosecution of Charlie is a waste of time and a waste of money—not to mention a grotesque miscarriage of justice. Charlie's sentencing is now scheduled for February.

I had the honor to meet Charlie this week in Los Angeles at the taping for an upcoming ABC News special with John Stossel, which is being made in collaboration with *Reason.tv*. The entire hour-long special, which will be called "Bullshit in America," is based on different episodes from *Reason.tv*'s Drew Carey Project, including eminent domain abuse, immigration, gridlock, universal preschool, and of course medical marijuana. John interviewed Charlie (who is a gentle, thoughtful man) on medical marijuana, and even traveled to Charlie's hometown of Morro Bay to try to talk with local officials.

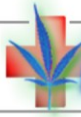
John and his ABC News team also sat down to talk with Drew Carey at the Swingers diner in Hollywood, which is just a few blocks away from the CBS studios where Drew tapes *The Price Is Right!*. John asked Drew what he meant in *Reason.tv*'s first (and still most popular) video about medical marijuana when he walked into the Farmacy in West Hollywood and said, "Smell that smell? It's the smell of freedom." I won't cheat and give you the answer, but it was fun to see them talk about that now-famous line.

When John Stossel's special reports are broadcast on ABC, six million television viewers tune in to watch, so the exposure for drug policy—and for *Reason.tv*—will be huge. You can check *Reason Online* to find out the exact

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Mr. Jeff Jones

January 9, 2009

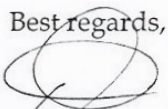
airdate, and of course we'll e-mail it via *Reason Alert* as soon as we know. Please make a point to watch the show, and tell your friends and contacts to tune in as well. You might even want to pass along the *Reason.tv* videos on drug policy, so I've included a copy of *Reason's* 40th anniversary issue and DVD featuring both "Medical Marijuana" and Charlie Lynch's story in "Raiding California." And stay tuned to *Reason.tv*, where you will see us turn the tables and interview John Stossel himself as he talks about his own triumphs and frustrations with being America's most prominent libertarian news reporter.

When you go to *Reason Online*, there is a feature you may also find to be particularly handy given your interest in drug policy. If you go to the left hand column and select "Topics," you can click on the drug policy link to see a full archive on the subject, such as Radley Balko on police militarization and drug raids gone wrong or Jacob Sullum on the latest on marijuana policy reform.

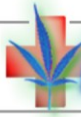
Because of your support of *Reason*, we're able to reach millions of viewers every single month with compelling stories that expose injustice, fight Big Government, and celebrate the human spirit. And now, millions of ABC viewers across America will be hearing Charlie Lynch's story. When they learn the facts and meet him on TV, I predict they will be outraged that Charlie Lynch is going to jail.

With a new President and Congress taking office this month, there is renewed optimism about a change in drug policy. Personally, I put little hope in elected officials and federal agents who are sworn to implement our irresponsible and dishonest drug laws. I have far more faith in the common sense of the American people and the indomitable spirit of liberty that drives people like you to challenge the status quo. And fortunately, there are heroes like Charlie Lynch who put their lives on the line to stand up for what is right.

Best regards,


David Nott
President

TIFF,
THANKS FOR YOUR HEROISM
THROUGHOUT AS WELL.
DAVID



Contact: Reuven Cohen

Cel: (805) 801-0380

FOR IMMEDIATE RELEASE:

**JUDGE DENIES MEDICAL MARIJUANA MOTION FOR A NEW TRIAL DESPITE NEW EVIDENCE
Lynch Sentenced Feb 23**

Los Angeles – Monday January 12, 2009. Federal Judge George H. Wu denies former medical marijuana provider Charles C. Lynch's request for a new trial even though new evidence has been submitted. A jury found Lynch guilty of five cannabis-only felonies on August 5, 2008 for violating federal drug laws even though Lynch's dispensary, Central Coast Compassionate Caregivers (CCCC), provided medical marijuana legal within California law.

The only violation of state law presented in federal court was that of a CCCC security guard, Abe Baxter, who allegedly sold marijuana to a paid-criminal informant with undercover San Luis Obispo (SLO) County sheriff's deputy, Nick A. Fontecchio, present in a Big 5 parking lot, at least 12 miles away from CCCC.

"Charles C. Lynch had no knowledge of, and in no way authorized, condoned or participated in any way in the cannabis transaction alleged against me...The conspiracy allegations against Mr. Lynch are false." Baxter states in a declaration to Judge Wu.

Even with this new assertion, the Judge denied Lynch a new trial on January 5, 2009. Judge Wu scheduled Lynch for sentencing on Monday February 23 at 8:30 am. Lynch faces up to 100 years in federal prison even though he followed all his "Medical Marijuana Dispensary" business license requirements, city regulations, county restrictions and state law.

SLO County Sheriff, Pat Hedges, had his narcotics deputies investigate Lynch, his employees, his patients and his dispensary. For eleven months, Sheriff's deputies staked out the location taking photos, video, writing down license plate numbers, following patients and employees, and even pulling over employees after leaving the location.

Sheriff Deputies also used paid criminal informants to go undercover to attempt to get evidence of Lynch breaking the law. One paid criminal informant was even allowed to keep his personal stash of marijuana after Sheriff Deputy Nicholas A. Fontecchio found 2 joints in his pocket before going undercover.

On Sept 12, 2005, Lynch called four separate Drug Enforcement Administration (DEA) phone numbers to inquire about opening a medical marijuana dispensary in California. The final DEA agent told Lynch "It's up to the cities and county to decide how to handle the [medical marijuana dispensary] matter."

Lynch relied on that advice and began working with city and county officials in preparation of opening the only medical marijuana dispensary in SLO County. Lynch gave dispensary tours to local representatives to demonstrate the safety procedures he had created to assure medical marijuana was not diverted while providing safe access to qualified patients.

The Morro Bay Police had a good standing with the dispensary and often had friendly visits to the location. The Mayor, Janice Peters, had personally given her business card to all CCCC's surrounding

Contact: Reuven Cohen
Cel: (805) 801-0380
FOR IMMEDIATE RELEASE:

DIRTY SHERIFF?

Citizen Complaint against Sheriff Hedges Demands Investigation into Misconduct

January 19, 2009 – San Luis Obispo, CA. Sheriff Patrick Hedges' involvement in the Charles C. Lynch medical marijuana case sparks a citizen complaint regarding possible misconduct. Lynch, the former operator of the Morro Bay medical marijuana dispensary, Central Coast Compassionate Caregivers (CCCC), faces up to 100 years in federal prison. Federal Judge George H. Wu scheduled Lynch's Sentencing for Monday February 23, 2009 at 8:30 a.m.

The complaint alleges Hedges wasted untold amounts of California tax-payers' money, beginning in March 2006 to present, to subvert California State law in favor of his own political agenda. Stacey Warde, publisher of the Rogue Voice, urges oversight by citizens and the press.

"There's no question in my mind that the sheriff overstepped his authority," says Warde, "that requires careful monitoring by the media *and* the public."

San Luis Obispo County Sheriff Hedges purportedly authorized his narcotic deputies to investigate Lynch, his employees, his patients and the medical cannabis location for nearly a year.

Deputies took still photos, video footage, followed individuals, wrote down license plate numbers, went undercover with doctors' recommendation to use medical marijuana, and eventually raided, arrested and testified against Lynch. They also took patients' private records which were made into public record during the federal trial. All of this was done on California tax-payers' dime.

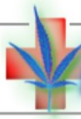
After nearly a year of investigations the Sheriff did not get a state search warrant for Lynch because the department did not have enough evidence to convince a local judge of any wrong doing by Lynch. So Hedges called the Drug Enforcement Administration (DEA) in to raid Lynch's home and dispensary on March 29, 2007.

Both law-enforcement groups dressed in masks, shields, bullet proof vest and automatic weapons violently used paramilitary-style tactics against unarmed medical marijuana patients. They forced Lynch to the ground naked at his home and terrorized his employees at his dispensary.

On Sept 12, 2005, Lynch called the DEA before opening his dispensary. The DEA agent told Lynch, "It's up to the city and county to decide how to handle that [medical marijuana dispensary] matter." So Lynch worked closely with city and county officials.

The jury selection process in Lynch's trial took longer than expected. Even though five deputies drove from SLO to Los Angeles, their testimony got delayed by a day. According to Cheryl Aichele, a medical marijuana patient who observed most of Lynch's trial, the sheriff deputies showed utter disregard for the resources they wasted in their participation in this matter.

"'We're getting paid to be here anyway' was their response." says Aichele, "That flagrant comment seemed to be indicative of their attitude towards squandering the people's money throughout Charlie's whole legal situation."



patient who observed most of Lynch's trial, the sheriff deputies showed utter disregard for the resources they wasted in their participation in this matter.

"'We're getting paid to be here anyway' was their response." says Aichele, "That flagrant comment seemed to be indicative of their attitude towards squandering the people's money throughout Charlie's whole legal situation."

Aichele's Citizen's Complaint asserts the sheriff's department used paid-criminal informants to go undercover to attempt to get evidence of Lynch's wrong doing. SLO County Sheriff Deputy Nick A. Fontecchio gave an anonymous snitch his marijuana back after an undercover operation even though they were investigating marijuana violations.

Lynch's other patients, who later wanted their confiscated medical marijuana back, would have to pay lawyers and get a judge's order to get their medicine back from the Sheriff's office after the raid instigated against Lynch.

Bodine Jones, Lynch's mother, contacted California State Attorney General Jerry Brown to ask for an investigation into Hedges and his involvement in this grotesque miscarriage of justice. Brown's office told Jones an investigation would have to start on the local level.

Warde contacted the SLO County Supervisors. They indicated that they did not have any jurisdiction or regulatory powers over the sheriff. Their only role is to vote on the sheriff's department's budget. Warde also made a freedom-of-information request for an account of the resources wasted during this investigation. The sheriff's department denied his request because the department considers the Lynch case as ongoing.

Concerned citizen interested in an investigation should file their own complaints via the sheriff's website: www.slosheriff.org. The sheriff's department has to keep these complaints on file for five years and the law requires them to look into all complaints in good faith.

The Sheriff's job is an elected position which makes him accountable to the voters. Citizens also have the ability to recall the sheriff if they feel his conduct warrants such actions.

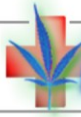
Friends of Charles C. Lynch will demonstrate against the injustice of federal medical marijuana laws in California cases at noon on Monday February 23, 2009 on the Main Street side of the Federal Courthouse at 312 N. Spring Street, Los Angeles.

Lynch's case gained national attention after Reason foundation's the Drew Carey's Project created a Reason.tv episode featuring Lynch and Owen Beck, a former seventeen year old student athlete who had his leg amputated to keep his bone cancer from spreading.

Al Roker interviewed Lynch for a MSNBC showed called "An Hour on Marijuana" scheduled to air in the coming weeks. In addition, John Stossel from ABC's 20/20 for an episode called "Bullsh*t in America" scheduled to air Feb 9th or 16th at 10pm eastern standard time.

###

If you would like more information about this case, or to schedule an interview with Charles C. Lynch or others, please call Reuven Cohen at (805) 801-0380.



Contact: Reuven Cohen

Cel: (805) 801-0380

FOR IMMEDIATE RELEASE:

WILL OBAMA BRING CHANGE TO MEDICAL CANNABIS?

The DEA Raids yet another Medical Cannabis Dispensary but This Time under Obama

Los Angeles – January 23, 2009. Thursday the Drug Enforcement Administration (DEA) raided a South Lake Tahoe medical cannabis dispensary, the first DEA raid since President Obama took office Tuesday. Bush appointed leaders still run the DEA and Department of Justice while Obama's transition solidifies.

Under the Bush Administration, in the last two years, the DEA has raided over 100 medical marijuana locations. Charles C. Lynch knows exactly what it is like to be in the DEA's cross hairs. The DEA along with the San Luis Obispo (SLO) County Sheriff's department raided Lynch's home and medical marijuana dispensary on March 29, 2007.

They wear full riot gear: masks, helmets, shields, bullet-proof vests, and automatic weapons. At home, Lynch was unarmed and naked. They forced him to the ground and pointed their guns at his head. At the dispensary, they terrorized medical cannabis patients. They did not arrest Lynch that day.

The DEA and SLO County Sheriff returned four months later, on July 17, 2007 in the same paramilitary-style fashion to arrest Lynch. He was found guilty of 5 cannabis-only federal felonies on August 5, 2008. He faces up to 100 years in federal prison, despite the fact that he followed all his "Medical Marijuana Dispensary" license requirements, city regulations, county restrictions and State laws.

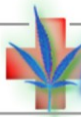
California has not charged Lynch with any state charges. Federal court experts estimate that over one million federal tax-payer dollars has been spent on Lynch's federal prosecution. Lynch has no history of crime or violence.

President Obama during his Presidential campaign promised to end the federal raids on medical cannabis patients. "I would not have the Justice Department prosecuting and raiding medical marijuana users," Senator Obama said in an August 2007 statement. "It's not a good use of our resources," he continued. President Bush made similar claims during his Presidential campaign but broke his promise.

Medical cannabis supporters flooded the White House with calls, emails and online form comments Friday as a result of the DEA raids on Thursday. White House volunteers taking phone calls at the comment line said they received many calls back-to-back about the raids. They encouraged supporters to also use the email options because wait times exceed thirty minutes to an hour at one point.

"Keep the calls coming in," said a White House volunteer, "there's a lot of support for you guys".

This is not the first time medical cannabis supporters have called upon Washington DC to look into the actions of the DEA. After receiving overwhelming support, the House Judiciary Committee Chair, John



Conyers Jr. has inquired into the DEA's activities in medical cannabis. The DEA's response back to Conyers was slow and ultimately misleading and incomplete.

The DEA claims they spent \$346.14 for direct operational expenditures on Lynch's raid, arrest and investigation not including the salaries for dozens of special agents, the money spent by local law enforcements or all of the activities associated with this investigation. That amounts does not include the time Special Agent Rachel Burkdohl gets paid to be at each and every court appearance for this case.

Agent Burkdohl testified in Lynch's trial that she was the most experienced DEA with medical marijuana raids. However, she also testified that she did not know how to count marijuana plants despite the fact that she was the one in charge of counting all the plants Lynch had for his patients to grow their own medical cannabis.

Medical cannabis supporters are hopeful that the House Judiciary Committee will move forward with oversight hearings into the DEA's intimidation and interference in medical cannabis in states that have approved it.

These medical cannabis supporters have tapped into Obama's online forums to voice their concerns. In Change.gov's first "Open Question" a cannabis question was the highest rated. The transition team answered that question with one sentence. "President-elect Obama is not in favor of the legalization of marijuana".

These supporters also voted a medical cannabis category to #3 three in the Citizen Briefing Book section on change.gov. The top ideas on the Obama transition team's website will go into a Citizens' Briefing Book and delivered to the new President. Americans for Safe Access (ASA)'s Phil Mocek of Seattle write the idea which suggested ending federal interference in states with medical cannabis laws.

Federal medical cannabis relief cannot come too soon for Lynch and hundreds of others facing federal prosecution, sitting in federal prisons or being raiding by the DEA. Both the Morro Bay Mayor, Janice Peters, and City Attorney, Rob Schultz, testified to Lynch's law-abiding nature with both confirming they never received one complaint against Lynch, his employees, patients or his location.

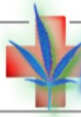
Lynch's case gained national attention after Reason foundation's the Drew Carey's Project created a Reason.tv episode featuring Lynch and Owen Beck, a former seventeen year old student athlete who had his leg amputated to keep his bone cancer from spreading. Beck's parents accompanied him on all his visits to Lynch's medical cannabis dispensary as his business license requirements stated for minors.

Al Roker interviewed Lynch for a MSNBC showed called "An Hour on Marijuana" scheduled to air in the coming weeks. In addition, John Stossel from ABC's 20/20 interview Lynch and his Federal Public Defenders for an episode called "Bullsh*t in America" scheduled to air Feb 9th or 16th at 10pm eastern standard time.

Lynch is scheduled to be sentenced Monday February 23, 2009 at 8:30 a.m. Friends of Charles C. Lynch will demonstrate against the injustice of federal medical marijuana laws in California cases at noon on the Main Street side of the Federal Courthouse at 312 N. Spring Street Downtown Los Angeles.

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If you would like more information about this case, or to schedule an interview with Charles C. Lynch or others, please call Reuven Cohen at (805) 801-0380.



Contact: Reuven Cohen

Cel: (805) 801-0380

FOR IMMEDIATE RELEASE:

**UNDERSHERIFF REQUESTS MORE INFO IN CITIZEN COMPLAINT AGAINST SHERIFF
Medical marijuana patient sends a revised complaint**

Los Angeles – February 2, 2009. Undersheriff Steve Bolts sent a letter to concerned citizen requesting clarification regarding a citizen's complaint against Sheriff Patrick Hedges on January 26, 2009. The original complaint asked for a thorough investigation into Hedges' and the San Luis Obispo County Sheriff's Department's involvement in the matter of Charles C. Lynch, former Morro Bay medical marijuana dispenser.

Cheryl Aichele filed an official complaint against Hedges on January 20, 2009, the day President Barack Obama took office. Aichele's original complaint accuses Hedges of violating California state law, wasting California taxpayer's money, acting unprofessional, and causing Lynch and his family financial and emotional despair. In his letter, Bolts indicated it was unclear to Hedges or himself which specific actions Aichele referred to in her original complaint.

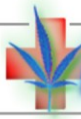
Also included with Bolt's letter was a copy of Aichele's original complaint and California Attorney General's Medical Marijuana Guidelines for Law Enforcement and Patients. California State Attorney General, Jerry Brown, recognizes not-for-profit businesses as legally allowed to distribute medical marijuana in California to qualified patients. Lynch or his medical marijuana dispensary, Central Coast Compassionate Caregivers, has not been charged with violating state law.

All complaints against elected officials get forwarded to State Attorney General, Jerry Brown, have to be investigated and stay on record for five years.

On February 2, 2009, Aichele submitted a 7-page revised complaint. The revised complaint questions the legitimacy of the police work which initiated the investigation into Lynch, his employees, patients, and CCCC. Apparently, the San Luis Obispo County Sheriff's department began investigating Lynch and his dispensary around the time CCCC opened despite no known complaint against Lynch or his dispensary.

Both Morro Bay Mayor, Janice Peters, and City Attorney, Rob Schultz, testified they never received any complaints about Lynch or CCCC, they worked closely with Lynch before and after he opened his dispensary, they toured CCCC with Lynch, observed the procedures of the dispensary and believed Lynch to be a law-abiding citizen.

In her revised complaint, Aichele accuses Sheriff's Deputy Nick A. Fontecchio of violating state and federal law by returning marijuana to an unnamed paid-criminal undercover informant. Apparently, Fontecchio found two marijuana joints on informant during a routine search of his persons before an undercover operation. After the completion of the undercover activities, Fontecchio allegedly gave the informant the marijuana back.



Additionally the revised complaint accuses Deputy John Blank of going undercover as Jesse Baldrige and smoking marijuana with a Los Angeles doctor when he obtain a recommendation to use cannabis for medical purposes.

Also the revised complaint questions the legality of Sheriff's Deputies going on private property and obtaining evidence from a garbage can without warrant, probable cause or permission. As well as the legality of the Sheriff's department doing the forensic work for the Drug Enforcement Administration on California taxpayer's money.

Furthermore, the complaint inquires into the Sheriff's Department violating the privacy of patients by allowing patient records to be made into public record during Lynch's federal case. Lynch's former patient, Elaine McKellip has sued Hedges for violating her privacy.

Aichele's revised complaint includes a list of questionable activities that seems to indicate that Sheriff Hedges has a pattern of misconduct. The complaint lists Hedges supposed domestic discord with his current wife and his two ex-wives.

In addition, the revised complaint lists several dubious incidents with marijuana and qualified patients in San Luis Obispo County. SLO County Sheriff's Department arrested and held Richard Steenzen in jail for 21 days for marijuana violations although he was within his California medical marijuana rights. Furthermore, Hedges refused to return D. Craig Steffen's medical marijuana even though it was wrongfully seized by SLO Sheriff's Department until a court ordered Hedges to return the medicine to the patient.

The SLO County Sheriff's Department has also been investigated for the death of Jay Anthony Vestal after being restrained by deputies while being arrested for marijuana charges. The revised complaint also mentions Hedges involvement in the mishandling of the police work surrounding Andrea Lynn Hug's death.

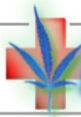
Lynch's case gained national attention after Reason foundation's the Drew Carey's Project created a Reason.tv episode featuring Lynch and Owen Beck, a former seventeen year old student athlete, who had his leg amputated to keep his bone cancer from spreading. Beck's parents accompanied him on all his visits to Lynch's medical cannabis dispensary as the business license requirements stated for minors.

Al Roker interviewed Lynch for a MSNBC show called "An Hour on Marijuana" scheduled to air in the coming weeks. In addition, John Stossel from ABC's 20/20 interviewed Lynch and his Federal Public Defenders for an episode called "Bullsh*t in America" scheduled to air Feb 9th or 16th or 20th at 10pm eastern standard time.

Lynch is scheduled to be sentenced Monday February 23, 2009 at 8:30 a.m. Friends of Charles C. Lynch will demonstrate against the injustice of federal laws in California medical marijuana cases and Sheriff Hedges involvement in this case at noon on the Main Street side of the Federal Courthouse at 312 N. Spring Street Downtown Los Angeles.

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If you would like more information about this case, or to schedule an interview with Charles C. Lynch or others, please call Reuven Cohen at (805) 801-0380.



Contact: Reuven Cohen
Cel: (805) 801-0380
FOR IMMEDIATE RELEASE:

Undersheriff Refuses to Investigate Citizen Complaint against Sheriff
Citizen Files Grand Jury Complaint

February 08, 2009 – San Luis Obispo, CA. In a letter dated February 3, 2009, Undersheriff Steve Bolts snubs California State law penal code 832.5 by neglecting to investigate Cheryl Aichele's citizen complaint about Charles C. Lynch's medical marijuana case against San Luis Obispo (SLO) County Sheriff Pat Hedges and other department employees.

By law, the sheriff's department has to investigate each complaint and keep these complaints on file for five years. In addition, the law requires all complaints against Sheriff Hedges be forwarded to California State Attorney General's office because Hedges is an elected official.

Undersheriff Bolts maintains that the department has not broken any laws in this situation.

"It is the department's position that there are no violations of state or federal law committed by [SLO County Sheriff's Department] employees in the course of the Lynch investigation" writes Undersheriff Bolts.

This lack of cooperation does not deter Aichele from following through with the complaint.

"I will not rest until this is investigated", replies Aichele in a letter dated February 5, 2009

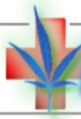
After contacting the California State Attorney General's office, Aichele forwarded her complaint to the San Luis Obispo County District Attorney's office and filed a Grand Jury complaint which included all correspondence with the sheriff's department.

Aichele's complaint questions the legality of the Sheriff's initiation to investigate Lynch since no complaint against Lynch or his dispensary, Central Coast Compassionate Caregivers (CCCC) has ever been made public. It also accuses specific deputies of specific violations.

Aichele accuses Deputy John Blank of smoking marijuana with a Los Angeles doctor while providing false information to obtain a medical cannabis physician's recommendation.

In addition, the complaint alleges that Deputy Nick A. Fontecchio of returning marijuana to a paid-criminal undercover informant after an undercover operation. Aichele also contends the informant may be a family relative to Fontecchio.

The citizen complaint also claims that unnamed deputies went dumpster diving on private property to illegally obtain evidence without probable cause, permission or a warrant.



Aichele's complaint asserts that the SLO County Sheriff's Department used California tax payer money to do the forensic work in the Lynch case for the Drug Enforcement Administration (DEA). The complaint states the DEA was backed up with investigative work and would not have been able to get to Lynch's case for years.

Aichele also argues that the sheriff's department violated patients' privacy rights by doing this forensic work for the DEA. San Luis Obispo County resident Elaine McKellips has sued Hedges for these violations.

The only state violation alleged by the sheriff's department involves Abe Baxter a former security guard at Lynch's dispensary. Baxter has made a legal declaration to Lynch's judge that Lynch had nothing to do with any actions Baxter may have committed away from CCCC.

The citizen complaint concludes with a list of transgressions by Sheriff Hedges which shows a pattern of misconduct including domestic disturbances with all three of Hedges' current and previous wives, violating medical marijuana patient rights in other cases, wrongful deaths of marijuana defendants, and mishandling a murder case.

Concerned citizens interested in an investigation should file their own complaints via the sheriff's website: www.slosheriff.org.

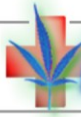
Friends of Charles C. Lynch will demonstrate against the SLO County Sheriff's involvement in this case and the injustice of federal medical marijuana laws in California cases at noon on Monday February 23, 2009 on the Main Street side of the Federal Courthouse at 312 N. Spring Street, Los Angeles.

Lynch's case gained national attention after Reason foundation's the Drew Carey's Project created a Reason.tv episode featuring Lynch and Owen Beck, a former seventeen year old student athlete who had his leg amputated to keep his bone cancer from spreading.

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Los Angeles Times

Morro Bay pot dispensary owner found guilty of federal charges

Charles Lynch, whose trial involving conflicting marijuana laws, was found guilty of five counts of distributing drugs.

By Scott Glover
August 8, 2008

The owner of a Morro Bay marijuana dispensary was found guilty today in federal court of five counts of distributing drugs.

Charles Lynch, the owner of the dispensary, faces a minimum of five years in prison.

His closely watched trial involving conflicting marijuana laws and went to a federal court jury Monday. Jurors were asked to determine if Lynch was guilty of violating federal drug laws.

During a week-and-a-half-long trial in U.S. District Court in Los Angeles, federal prosecutors sought to depict Lynch as a common drug dealer who sold pot to teenagers and carried a backpack stuffed with cash.

Lynch was charged with distributing marijuana, conspiring to distribute marijuana and providing marijuana to people under the age of 21.

Lynch's defense attorneys sought to portray him as a responsible businessman who had the blessing of Morro Bay's mayor and city attorney before opening his Central Coast Compassionate Caregivers.

Moreover, they argued, he was told by an official with the Drug Enforcement Administration that enforcement on such facilities would be left up to local authorities, implying that Lynch would avoid federal prosecution if he obeyed the local laws.

That became the basis for their defense, known as entrapment by estoppel, in which a defendant essentially argues that he broke the law based on bad advice from a government official.

Prosecutors scoffed at the argument. They called to the witness stand a DEA agent who they said spoke with Lynch, and she said she never would have given him such advice.

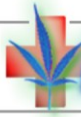
The cultivation, use and sale of doctor-prescribed marijuana is allowed in some instances under California law. But the drug is banned altogether under federal law, which supersedes those of the states.

The U.S. Supreme Court has prohibited defendants from mounting a "medical necessity" defense, so Lynch's attorneys did not elicit testimony from patients or their parents.

During the trial in front of U.S. District Judge George Wu, prosecutors focused on Lynch's marijuana sales, which they said generated about \$2 million from the time he opened his doors in spring 2006 until he was raided by federal agents about 11 months later.

They called undercover operatives who bought drugs from the facility and sheriff's deputies and DEA agents who participated in the raid.

scott.glover@latimes.com



Los Angeles Times

Pot power play

Should state or federal law prevail on medical marijuana?

By Kenji Yoshino
August 17, 2008

Just because a majority of Californians voted to make marijuana available for medical purposes does not mean it is legal. Charles Lynch, the owner of a Morro Bay medical marijuana dispensary, learned this lesson the hard way on Aug. 5 when he was convicted of violating the federal Controlled Substances Act. His lawyers defended him in part by saying his business had the blessing of elected officials in the city of Morro Bay, in San Luis Obispo County. But the jury convicted him under federal drug laws; in October, he will be sentenced to a period of five to 85 years in prison, though he has vowed to appeal.

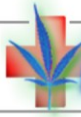
Federal and state laws with respect to medical marijuana have been in tension for years. Under the federal Controlled Substances Act of 1970, the distribution or possession of marijuana is a crime, with no exceptions for medical use. Under California's Compassionate Use Act of 1996, however, individuals who meet certain criteria may distribute or use marijuana for medical purposes without running afoul of state law. In 2003, the Legislature further bolstered the medical marijuana movement with a law requiring counties to provide patients with an identification card that protects them from state prosecution.

This places dispensers of medical marijuana, such as Lynch, in an untenable position. From the perspective of the federal government, they are no different from common drug dealers, susceptible to Drug Enforcement Administration busts and substantial prison sentences. From the perspective of the state government, they are running legitimate businesses that pay taxes and otherwise comply with California law.

The courts have yet to resolve this controversy. Under the supremacy clause of the U.S. Constitution, federal law supersedes state law when the two conflict. But it is not as obvious as it might seem that they do. Language in the federal Controlled Substances Act specifies that it only preempts state laws that create a "positive conflict" with it. A court could find that because California law does not expressly prevent the federal government from enforcing its own drug law, the two sets of laws are consistent.

Indeed, on July 31, the state's 4th District Court of Appeal took a step in that direction. It held that the Controlled Substances Act does not preempt California's requirement that counties give medical marijuana users identification cards. The court expressly declined to go any further, but proponents of medical marijuana rightly viewed the ruling to be a significant win. If the decision withstands appeals, it will ensure that federal law will not completely wash out the state program.

But it seems unlikely that courtrooms are where this legal dissonance will be resolved. This is especially true since 2005, when the U.S. Supreme Court heard a federal constitutional challenge to the Controlled Substances Act. In that case, Californians sought to protect the use of medical marijuana by stating that it is a purely intrastate matter, and thus beyond Congress' reach. The high court rejected that argument, ruling that, as a whole, the drug law was a proper exercise of Congress' power to regulate interstate commerce.



Los Angeles Times

Pot power play (cont.)

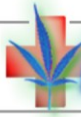
After that decision, the legislative and executive branches of government are best equipped to make federal and state law consistent. The remaining question is which side -- federal or state -- should give way in this standoff.

In this instance, the federal government should cede. Under our federal system, the states are supposed to serve as laboratories of experimentation (to paraphrase Supreme Court Justice Louis Brandeis) that permit a variety of policy approaches that suit local mores. Moreover, the areas implicated by medical marijuana -- crime and health -- have traditionally been areas of state sovereignty. This perhaps explains why -- flying in the face of the Controlled Substances Act -- 13 states have passed some form of medical marijuana law.

Under the Controlled Substances Act, marijuana is grouped with heroin and mescaline in the set of drugs subject to the most stringent regulation. Congress or the U.S. attorney general has the power to reclassify marijuana so it can be dispensed by a physician. Alternatively, the U.S. Department of Justice could use its discretion and stop prosecuting medical dispensation and use in states that have legalized it. California's Legislature has supported both alternatives, and Barack Obama, the presumptive Democratic presidential nominee, has expressed support for the latter. John McCain was equivocal early in the Republican primaries, but the candidate has since said he would not end the federal raids on medical marijuana dispensaries.

State medical marijuana laws should not be seen as an attempt to flout the authority of the federal government. These laws are a proper exercise of a state prerogative to which the federal government should defer.

Kenji Yoshino is a professor of constitutional law at New York University School of Law.



Los Angeles Times

Dueling pot laws tested in federal court

San Luis Obispo County businessman is fighting prosecutors' contention that he is a drug trafficker

By [Scott Glover](#)

[July 26, 2008](#) in print edition B-1

A highly anticipated trial involving conflicting marijuana laws got underway Friday in Los Angeles federal court with a prosecutor painting the owner of a Morro Bay medicinal marijuana store as a brazen drug trafficker who sold dope to teenagers and toted around a backpack stuffed with cash.

Defense attorneys struggled to provide context for their client's alleged crimes after being barred by the judge from mentioning the phrase "medical marijuana."

At the center of the case is Charlie Lynch, a 46-year-old businessman from San Luis Obispo County, who opened a facility called Central Coast Compassionate Caregivers in the spring of 2006.

Prosecutors contend that Lynch violated federal law by selling \$2.1 million worth of marijuana in less than a year, some of it to people "not yet old enough to legally drink."

Lynch's defense attorneys would like to present evidence that their client was dispensing doctor-prescribed medical marijuana to sick people in accordance with state law and with the blessing of elected officials in Morro Bay. However, the U.S. Supreme Court has concluded that federal drug laws trump those of the state and that the reasons why the drug is distributed are irrelevant.

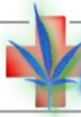
But one of Lynch's lawyers hinted during opening statements that Lynch had sought – and presumably received – approval from an official with the federal Drug Enforcement Administration before he set up shop. If they are able to convince U.S. District Judge George Wu that there is a sufficient basis for mounting such a quasi-entrapment defense, they may be allowed to present evidence that Lynch believed he was operating within the law, which legal experts said would likely make him more sympathetic to jurors.

"It could have an enormous effect," said Rebecca Lonergan, a USC law professor and former federal prosecutor in Los Angeles. "Any time you have a hot political or public policy issue like this, there is the risk that members of the jury will decide based on their politics, not the evidence in the case."

Though they were not explicitly told that the case involved medical marijuana, potential jurors revealed strong opinions on the topic and confusion about the law during the jury selection process. One man, an engineer, said he had trouble reconciling how it could be legal to sell marijuana under state law and prohibited by federal law.

"It just doesn't make sense to me," he said. The man was excused from the panel.

Other potential jurors were dismissed after revealing strong feelings on the issue.



Dueling pot laws tested in federal court (cont)

“I don’t think I’d be a fair juror because I tend to side with the state law,” said a young woman from Torrance who told lawyers she had one friend with chronic back pain and another with stomach cancer who had used the drug medicinally.

“If a person is going to have a better quality of life, I’d prefer to give them that,” she said.

Another potential juror said she was so troubled by the fact that someone would break any law – state or federal – that she had already concluded the defendant was guilty.

Opening statements began Friday morning with Assistant U.S. Atty. David P. Kowal telling jurors that Lynch had sold drugs to more than 2,000 people, 250 of them under the age of 21, which carries a special sentencing enhancement under federal law. Many of the young customers “came back time and again,” Kowal said.

He told jurors that records seized from Lynch’s store and home revealed that he distributed more than 100 kilos of marijuana worth about \$2.1 million during the approximately 11 months he was in business. When police and federal agents raided Lynch’s home in March 2007, they found a backpack containing \$27,000, possible proceeds from recent sales at the store.

“It involved money. Lots of money,” Kowal told jurors, “and he was at the center of everything.”

If convicted, Lynch faces a minimum of five years in federal prison.

As the prosecutor spoke, Lynch, who looks as much like a bank manager as drug dealer, sat between his two federal public defenders, Reuven Cohen and John Littrell.

Cohen told jurors that they “will hear directly from Charlie Lynch” when he takes the witness stand in his own defense. He also told jurors that there would be testimony from Lynch’s patients, parents who took sick kids to his dispensary and elected officials from Morro Bay.

How much of that testimony jurors will actually get to hear remains to be seen. The judge must still decide whether the entrapment defense is viable and opens the door to such testimony, a decision likely to be reached over the next several days.

If jurors were to hear Lynch’s story, it would go something like this, according court files and interviews:

Far from the cynical entrepreneur portrayed by prosecutors, Lynch is a compassionate and responsible man who wanted to help sick people and make a reasonable profit. He obtained a business license before opening his doors and was welcomed by city leaders in Morro Bay, some of whom mugged for photos with him at a Chamber of Commerce ribbon cutting. The facility was in the heart of the downtown shopping district.

Among Lynch’s patients was Owen Beck, a 17-year-old high school football and soccer player who developed bone cancer and had to have his leg amputated, Lynch’s lawyers said. The teen’s parents took him to Lynch’s facility after traditional medicine took away his appetite and did little to ease his pain. The pot lessened Owen’s pain but not his appetite, he said in an interview on actor Drew Carey’s website, www.reason.tv. Steve Beck, Owen’s father, said Lynch often gave his son marijuana at no charge because he was “a compassionate kind of guy.”

scott.glover@latimes.com

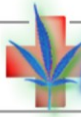
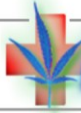


EXHIBIT A
DECLARATION OF ABRAHM BAXTER



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UNITED STATES DISTRICT COURT
CENTRAL DISTRICT OF CALIFORNIA – WESTERN DIVISION

UNITED STATES of AMERICA,
Plaintiff,
vs.
CHARLES C. LYNCH,
Defendant.

CASE NO. : CR 07-689-GW
AFFIDAVIT of ABRAHM BAXTER

I, Abrahm Baxter, declare as follows:

1. In 2006 to 2007 I was employed as a security guard at Central Coast Compassionate Caregivers, a licensed medical cannabis dispensary in Morro Bay, California.
2. Central Coast Compassionate Caregivers (hereinafter “CCCC”) was operated by Charles C. Lynch. Mr. Lynch was my employer.
3. My employer, Charles C. Lynch, had rules and regulations for his employees, including myself.

Affidavit of Abrahm Baxter

1 4. Central Coast Compassionate Caregivers was run very strictly by
2 Charles C. Lynch during the time period that I worked for him and based on
3 my observations every effort was made by Charles C. Lynch to operate the
4 facility legally in accordance with California State law.

5
6 5. For example, as a security guard, no one entered the facility
7 without proper identification and verification, including verifying California
8 Driver's licenses, Physician's Recommendations and other information.

9
10 6. CCCC had a business license issued by the City of Morro Bay.
11 There were conditions placed on the license by the City. The conditions were
12 posted. Mr. Lynch instructed all of his employees to strictly abide by each
13 condition.

14 7. In addition to the business license conditions, other rules and
15 regulations were in place. The rules and regulations included that employees
16 could not provide cannabis to patients outside of CCCC. Additionally, there
17 was a one ounce limit for qualified patients obtaining medical cannabis at
18 CCCC.

19
20 8. I am the Defendant in San Luis Obispo Case No. F398242,
21 currently pending in San Luis Obispo Superior Court, Department 8. I am
22 charged with felony possession for sale of marijuana and felony transportation
23 for sale of marijuana.

24 9. I deny the charges against me in Case No. F398242.

25
26 10. If the allegations in the Complaint against me were true, the
27 allegations would have been a fireable offense as it related to my employment at
28 CCCC.

Affidavit of Abraham Baxter

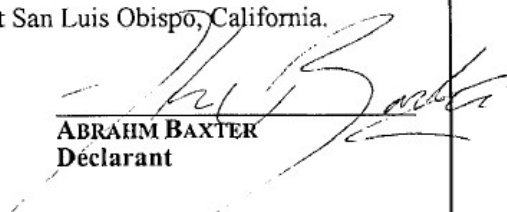
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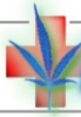
1 11. Charles C. Lynch had no knowledge of, and in no way authorized,
2 condoned or participated in any way in the cannabis transaction alleged in the
3 case against me in San Luis Obispo Superior Court.

4 12. I understand that Federal conspiracy charges were brought against
5 Charles C. Lynch based on the same transaction alleged in the Felony
6 Complaint pending against me in San Luis Obispo Superior Court. The
7 conspiracy allegations against Mr. Lynch are false. There is no factual basis
8 for the conspiracy allegation against Mr. Lynch as it relates to the cannabis
9 transaction alleged in my Felony case.
10

11
12
13 I declare under penalty of perjury under the laws of the United States of
14 America that the foregoing is true and correct.

15
16 Executed on December 1, 2008 at San Luis Obispo, California.

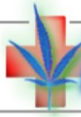
17
18 
19 **ABRAHM BAXTER**
20 **Declarant**



DECLARATION OF THE HONORABLE JANICE PETERS

I, Janice Peters, hereby state and declare as follows:

1. I am the Mayor of the City of Morro Bay. I have been the Mayor of the City of Morro Bay for four years. I was re-elected to my third term in November of 2008, several months after testifying at Mr. Lynch's trial.
2. I served on the City Council for ten years prior to becoming the Mayor of the City of Morro Bay.
3. I have known Charlie Lynch since early 2006 after he filed an application for a business license. The business that he sought to open was a medical marijuana dispensary. The City Council voted in favor of allowing a medical marijuana dispensary in Morro Bay. As Mayor, I am a member of the City Council and agreed with the decision. We specifically informed Mr. Lynch that if the dispensary was the location or cause of any illegal activity, problems or citizen complaints, that our decision would be reversed.
4. Mr. Lynch joined the Morro Bay Chamber of Commerce and I was present at the ribbon-cutting ceremony. All who attended were given a tour of the dispensary and informed about the medicinal uses of the products sold. We were also



told how patient records were kept. The dispensary was on the second floor of an office building in our downtown commercial area, across the street from a bank and only a few blocks from the Morro Bay City Hall. A security guard was stationed at the downstairs door whose job it was to check for patient IDs before allowing anyone upstairs. Upstairs, there was a waiting room where patients were checked in before being allowed into a separate room where the product was located.

5. When Mr. Lynch opened his dispensary, I passed out my business card to all the neighboring businesses on Monterey Street and Morro Bay Blvd. I talked with the owners of these establishments and advised them to contact me if they had any comments and/or complaints about the dispensary. I never received a single complaint about the dispensary.

6. Shortly after the dispensary opened, I did receive a call from the pastor of a church located several blocks down Monterey St. in a residential neighborhood. He said that some members of his congregation were concerned about the dispensary. I told him about the local residents I had spoken with whose illnesses were eased by use of medical marijuana, and suggested to him that we allow the dispensary to operate for awhile and see if any problems arose. He agreed that was reasonable. I asked him to let me know if he or his congregation members had further concerns. I never received another call from him.

7. The decision to permit a dispensary was considered very carefully and

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seriously by the City Council. We based our decision on our understanding of State law, and our compassion for local residents who find relief from illness and pain with the use of medical marijuana. Mr. Lynch's dispensary was the only one in San Luis Obispo County.

8. To my knowledge, Mr. Lynch operated a well-supervised, legitimate business according to State law and the laws of the City of Morro Bay. I believe that Mr. Lynch is a victim of the discrepancy between State and federal laws, and therefore I do not consider his actions criminal.

9. I strongly support and urge leniency in the sentencing proceeding. I do not believe that Mr. Lynch should be sent to prison, nor would society in any way benefit by such action.

I declare under penalty of perjury that the foregoing is true and correct to the best of my knowledge.

Executed this 28th day of January, 2009, at Morro Bay, California.

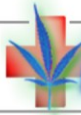


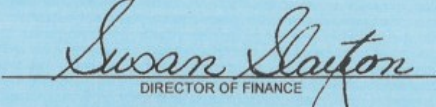
JANICE PETERS

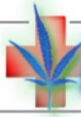


SBC		CHARLES C LYNCH		Page 2 of 3	
		SBC KNOWLEDGE VENTURES, L.P.		Account Number 805 489-8553 900 6	
		ARROYO GRANDE CA 93420 - 1439		Billing Date Oct 8, 2005	
SBC Long Distance					
Current Charges - Continued			Domestic - Continued		
Government Fees and Taxes .45			Item		
Total Invoice Summary 7.30			No. Date Time Place Called Number Code Min. Amount		
Service Charges			39. 9-21 803A CARMELLO CA 805 482-0222 DZ 1:00 .07		
Monthly Service Charges			BP = Call continued beyond plan minutes		
Type of Service Period Qty			Subtotal Domestic Calls for 805-489-4653 2.66		
1. Value Plus BD SEP 25 to OCT 24 1 4.00			Total Domestic Calls for 805-489-4653 2.66		
Total Monthly Service Charges 4.00			Total Calls for 805-489-4653 2.66		
Total Service Charges 4.00			Total Call Charges 2.66		
Call Charges			Surcharges and Other Fees		
Calls for 805-489-4653			Description		
Domestic			40. Fed Universal Service Fund .18		
Item			41. Regulatory Surcharges .01		
No. Date Time Place Called Number Code Min. Amount			Total Surcharges and Other Fees .19		
2. 8-23 125P PASADENA, CA 805 237-8676 DZ 8:00 .56			Government Fees and Taxes		
3. 8-24 434P PASADENA, CA 805 237-8676 DZ 1:00 .07			Description		
4. 8-24 438P PASADENA, CA 805 237-8676 DZ 2:30 .14			42. Fed Excise Tax .20		
5. 8-24 228P PASADENA, CA 805 237-8676 DZ 1:00 .00			43. CA 911 Tax .04		
6. 9-12 116P GARLAND CA 910 637-6900 DZ 2:00 .00			44. CA High Cost Fund B .12		
7. 9-12 117P CARMELLO CA 805 383-6454 DZ 2:00 .00			45. CA Relay Service & Comm. Devices Fund .01		
8. 9-12 118P LOSANGELES CA 213 621-6700 DZ 5:00 .00			46. CA Universal Lifeline Tel. Service Fund .03		
9. 9-12 124P LOSANGELES CA 213 621-6789 DZ 7:00 .00			Total Government Fees and Taxes .45		
10. 9-12 353P MORRO BAY CA 805 772-6200 DZ 1:00 .00			Key to Calling Codes		
11. 9-12 357P MORRO BAY CA 805 772-6251 DZ 9:00 .00			D Day Z Other		
12. 9-12 411P MORRO BAY CA 805 772-5338 DZ 1:00 .00			Total SBC Long Distance 7.30		
13. 9-12 412P MORRO BAY CA 805 772-6414 DZ 4:00 .00			News You Can Use		
14. 9-12 415P MORRO BAY CA 805 772-6590 DZ 3:00 .00			AVOID DISCONNECTION		
15. 9-12 545P MORRO BAY CA 805 772-6200 DZ 3:00 .00			All charges must be paid each month to keep your account current. However,		
16. 9-12 549P MORRO BAY CA 805 772-6200 DZ 1:00 .00			"basic service" and its applicable taxes and surcharges MUST be paid to avoid		
17. 9-13 810A MORRO BAY CA 805 772-6261 DZ 8:00 .00			disconnection. Currently, the basic service amount for this account is \$11.50.		
18. 9-13 9058A MORRO BAY CA 805 772-6200 DZ 2:00 .00			Failure to pay non-basic charges may result in other collection activities, including		
19. 9-14 412P MORRO BAY CA 805 772-4277 DZ 1:00 .00			restriction of toll calls. If service is disconnected, a reconnection fee and all		
20. 9-15 1118A MORRO BAY CA 805 772-6200 DZ 1:00 .00			outstanding charges will be due prior to reconnection. A security deposit may be		
21. 9-15 1207P MORRO BAY CA 805 772-6200 DZ 1:00 .00			required.		
22. 9-15 119P MORRO BAY CA 805 772-6200 DZ 1:00 .00					
23. 9-15 148P MORRO BAY CA 805 772-4277 DZ 4:00 .00					
24. 9-15 154P MORRO BAY CA 805 772-4277 DZ 1:00 .00					
25. 9-15 155P MORRO BAY CA 805 772-4277 DZ 2:00 .00					
26. 9-15 407P MORRO BAY CA 805 772-4277 DZ 1:00 .00					
27. 9-16 128P MORRO BAY CA 805 772-4277 DZ 1:00 .00					
28. 9-16 138P MORRO BAY CA 805 772-4277 DZ 2:00 .07 BP					
29. 9-16 141P MORRO BAY CA 805 772-4277 DZ 9:00 .83					
30. 9-16 209P MORRO BAY CA 805 772-6200 DZ 2:00 .14					
31. 9-16 253P MORRO BAY CA 805 772-4277 DZ 3:00 .21					
32. 9-19 626A MORRO BAY CA 805 772-6200 DZ 3:00 .21					
33. 9-19 954A MORRO BAY CA 805 772-6211 DZ 1:00 .07					
34. 9-19 1148A MORRO BAY CA 805 772-6200 DZ 1:00 .07					
35. 9-19 1218P MORRO BAY CA 805 772-4277 DZ 2:00 .14					
36. 9-20 133P MORRO BAY CA 805 772-4277 DZ 2:00 .14					
37. 9-20 317P MORRO BAY CA 805 772-6200 DZ 1:00 .07					
38. 9-20 1108P MORRO BAY CA 805 772-6200 DZ 1:00 .07					

Phone records of Charles C. Lynch from Sept 25 - Oct 24, 2005 indicate that he called the DEA (4 numbers, boxed). He testified that the female Agent who answered the phone, put a male DEA agent on the phone. Charlie asked "What if I want to open my own medical marijuana dispensary in California". The DEA answered, "It's up to the cities and counties to decide how to handle that [medical marijuana dispensary] matter." Charlie relied on that advice and then calls the City of Morro Bay Building, Planning & Engineering department. Special Agent Diane Reuters, the DEA who has had 213-621-6789 testified that she did not remember any phone call from that day. And she does not specifically remember ever speaking to Charlie. She also testified that she would not have given the "city & county" advice. When I called Diane and I asked for her name, she did not readily give me her name.



BUSINESS LICENSE		CITY OF MORRO BAY	
THIS CERTIFIES that the business or individual listed below is hereby licensed to do business within the CITY OF MORRO BAY.		595 Harbor Street • Morro Bay, California 93442 (805) 772-6200 • FAX (805) 772-7329	
Business Name:	Central Coast Compassionate Caregivers	BUSINESS LICENSE #:	098733
Business Location:	780 Monterey Ave Morro Bay, CA 93442	SIC NUMBER:	5912004
1st Owner Name:	Charles C. Lynch	Description:	Medical Marijuana Dispensary
2nd Owner Name:			Subject to Displayed Conditions
		Effective Date:	July 01, 2006
		Expiration Date:	June 30, 2007
CENTRAL COAST COMPASSIONATE CAREGIVERS 780 MONTEREY AVE MORRO BAY, CA 93442		 DIRECTOR OF FINANCE	
This license is to be displayed conspicuously at the location of business, and is not transferable or assignable.			



City of Morro Bay

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Conditions for Issuance of Business License

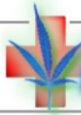
1. These business license conditions are to be displayed conspicuously at the location of business.
2. No applicant, agent or employee, or any person exercising management authority of a dispensary, can have been convicted of a felony.
3. No person under the age of 18 is allowed in the dispensary except in the presence of his/her parent or guardian.
4. Cannabis cannot be consumed on the premises.
5. Cannabis cannot be cultivated on the premises unless a use permit is obtained.
6. Signage must be approved by the Public Services Department.
7. The Dispensary must comply with all provisions of the Health and Safety Code.
8. The Dispensary shall be operated in compliance with regulations the City may issue regarding, but not limited to, security measures, record keeping, proper identification for patients, storage of marijuana on the site, on-site cultivation and the maximum amount that may be dispensed in any single transaction. Such regulations may be modified from time to time, as the City deems appropriate.

FINANCE
595 Harbor Street
HARBOR DEPARTMENT
1275 Embarcadero Road

ADMINISTRATION
595 Harbor Street
CITY ATTORNEY
955 Shasta Avenue

FIRE DEPARTMENT
715 Harbor Street
POLICE DEPARTMENT
850 Morro Bay Boulevard

PUBLIC SERVICES
955 Shasta Avenue
RECREATION AND PARKS
1001 Kennedy Way



City of Morro Bay

Morro Bay, CA 93442 • 805-772-6200
www.morro-bay.ca.us

July 18, 2006

Charles Lynch
589 Rosemary Ln
Arroyo Grande, CA 93420

SUBJECT: Case Number UP0-123

SITE: 780 Monterey Avenue

Dear Mr. Lynch:

At its regular meeting on July 17, 2006 the Planning Commission approved your request for a Conditional Use Permit to occupy an existing 60 square-feet of floor area for the purposes of adding cannabis plants (clones) with conditions. This Conditional Use Permit is subject to conditions, which are specified in the attached conditions of approval. The Planning Commission added a condition that annual report be filed with this business.

This action does not constitute a building permit. If you wish to further modify the interior of the building that would require a building permit you are subject to the applicable rules and regulations of the Morro Bay Municipal Code, and must initiate any further processing of this project including building and sign modification permits.

The Morro Bay Municipal Code provides for an appeal of the action by the Planning Commission within ten (10) days of adoption and anyone wishing to appeal may do so in writing by delivering such letter to the office of the City Clerk. There is a fee for processing appeals, which are not coastal permits.

Sincerely,

Mike Prater, Senior Planner

Enclosures: Permit, Findings & Conditions of Approval

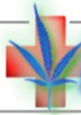
CC: Bob Davis, P.O. Box 6523, Los Osos, Ca. 93412

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City of Morro Bay

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CONDITIONAL USE PERMIT

CASE NO: UP0-123

THIS PERMIT IS HEREBY APPROVED AND ISSUED FOR:

SITE ADDRESS: 780 Monterey Avenue

APPLICANT: Charles Lynch

APN: 066-121-001 LEGAL: Portion of Lot 7, Block 27, Town of Morro

DATE APPROVED: July 17, 2006 APPROVED BY: PLANNING COMMISSION

APPROVED BASED UPON ATTACHED FINDINGS (Findings and Conditions of Approval Attached)

CEQA DETERMINATION: CATEGORICAL EXEMPTION, CLASS 1, SECTIONS 15301

DESCRIPTION OF APPROVAL: Occupation of an existing 60 square-feet of floor area for the purposes of adding cannabis plants (clones) with conditions.

THIS APPROVAL IS CONDITIONAL AND IS VALID ONLY IF CONDITIONS (ATTACHED) ARE MET AND ONLY AFTER THE APPLICABLE APPEAL PERIOD. Failure to comply with the conditions of this permit shall, at the discretion of the Public Services Director pursuant to Municipal Code Section 17.60.150, render this entitlement null and void.

PERMIT EFFECTIVE DATE & INFORMATION APPLICABLE TO YOUR PROJECT IS OUTLINED FOLLOWING THE BOX CHECKED BELOW:

YOUR PROPERTY IS LOCATED IN THE CITY OF MORRO BAY JURISDICTION, THERE IS AN APPEAL PERIOD OF TEN (10) Calendar days, WITHIN WHICH TIME YOUR PERMIT IS APPEALABLE TO THE CITY COUNCIL.

YOUR PROPERTY IS LOCATED OUTSIDE THE COASTAL COMMISSION'S APPEAL JURISDICTION.

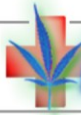
IF NOT APPEALED, YOUR PERMIT WILL BE EFFECTIVE: July 28, 2006

ATTEST: *Mike Prater* DATE: July 18, 2006

Mike Prater, Senior Planner
FOR: Bruce Ambo, Public Services Director

THIS IS A DISCRETIONARY APPROVAL AND DOES NOT CONSTITUTE A BUILDING PERMIT

FINANCE 595 Harbor Street	ADMINISTRATION 595 Harbor Street	FIRE DEPARTMENT 715 Harbor Street	PUBLIC SERVICES 955 Shasta Street
HARBOR DEPARTMENT 1275 Embarcadero Road	CITY ATTORNEY 955 Shasta Avenue	POLICE DEPARTMENT 850 Morro Bay Boulevard	RECREATION AND PARKS 1001 Kennedy Way



City of Morro Bay

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EXHIBIT A:
FINDINGS FOR APPROVAL

UP0-123: The applicant requests a Conditional Use Permit to Add Medical Cannabis Plant Nursery to an existing medical marijuana dispensary business in the C-1 zone district.

California Environmental Quality Act (CEQA)

- A. The project is Categorically Exempt from the requirements of the California Environmental Quality Act (CEQA) under Class 1 exemption for "minor alterations to existing facilities", (State CEQA Guidelines Section 15301). There are no known sensitive environmental resources on the project site that would suggest that the exemption should not be applied.

Conditional Use Permit Findings:

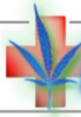
- B. That the dispensary permit is consistent with the intent of Proposition 215 and related State Law, the provisions of the Zoning Code.
- C. That the dispensary location is not identified as having significant crime issues. That there have not been significant numbers of calls for police service, crimes or arrests in the area.
- D. That an applicant or employee is not under eighteen (18) years of age.
- E. That an appropriate limit on size of the dispensary has been established and the requested permit would not exceed limitations on number of patients.
- F. That issuance of a dispensary permit for the size requested is justified to meet the needs of residents.
- G. That the site plan, floor plan, and security plan have incorporated features necessary to assist in reducing potential crime-related problems. These features may include, but are not limited to, security on-site; procedures for allowing entry; openness to surveillance and control of the premises; the perimeter, and surrounding properties; reduction of opportunities for congregating and obstructing public ways and neighboring property; illumination of exterior areas; and limiting furnishings and features that encourage loitering and nuisance behavior.
- H. That no dispensary use, owner, permittee, agent, or employee has violated any provision of municipal code including grounds for suspension, modification or revocation of a permit.
- I. That all reasonable measures have been incorporated into the plan and/or consistently taken to successfully control the establishment's patrons' conduct resulting in disturbances, vandalism, crowd control inside or outside the premises, traffic control problems, ingesting cannabis in public, harassment of passerby, excessive littering, excessive loitering, illegal parking, excessive loud noises, especially late at night or early in the morning hours, lewd conduct, or police detentions or arrests.
- J. There has been no substantial evidence submitted into the record that would suggest that the project would, under the circumstances of the particular case, be detrimental to the health, safety, morals, comfort and general welfare of the persons residing or working in the neighborhood of the project.

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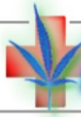
- K. That the applicant, his or her agent or employee, or any person who is exercising managerial authority on behalf of the applicant has not been convicted of a felony, or of a misdemeanor involving moral turpitude, or has engaged in misconduct related to the qualifications, functions or duties of a permittee.

EXHIBIT B:
CONDITIONS OF APPROVAL

UP0-123: The applicant requests a Conditional Use Permit to Add Medical Cannabis Plant Nursery to an existing medical marijuana dispensary business in the C-1 zone district.

STANDARD CONDITIONS

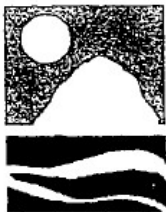
1. Permit: This permit is granted for the land described in the staff report, referenced above, and all attachments thereto, and as shown on the attached exhibits, and on file with the Public Services Department.
2. Inaugurate Within Two Years: Unless the construction or operation of the structure, facility, or use is commenced not later than two (2) years after the effective date of this approval and is diligently pursued thereafter, this approval will automatically become null and void; provided however, that upon the written request of the applicant, prior to the expiration of this approval the applicant may request up to two extensions for not more than one (1) additional year each. Said extensions may be granted by the Public Services Director, upon finding that the project complies with all applicable provisions of the Morro Bay Municipal Code, General Plan and Local Coastal Program Land Use Plan (LCP) in effect at the time of the extension request.
3. Changes: Any minor change may be approved by the Public Services Director. Any substantial change, as so deemed by the Public Services Director, will require the filing of an application for an amendment to be reviewed by the Planning Commission.
4. Compliance with the Law: All requirements of any law, ordinance or regulation of the State of California, City of Morro Bay, and any other governmental entity shall be complied with in the exercise of this approval.
5. Compliance with Conditions: By issuance of building permits for the proposed use or development, the owner or designee accepts and agrees to comply with all Conditions of Approval. Compliance with and execution of all conditions listed hereon shall be required prior to obtaining final building inspection clearance. Deviation from this requirement shall be permitted only by written consent of the Public Services Director and/or as authorized by the Planning Commission. Failure to comply with these conditions shall render this entitlement, at the discretion of the Director, null and void. Continuation of the use without a valid entitlement will constitute a violation of the Morro Bay Municipal Code and is a misdemeanor.
6. Compliance with Morro Bay Standards: This project shall meet all applicable requirements under the Morro Bay Municipal Code, and shall be consistent with all programs and policies contained in the Zoning Ordinance, certified Coastal Land Use Plan and General Plan for the City of Morro Bay.
7. Hold Harmless: The applicant, as a condition of approval, hereby agrees to defend, indemnify and hold harmless the City, its agents, officers, and employees, from any claim, action, or proceeding against the City as a result of the action or inaction by the City, or from any claim to



attack, set aside, void, or annul this approval by the City of the applicant's project; or applicant failure to comply with conditions of approval. This condition and agreement shall be binding on all successors and assigns.

PROJECT-SPECIFIC CONDITIONS

8. Nursery Conditions of Approval will be displayed conspicuously in the nursery area;
9. No more than 12 immature plants per verified patient may be on the premises at one time;
10. No plant shall be taller than 1 foot from the base of the plant;
11. No mature budding plants are allowed;
12. Nursery area will be maintained free of mold, mildew, and fungus;
13. Nursery area will be maintained free of bugs and mites;
14. Nursery dispensing will comply with all provisions of California Health and Safety Code;
15. Nursery area shall not exceed 60 square feet of total office space;
16. The nursery shall be maintained in compliance with regulations the City may issue regarding, but not limited to, the maximum number that may be dispensed in any single transaction. Such regulations may be modified from time to time, as the City deems appropriate.
17. In addition to the cannabis currently sold at this location, all products sold when leaving the business must be disguised in a manner that conceals the contents.
18. The applicant shall provide an annual report to be submitted to the Public Services Department.
19. No active Cannaboids shall be disposed of improperly.



CITY OF MORRO BAY
CITY ATTORNEY DEPARTMENT
955 SHASTA AVE. • MORRO BAY, CA 93442
805-772-6568

MEMORANDUM

TO: CITY MANAGER & FINANCE DIRECTOR

FROM: ROB SCHULTZ *RS*

SUBJECT: BUSINESS LICENSE APPLICATION FOR CENTRAL COAST COMPASSIONATE CAREGIVERS

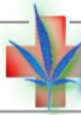
DATE: MARCH 13, 2006

I am in receipt of a Business License Application for Central Coast Compassionate Caregivers and a Memorandum from the Police Chief regarding the issuance of the business license. Pursuant to your request, this memorandum shall serve as my legal opinion and justification to approve and issue the business license.

In 1996, California voters passed the Compassionate Use Act (hereinafter "CUA"), which legalized the possession and use of medical marijuana with the recommendation or approval of a physician, and protected patients, primary caregivers and prescribing physicians from criminal penalties. Since that time, seven other states (Alaska, Arizona, Colorado, Hawaii, Maine, Oregon and Washington) have enacted similar laws.

In 2004, the CUA was supplemented by Senate Bill 420 (hereinafter "S.B. 420"). S.B. 420 mandates the State of California via the Department of Health Services to create and maintain a voluntary program for the issuance of identification cards for qualified patients. Although mandated to establish the identification program, the Department has not done so. S.B. 420 also requires that "every county health department, or the county's designee" provide applications for identification cards, process completed applications, maintain records and utilize protocols adopted by the Department of Health Services. As of this date, San Luis Obispo County has not issued identification cards in compliance with S.B. 420. Neither the original 1996 CUA nor the additions contained in S.B. 420 speak to the regulation of medical marijuana dispensaries.

In contrast to California's permissive law, the federal law as codified in the Controlled Substances Act (hereinafter "CSA") prohibits and makes it unlawful for any person to knowingly or intentionally manufacture, distribute, dispense or possess with the intent to manufacture, distribute, or dispense marijuana. The CSA contains no exceptions for the manufacture, distribution, or dispensing of marijuana for medical purposes, and the United States Supreme Court has determined that no such exception is implied in the CSA. Thus, under federal law the distribution of marijuana even for medical purposes and in accordance with the CUA could still lead to criminal prosecution.



In June 2005, the United States Supreme Court held in *Gonzales v. Raich* that Congress has the power under the Commerce Clause of the United States Constitution to prohibit (under the federal Controlled Substances Act) the distribution and manufacture of marijuana. In *Raich*, the first sentence of the Court's opinion observes that nine western states authorize the use of marijuana for medicinal purposes. The Court then openly laments that its ruling that federal law prohibiting the use of marijuana for medical purposes "is made difficult by respondents' (the patients) strong arguments that they will suffer irreparable harm because, despite a congressional finding to the contrary, marijuana does have valid therapeutic purposes." The Court explains, however, that its proper role is to rule on whether Congress acted within its "power," not whether Congress is "wise" to require the enforcement of the total ban on marijuana in the CSA in every medical circumstance.

In response to the *Raich* decision, California Attorney General Bill Lockyer issued the following statement:

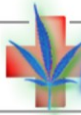
"Today's ruling does not overturn California law permitting the use of medical marijuana, but it does uphold a federal regulatory scheme that contradicts the will of California voters and limits the right of states to provide appropriate medical care for its citizens. Although I am disappointed in the outcome of today's decision, legitimate medical marijuana patients in California must know that state and federal laws are no different today than they were yesterday.

"Californians spoke overwhelmingly in favor of medical marijuana by passing Proposition 215, the Compassionate Use Initiative, and that law still stands in our state. Unfortunately, federal law continues to criminalize the use of physician-recommended marijuana medicine. This conflict between state and federal law means that seriously ill Californians will continue to run the risk of arrest and prosecution under federal law when they grow and or they use marijuana as medicine.

"Today's ruling shows the vast philosophical difference between the federal government and Californians on the rights of patients to have access to the medicine they need to survive and lead healthier lives. Taking medicine on the recommendation of a doctor for a legitimate illness should not be a crime.

"There is something very wrong with a federal law that treats medical marijuana the same as heroin. The United States Congress and the President have the power to reform and modernize federal law in order to bring relief to medical patients and still punish those who illegally traffic in substances. Patients, physicians and the public that support medicinal marijuana should tell their Congressional Representatives and Senators to take a fresh look at the federal laws that ban its use."

Statewide, only 15 of the state's 478 cities have banned dispensaries, while 49 have issued moratoriums on new facilities, 24 have established regulations and 390 have taken no action, according to Oakland-based Americans for Safe Access. The group, which defends patients'



Case 2:07-cr-0068. / Document 224-5 Filed 01/3 09 Page 11 of 95
Business License Application to
Central Coast Compassionate Caregivers March 13, 2006

access to medical marijuana, has sued Pasadena and Susanville, in addition to Concord and Fresno, for banning dispensaries.

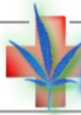
There are currently no regulations governing the establishment of medical marijuana dispensaries within the City of Morro Bay. Therefore, medical marijuana dispensaries might be permissible without oversight in any zone that allows drug stores, pharmacies or medical uses. In June 2005, Staff recommended to the City Council that they enact an interim urgency ordinance imposing a moratorium on medical marijuana dispensaries until Staff had an opportunity to propose regulations. The interim urgency ordinance was not adopted by City Council; therefore, medical marijuana dispensaries are allowed in the City of Morro Bay as a matter of right in the C-1 District and with a minor use permit in the MCR District. In the G-O District a CUP is necessary.

Since the Business License Application for Central Coast Compassionate Caregivers is located within the C-1 District, it must be approved as a matter of right. Due to the City's current regulations and State Law, failure to approve this business license will surely result in litigation. I do not believe we will be able to prevail.

It is my understanding that the Police Chief has contacted other police departments in the state where medical marijuana dispensaries are operating or have operated. The concerns raised were that the dispensaries do not abide by the rules. The dispensaries would stay open longer than allowed hours, patrons would loiter in the parking lot and surrounding areas, "hand to hand" illegal sales in the parking lots and surrounding areas occurred and the facilities had larger amounts of "product" than were allowed. There was also reported an increase in crime related to home invasions. There is no legal basis for attaching conditions to a business license. However, if you believe that conditions should be attached to this business license in order to address some of the Police Chief's concerns, I would suggest the following as a starting point:

1. No applicant, agent or employee, or any person exercising management authority of a dispensary, can have been convicted of a felony;
2. No person under the age of 18 is allowed in the dispensary except in the presence of his/her parent or guardian;
3. Cannabis cannot be consumed on the premises;
4. Cannabis cannot be cultivated on the premises unless a use permit is obtained;
5. Signage must be approved by the Public Services Department;
6. The Dispensary must comply with all provisions of the Health and Safety Code;
7. The Dispensary shall be operated in compliance with regulations the City may issue regarding, but not limited to, security measures, record keeping, proper identification for patients, storage of marijuana on the site, on-site cultivation and the maximum amount that may be dispensed in any single transaction. Such regulations may be modified from time to time, as the City deems appropriate

Please call me if you have any questions.



BARBARA BOXER
CALIFORNIA

COMMITTEES:
COMMERCE, SCIENCE,
AND TRANSPORTATION
ENVIRONMENT
AND PUBLIC WORKS
FOREIGN RELATIONS

United States Senate

HART SENATE OFFICE BUILDING
SUITE 112
WASHINGTON, DC 20510-0505
(202) 224-3553
<http://boxer.senate.gov/contact>

October 3, 2008

Mr. Charles Lynch
589 Rosemary Ln
Arroyo Grande, California 93420

Dear Mr. Lynch:

I am writing to acknowledge receipt of your correspondence to Senator Boxer regarding your disappointment with the judicial system.

The issues and concerns you were kind enough to have shared with the Senator are greatly appreciated; however, it is not permissible for her office to intervene with legal matters. Decisions of the courts can only be reviewed by means provided in the judicial process. Only an appellate court has the authority to overturn a final trial court decision.

If you require an attorney to assist you with the appeals process, you may wish to contact the California State Bar Lawyer Referral Service, or your local Legal Aide Society for assistance.

In addition to seeking the advice of a competent attorney, you may wish to pursue any claim of impropriety regarding your case, first with the presiding trial judge, or if this is not appropriate, within one of the review bodies designed to monitor the activities of the courts and the attorneys who practice in them. I have enclosed a referral list to assist you with this process, if so warranted.

Thank you for writing to Senator Boxer. I regret we cannot be of assistance in this matter; however, I hope that the information I have provided surmises the limitations of the Senator's office.

Sincerely,


Eric Jose Vizcaino
Director of Constituent Services

EJV: bkm

1700 MONTGOMERY STREET
SUITE 240
SAN FRANCISCO, CA 94111
(415) 403-0100

312 NORTH SPRING STREET
SUITE 1748
LOS ANGELES, CA 90012
(213) 894-5000

501 T STREET
SUITE 7-600
SACRAMENTO, CA 95814
(916) 448-2787

2500 TULARE STREET
SUITE 5290
FRESNO, CA 93721
(559) 497-5109

600 'B' STREET
SUITE 2240
SAN DIEGO, CA 92101
(619) 239-3884

201 NORTH 'E' STREET
SUITE 210
SAN BERNARDINO, CA 92401
(909) 888-8525

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Congress of the United States House of Representatives

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April 29, 2008

Acting Administrator Michele Leonhart
Drug Enforcement Administration
Mailstop: AXS
2401 Jefferson Davis Highway
Alexandria, VA 22301

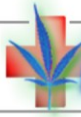
Dear Administrator Leonhart:

I am writing to you because I have received a number of letters from Californians, including mayors and city councils, expressing concerns about DEA enforcement tactics, and urging me to hold oversight hearings in the Judiciary Committee. However, before I consider holding hearings, I want to give you the opportunity to respond to these complaints.

According to the letters, the DEA has dramatically intensified the frequency of paramilitary-style enforcement raids against individuals qualified to use medical cannabis under state law, their caregivers, and the dispensing collectives established to provide a safe place to access medical cannabis. It has also come to my attention that DEA has sent hundreds of letters to property owners, who lease property to medical cannabis dispensaries, threatening them with arrest and forfeiture of their property. I am including with this letter resolutions condemning the DEA's tactics from the California legislature, the cities of San Francisco and Los Angeles, and from Mayors Gavin Newsom and Ron Dellums.

To help me understand the situation better, I would appreciate it if you could answer the following questions:

1. Is the use of civil asset forfeiture, which has typically been reserved for the worst drug traffickers and kingpins, an appropriate tactic to employ against individuals who suffer from severe or chronic illness and are authorized to use medical marijuana under California law? Has the DEA conducted any analysis of the potential economic consequences of using civil asset forfeiture in an area that is experiencing some of the nation's sharpest declines in property values? Lastly, has the DEA considered the consequences of shutting down legally-operated



Acting Administrator Michele Leonhart
Page 2
April 29, 2008

public dispensaries, and whether that might drive the cannabis sales activity underground?

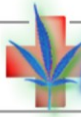
2. Given the increased level of trafficking and violence associated with international drug cartels across Mexico, South America and elsewhere, do you think the DEA's limited resources are best utilized conducting enforcement raids on individuals and their caregivers who are conducting themselves legally under California law?

3. Have you considered that DEA activities against qualified individuals is negatively impacting the ability of state and local officials across California to collect tax revenue, which they are entitled to under California law?

4. Every month new science supporting the therapeutic value of cannabis is published. As a result, medical and scientific organizations, like the American College of Physicians and the American Psychiatric Association, are urging reform of the laws that place in legal jeopardy physicians or their individual patients who may benefit from the use of cannabis. As the Administrator, you have the discretion to decide whether to continue heightened enforcement activities in California and in other states that have authorized the use of medical cannabis by qualified individuals. Please explain what role, if any, emerging scientific data plays in your decision-making process to conduct enforcement raids on individuals authorized to use or provide medical cannabis under state law.

5. Would you support the creation of an intergovernmental commission comprised of law enforcement, law makers and people affected by the laws, to review policy and provide recommendations that aim to bring harmony to federal and state laws?

Finally, attached with this letter is a list of approximately 60 raids that the DEA conducted between June 2005 and November 2007. Please provide an accounting of the costs, in dollars and resources, used to conduct law enforcement raids on the attached list of individuals. Please include information about: whether any arrests were made in the course of these raids, and, if so, how many people were arrested; under what circumstances was a warrant issued and for what content; whether any criminal or other charges have been brought by the DOJ; what, if any, content was seized or destroyed; and finally, the current status of each of these cases.



Acting Administrator Michele Leonhart
Page 3
April 29, 2008

I am hopeful that we can have a productive relationship. Thank you very much for your attention. Please respond by July 1, 2008. I look forward to your reply.

Sincerely,



John Conyers, Jr.
Chairman

cc: The Honorable Lamar Smith
The Honorable Brian A. Benczkowski

Enclosure

**Federal Medical Marijuana Raid Activity
June 2005 – March 2008**

Daniel Sevino and Oscar Clark; on or about January 18, 2007, in San Diego, CA

Woodland Hills Caregivers; on or about January 26, 2007, Woodland Hills, CA.

Herbal Independent Pharmacy; on or about March 1st, 2007, Los Angeles, CA

Herbal Independent Pharmacy Woodland Hills; on or about March 1, 2007, Los Angeles, CA.

Herbal Independent Pharmacy Sherman Oaks; on or about March 1, 2007, in Los Angeles. CA

John Moreaux/ Ist Hollywood Caregivers, March 6th, 2007, in Ist Hollywood, CA (2nd Raid)

Trichome Healing Caregivers; on or about March 8, 2007, Los Angeles, CA. (2nd Raid)

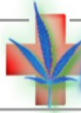
Hezekiah, Inc; on or about March 21, 2007, in Hollywood, CA

Central Coast Compassionate Caregivers; on or about March 29, 2007, in San Luis Obispo, CA

Nature's Medicinal Cooperative; on or about April 2, 2007, Bakersfield, CA

West Valley Coop; on or about April 11, 2007, in Woodland Hills, CA

Bill Connelly/Seven Seas Collective; on or about April 29, 2007, in Bakersfield, CA (2nd raid on 6/6/07)



Don DuPay; on or about June 14, 2007, in Portland, OR

Farm Assist Caregivers; on or about June 16, 2007, in Pomona, CA

David Chavez/Nature's Medicinal Collective; on or about July 16, 2007,
Oildale, CA (2nd raid)

Ronnie Naulls/Healing Nations Collective; on or about July 17, 2007,
Corona, CA

Ronnie Naulls/Tree of Life Collective; on or about July 19, 2007, in
Riverside, CA (was already in custody)

Central Coast Compassionate Caregivers; on or about July 17, 2007, Morro
Bay, CA

7 collectives ; on or about July 25, 2007, in Los Angeles, CA.

Blue Water Industries, California Patients' Group, City of Angels
Illness Center
Earth Collective, Kush Mart, Sunset Collective, Hollywood Care
Collective

Multiple San Mateo Raids; on or about August 29, 2007, San Mateo, CA.
M.H.T., Patients Choice Resource Cooperative, Peninsula Patients
Local Option

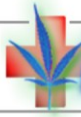
Dustan Bagilere; on or about September 5, 2007, in San Diego, CA.

Michael Lombardo, Jared Painter, Erik Cederholm, on or about September
13, 2007, Big Oak Valley, CA

Bill Pearce/River City Patient Center, on or about September 26, 2007,
Sacramento, CA

Mickey Martin, Jessica Sanders, and Michael Anderson/ Tainted, Inc., on or
about September 26, 2007, in Oakland and San Leandro, CA

Arts District Healing Center, on or about October 11, 2007, Los Angeles, CA



U.S. Department of Justice
Office of Legislative Affairs

Office of the Assistant Attorney General

Washington, D.C. 20530

July 25, 2008

The Honorable John Conyers, Jr.
Chairman
Committee on the Judiciary
U.S. House of Representatives
Washington, D.C. 20515

Dear Mr. Chairman:

Thank you for your letter, dated April 29, 2008, inquiring about the efforts of the Drug Enforcement Administration (DEA) to enforce federal law with respect to marijuana traffickers in California. We appreciate your interest in this issue. As you are aware, there has been a significant amount of misleading information circulating about DEA's activities, and we welcome the opportunity to share with you how the Department of Justice (DOJ) and DEA are meeting our obligations under federal law, and how the unlawful trafficking in marijuana taking place in California under the guise of "medicine" is detrimental to the public health and safety.

As you know, marijuana is a schedule I controlled substance under the Controlled Substances Act (CSA).¹ Marijuana remains in schedule I consistent with the fact that the drug has never been approved by the Food and Drug Administration (FDA) for marketing in the United States because scientific studies have never established that marijuana can be used safely and effectively for the treatment of any disease or condition.² Marijuana's placement in schedule I of the CSA results in the following legal consequences: marijuana may not be dispensed for medical use in the United States; it is illegal to manufacture, distribute, or possess marijuana for any purpose (other than Government-approved research); and there is no "medical necessity" defense to the CSA prohibitions relating to marijuana.³

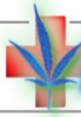
Marijuana also is a schedule I controlled substance under California law,⁴ but pursuant to a 1996 voter referendum, California decriminalized the cultivation and possession of marijuana by any person who has obtained from a physician a "recommendation" that marijuana would benefit that person's health. Nonetheless, as the Supreme Court's decisions in *United States v. Oakland Cannabis Buyers' Cooperative*

¹ 21 U.S.C. § 812(c), Schedule I(c)(10).

² See 66 Fed. Reg. 20038, 20050-52 (2001) (DEA denial of petition to remove marijuana from schedule I based on FDA scientific and medical evaluation), *pet. for review dismissed*, *Gettman v. DEA*, 290 F.3d 430 (D.C. Cir. 2002).

³ *United States v. Oakland Cannabis Buyers' Cooperative* 532 U.S. 483, 491, 494 & n.7 (2001).

⁴ Ca. Health & Safety Code § 11054.



The Honorable John Conyers, Jr.
Page 2

(*OCBC*)⁵ and *Gonzales v. Raich*⁶ make clear, regardless of the California marijuana legalization law, it remains illegal under the CSA for any person to cultivate, distribute, or possess marijuana for claimed "medical reasons."

Please also note that the effectiveness of CSA depends on maintaining the integrity of the "closed system" of distribution of controlled substances established by the Act.⁷ Through this closed system, the CSA "provides for control of problems related to drug abuse through registration of manufacturers, wholesalers, retailers, and all others in the legitimate distribution chain, and makes transactions outside the legitimate distribution chain illegal."⁸ One of the central elements of this closed system is that all transactions in controlled substances undertaken by DEA registrants involve strict record-keeping requirements to ensure proper accounting and prevent diversion.⁹ Those who engage in illicit manufacturing and distribution of marijuana (such as the California "cannabjs clubs") obviously act wholly outside the closed system mandated by the CSA.

Under federal law, marijuana has been classified as a schedule I substance since Congress enacted the CSA in 1970. However, as with any controlled substance, marijuana may be rescheduled if new evidence so dictates. The CSA provides a statutory procedure that allows any drug to be rescheduled in light of changes in the factors relevant to scheduling, such as new patterns of abuse and increased understanding about the drug's pharmacological effects. Under the CSA, any person who believes that new evidence warrants the rescheduling of a particular drug may petition DEA to initiate rescheduling proceedings. Before initiating such proceedings, DEA must obtain from the FDA a scientific and medical evaluation and scheduling recommendation. If the FDA evaluation and other relevant data constitute substantial evidence that the drug should be rescheduled, DEA must initiate rulemaking proceedings to reschedule the drug accordingly.¹⁰

To date, there are no data from adequate and well-controlled clinical trials to support any of the claimed therapeutic uses for smoked marijuana. In 2001, DEA published in the Federal Register the agency's response to a petition seeking to initiate rulemaking proceedings to reschedule marijuana.¹¹ The FDA and DEA thoroughly analyzed the relevant medical, scientific, and abuse data and concluded that marijuana continues to meet the criteria for placement in schedule I. The complete FDA and DEA analyses were published in the Federal Register along with the denial of the petition. With respect to whether marijuana can be used safely and effectively as medicine, the FDA noted that "there have been no studies that have scientifically assessed the efficacy

⁵ 532 U.S. 483 (2001).

⁶ 545 U.S. 1 (2005).

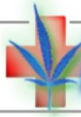
⁷ H.R. Rep. No. 91-1444 at 6 (1970).

⁸ *United States v. Moore*, 423 U.S. 122, 135 (1975) (quoting *id.* at 3).

⁹ 21 U.S.C. § 827.

¹⁰ 21 U.S.C. § 811; 21 C.F.R. §1308.43; see *Gettman v. DEA*, 290 F.3d 430, 432 (D.C. Cir. 2002) (explaining CSA rescheduling procedures).

¹¹ 66 Fed. Reg. 20038 (2001).



Attachment 1

Table A: List of Selected Law Enforcement Actions, June 2005 – March 2008.

Table B: Costs of Investigations Associated with Selected Law Enforcement Actions

Table C: Search, Seizure, and Arrest Summary with Selected Law Enforcement Actions



Table A
List of Selected Law Enforcement Actions
June 2005 - March 2008

Investigation Number*	Individual Name	Business Name	Date of Raid	City of Raid	State
52	Joe Forti	American Kenpo School of Public Health	6/7/2005	Bakersfield	CA
30		Herbal Relief Center	6/22/2005	San Francisco	CA
30		Medicinal Herbal Remedy	6/22/2005	San Francisco	CA
30		Sunset Medicinal Resource Center	6/22/2005	San Francisco	CA
35	Louis Fowler	Alternative Specialities	7/7/2005	Sacramento	CA
35	Richard Marino	Capitol Compassionate Center	9/3/2005	Newcastle	CA
51	James Holland		9/8/2005	Bakersfield	CA
39	Susan Bury		10/17/2005	Madera	CA
2	Michael Payne	Local Patients cooperative	12/8/2005	Alameda	CA
19		Tender Holistic Care (2)	12/12/2005	San Diego	CA
20		The Green Room	12/12/2005	San Diego	CA
21		Legal Ease (3)	12/12/2005	San Diego	CA
22		Native Sun Dispensary	12/12/2005	San Diego	CA
23		CO-OP San Diego	12/12/2005	San Diego	CA
24		Purple Coconut	12/12/2005	San Diego	CA
25		Ocean Beach Dispensary	12/12/2005	San Diego	CA
26		Utopia Dispensary	12/12/2005	San Diego	CA
27		California Medical Center	12/12/2005	San Diego	CA
28		Harvey's Care Givers	12/12/2005	San Diego	CA
29	Steve and Kathy Smith	Hope Net Dispensary	12/20/2005	San Francisco	CA
42	Gary Silva		3/14/2006	Sky Valley	CA
3	Kenneth Affolter	Beyond Bomb (aka "Oakland Edible Producers")	3/16/2006	Oakland	CA
3	Kenneth Affolter	Beyond Bomb (aka "Oakland Edible Producers")	3/16/2006	Emeryville	CA
23	Mike Ragin & Scott Wright		5/31/2006	San Diego	CA
40	Michael and Shannon O'Leary	The Healthy Choice	6/16/2006	Stanislaus	CA
36	David Harde & Toby Landis		6/30/2006	El Dorado County	CA
19		The Purple Bud Room	7/6/2006	San Diego	CA
20		Holistic Healers	7/6/2006	San Diego	CA
21		Legal Ease (3)	7/6/2006	San Diego	CA
22		Native Sun Dispensary	7/6/2006	San Diego	CA
23		CO-OP San Diego	7/6/2006	San Diego	CA
25		Ocean Beach Dispensary	7/6/2006	San Diego	CA
26		Utopia Dispensary	7/6/2006	San Diego	CA
27		California Medical Center	7/6/2006	San Diego	CA
7		Trichome Healing Caregivers	8/30/2006	Van Nuys	CA
41	Ricardo Montes & Luke Scarmazzo	California Healthcare Collective	9/27/2006	Modesto	CA
6		North Valley Discount Caregivers	9/28/2006	Granada Hills	CA
31	Sparky Rose	New Remedies Cooperative	10/4/2006	San Francisco	CA
31	Sparky Rose	New Remedies Cooperative	10/4/2006	Oakland	CA
31		Potent Employment Solutions	10/4/2006	San Francisco	CA
43	Palm Canyon	Palm Springs Caregivers	10/4/2006	Palm Springs	CA
8		Green Cross	10/19/2006	Torrance	CA
4	Shon Squier & Valerie Herschel	Local Patients Co-op	12/12/2006	Hayward	CA
10		The Health Center	12/14/2006	Studio City	CA
55		CannaCare	1/12/2007	Seattle	WA
5		West Hollywood Caregivers	1/17/2007	Los Angeles	CA
6		HIP Sherman Oaks	1/17/2007	Los Angeles	CA
6		HIP Woodland Hills	1/17/2007	Los Angeles	CA
6		West Hollywood Center for Compassionate Healing	1/17/2007	Los Angeles	CA
6		Zen Healing Center (aka California Cannabis Pharmaceuticals)	1/17/2007	Los Angeles	CA
9		Fairfax Venice	1/17/2007	Los Angeles	CA
9		Fairfax Hollywood	1/17/2007	Los Angeles	CA
9		Fairfax Sherman Oaks	1/17/2007	Los Angeles	CA
11		Alternative Herbal Health Services	1/17/2007	Los Angeles	CA
11		The Farmacy	1/17/2007	Los Angeles	CA
9		Woodland Hills Caregivers	1/26/2007	Woodland Hills	CA
6		Herbal Independent Pharmacy	3/1/2007	Los Angeles	CA
6		Herbal Independent Pharmacy Woodland Hills	3/1/2007	Los Angeles	CA
6		Herbal Independent Pharmacy Sherman Oaks	3/1/2007	Los Angeles	CA
5	John Moreaux	1st Hollywood Caregivers (aka West Hollywood Caregivers)	3/6/2007	Hollywood	CA
7		Trichome Healing Caregivers	3/8/2007	Los Angeles	CA
12		Hezekiah, Inc	3/21/2007	Hollywood	CA
48		Central Coast Compassionate Caregivers	3/29/2007	San Luis Obispo	CA
53		Nature's Medicinal Cooperative	4/2/2007	Bakersfield	CA
6		West Valley Coop	4/11/2007	Woodland Hills	CA
54	Bill Connelly	Seven Seas Collective	4/29/2007	Bakersfield	CA
54	Bill Connelly	Seven Seas Collective	6/8/2007	Bakersfield	CA
56	Don DuPay		6/14/2007	Portland	OR
14		Farm Assist Caregivers	6/16/2007	Pomona	CA
53	David Chavez	Nature's Medicinal Collective	7/16/2007	Oldale	CA
44	Ronnie Nauls	Healing Nations Collective	7/17/2007	Corona	CA
48		Central Coast Compassionate Caregivers	7/17/2007	Morro Bay	CA
44	Ronnie Nauls	Tree of Life Collective	7/19/2007	Riverside	CA
13		Blue Water Industries	7/25/2007	Los Angeles	CA
13		California Patients' Group	7/25/2007	Los Angeles	CA
13		City of Angels Illness Center	7/25/2007	Los Angeles	CA
13		Earth Collective	7/25/2007	Los Angeles	CA
13		Kush Mart	7/25/2007	Los Angeles	CA
13		Sunset Collective	7/25/2007	Los Angeles	CA
13		Hollywood Care Collective	7/25/2007	Los Angeles	CA

Table B
Costs and Status of Investigations Associated with
Selected Law Enforcement Actions

Investigation Number	Direct Expenditures** (As of 7/9/08)	Investigation Status
1	\$ 4,044.69	Open
2	\$ 107.87	Open
3	\$ 1,718.81	Open
4	\$ 2,027.25	Open
5	\$ ****15,950.98	Open
6	\$ 1,590.00	Open
7	\$ -	Open
8	\$ 50.00	Open
9	\$ 800.00	Open
10	\$ 200.00	Closed
11	\$ 400.00	Open
12	\$ 100.00	Open
13	\$ 872.26	Open
14		Open
15		Open
16	\$ 100.00	Open
17	\$ 1,695.55	Open
18	\$ ****15,100.00	Open
19	\$ 1,821.50	Closed
20	\$ 325.00	Closed
21	\$ 828.50	Closed
22		Closed
23	\$ 270.00	Closed
24		Closed
25		Closed
26	\$ 210.00	Closed
27	\$ 200.00	Closed
28	\$ 110.00	Closed
29		Open
30	\$ ****192,858.20	Open
31	\$ ****13,846.31	Open
32	\$ 1,178.15	Open
33	\$ 787.39	Open
34	\$ 787.39	Open
35	\$ 4,661.36	Open
36		Closed
37	\$ 9,504.42	Open
38	\$ 536.47	Open
39	\$ 202.35	Open
40		Open
41	\$ 3,946.63	Open
42		Open
43	\$ 11.09	Open
44	\$ 560.52	Open
45	\$ 500.00	Closed
46		Open
47		Open
48	\$ 346.14	Open
49	\$ ****80,032.22	Open
50		Open
51		Closed
52	\$ 317.04	Closed
53	\$ 3,874.38	Open
54	\$ ****70,195.31	Open
55	\$ -	Open
56	\$ 7,467.80	Open
CA SubTotal	\$432,667.78 ***	
OR SubTotal	\$ 7,467.80	
WA SubTotal	\$ -	
Total	\$ 440,135.58	

* Each Investigation is a collection of multiple law enforcement actions. One investigation may have multiple raids associated with it. While every raid for which information was requested has been included, this does not represent a full list of all the activities associated with an investigation.

** These amounts represent the direct operational expenditures that DEA can associate with a particular investigation. One investigation may include more than one law enforcement action. These direct operational expenditures do not include costs such as salaries, equipment, training, etc.

*** This represents approximately 0.3% of DEA's total direct operational expenditures in the State of California for this same timeframe.

**** Costs exceeded \$10,000.00

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