

**EXHIBIT  
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**IN THE UNITED STATES DISTRICT COURT  
FOR THE SOUTHERN DISTRICT OF IOWA  
CENTRAL DIVISION**

HW PREMIUM CBD, LLC,  
AJ's HEALTH AND WELLNESS d/b/a  
AMERICAN SHAMAN, E. KRIEGER  
LAND, LLC d/b/a GREENE GOODS  
MARKET & GREENHOUSES, GREEN  
ONYX INC. d/b/a YOUR CBD STORE,  
BEYOND CBD, LLC d/b/a BEYOND CBD,  
CAMPBELL'S NUTRITION CENTERS,  
INC., TCI ENTERPRISE, INC. d/b/a SKY  
HIGH, ICANNA, LLC, YOUR CBD STORES  
FRANCHISING LLC

Case No. 4:24-cv-00210-SHL-HCA

Plaintiffs,

v.

GOVERNOR KIM REYNOLDS in her official  
capacity, DIRECTOR OF IOWA  
DEPARTMENT OF HEALTH AND HUMAN  
SERVICES KELLY GARCIA in her official capacity,  
COMMISSIONER OF IOWA DEPARTMENT OF  
PUBLIC SAFETY STEPHAN BAYES in his official  
capacity, and IOWA SECRETARY OF AGRICULTURE  
MIKE NAIG in his official capacity.

Defendants.

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**DECLARATION OF ASHLEY HARTMAN**

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I, Ashley Hartman, do hereby attest as follows:

1. I am over the age of majority, am competent to testify, and I have personal knowledge of the matters addressed in this declaration.
2. This Declaration is submitted in support of Plaintiffs' Supplemental Brief in Support of Their Motion for Preliminary Injunction.
3. I am not a plaintiff to the above-captioned matter, but I am one of the owners of

Global Source Distribution and The Happy Can (collectively, “Happy Can”), both of which distribute consumable hemp products to retail businesses in Iowa and surrounding states.

4. Happy Can is registered and licensed with the Iowa Department of Health and Human Services (“DHHS”) as a manufacturer and retailer of consumable hemp products in Iowa.

5. Happy Can is required to submit its products for approval with DHHS through the Consumable Hemp Registration Portal (“portal”).

6. Happy Can has complied with this requirement and has successfully been able to sell products throughout the state of Iowa and into neighboring states such as Minnesota, Tennessee, Georgia, Nebraska, Illinois, Missouri, Wisconsin, North Dakota, South Dakota, Florida, Texas, Kansas.

7. Given the new Hemp Amendments and the new specifications required for consumable hemp products, Happy Can developed a new product based on its understanding of the law and the proposed guidance issued by DHHS: a seltzer which contains only 4mg of THC per 12 fluid ounce can. These products were submitted on the portal and approved on June 28, 2024.

8. Happy Can also developed a four-serving drink that has a total of 10mg of THC per can (2.5mg per serving). This product was also approved by DHHS prior to July 1, 2024. Included with the submission of the above products was the certificate of analysis for each product.

9. On July 2, 2024, Happy Can reviewed its portal and all products, including the seltzer and 10mg drink that were approved on June 28, 2024, were removed from the portal.

10. Happy Can has tried to submit new products to the portal since July 1, 2024, and was able to do so, but the functionality of the portal does not appear to work. The only way to

currently upload products to the portal is manually, which means that Happy Can must enter the information 16 times over for all 16 of its retail locations.

11. Further, there were only six products submitted for approval on July 1, 2024. Happy Can has not received a notice as to whether these products have been approved or denied.

12. As part of the new portal submission process, a THC mg per “serving size” and THC “per container” must be entered.

13. If a certificate of analysis does not analyze the product on a per serving basis, then Happy Can, as a manufacturer, is required to decide what the “serving sizes” are for their products. However, Happy Can was not previously required to provide this information through the product submission portal.

14. The Iowa legislators, by and through HF2605 as an Amendment to Iowa Code Chapter 204, do not define the number of servings that may be in a “container.”

15. The Iowa legislators, by and through HF2605 as an Amendment to Iowa Code Chapter 204, do not delegate authority to DHHS regarding the defining of a “serving size” nor a “container;” and only delegate authority to manager the container’s “notice” which must advise consumers of health risks associated with use.

16. The “servings” established in table 2 of 21 CFR 101.12 (as amended through May 27, 2016) doesn’t contain a serving size limitation for “dry weight” component products – the consumable hemp products being sold by Happy Can are measured as such.

17. The same Federal Code chapter does go into partial analysis on weight based serving components and says that the producer can state that the serving sizes are “varied.”

18. Moreover, the products manufactured and sold by Happy Can are or can be marketed as a “dietary supplement.”

19. For “dietary supplements” table 2 of 21 CFR 101.12 says “in the absence of recommendations [a serving size can be], 1 unit, e.g., tablet, capsule, packet, teaspoonful, etc.”

20. Lastly, products such as mini-cans of soda (IE: a tiny-can of “Canada Dry” ginger ale) are manufactured, sold, and marketed as 7.5oz and “1 serving” – it would seem that a “serving” of a beverage isn’t required to be 12oz in all instances.

21. The Federal Code notes that the serving sizes in table 2 are “customary.”

22. For example, if the product being submitted is a 12 oz consumable hemp drink, and the certificate of analysis only analyzes the THC amount on a product as a whole, Happy Can is only required to “do the math” to determine how large or small of a serving size is in order to meet the specifications of the new laws, based on how Happy Can has interpreted with the new laws and non-final guidance on the new laws.

23. Further, while we understand that DHHS may take up to 30 days to approve a product, neither Happy Can nor any other entities that Happy Can knows have had products approved at this time which is seemingly in opposition to the role of DHHS as an approval agency.

24. DHHS had a previous track record of approval of products on the website within seven days, and in most instances in one day.

25. As there are no discernable definitions nor labeling requirements in the law and or the amendment thereto; Happy Can administrative personnel have:

- a. Hired a compliance specialist in an attempt address the amendment’s new age and container requirements and restrictions;
- b. Revised all labels regarding serving size and container requirements and restrictions based on our interpretation of the restrictions in HF2605;

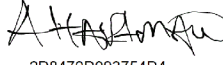
- c. Attempted contact with DHHS officials and agents in an effort to ensure compliance with the amendment's new requirements;
- d. Attempted to partner with state officials and legislators in an effort to ensure that the consumers of the products are limited to those who comply with the law and any amendments thereto.

26. Additionally, Happy Can has reached out to the DHHS for guidance on these issues but was told that we would not be receiving any guidance on product compliance due to the pending litigation that Happy Can is not a party to.

27. Finally, any injunction and or other Order issued by the Court should not be limited in application to specific parties and or entities, and or exclude others, as the same would be a discriminatory application of the law without any basis therefore.

28. I declare under penalty of perjury that the foregoing is true and correct.

Executed this 15th day of July 2024.

DocuSigned by:  
  
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Ashley Hartman

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