

Demand Grows for Blue Line Compliance Services for the Legal Cannabis Industry

Denver, CO – January 23, 2018 – [Blue Line Protection Group, Inc.](#) (OTCPink: [BLPG](#)) has seen demand for its compliance investigations services nearly double, on the heels of the recent memo issued by United States Attorney General Jeff Sessions.

On January 4, Mr. Sessions issued a [memorandum](#) for all United States attorneys, rescinding guidance specific to marijuana enforcement that had previously been issued through several memorandums by the federal government since 2009. Since the release of that memo, financial institutions serving the legal cannabis industry have increased their requests for compliance investigations services that help them remain in compliance with their “know your customer” obligations.

“Compliance with local, state and federal regulations and recommendations have always been crucial to any business hoping to stay out of the crosshairs of law enforcement,” said Dan Allen, Blue Line’s CEO. “Now, our role as risk mitigation provider for banks and credit unions serving the industry has become even more crucial now, as we navigate an industry that may face greater scrutiny from regulatory agencies.”

After the January 4 memo was released, requests for bank-mandated compliance investigations have nearly doubled from the fourth quarter of 2017 through the first quarter of 2018. “The increased demand for our investigations services means an expanding revenue stream for Blue Line and an increase in the number of professional investigative staff we employ,” added Mr. Allen.

“In addition to the increase in demand for our compliance services we’ve already experienced,” continued Mr. Allen, “the [recent announcement](#) of our plans to partner with Hypur to expand services to Arizona, Oregon, Washington, California and Nevada means our on-site compliance assessments will gain an even greater foothold across the country in helping to provide assurance that the industry is operating in a safe and responsible manner.”

Each on-site investigation involves multiple types of assessments focused on federal recommendations, state and local regulations and inventory verification compliance. Blue Line’s licensed investigators report any divergence from best practices to legal cannabis business owners, along with recommendations for improved operational procedures and reasonable timelines for rectifying potential regulatory issues. Critical operational irregularities and failures to remedy noted issues are reported to

the financial institutions, allowing them to evaluate the risk in offering banking services to high-risk clients.

“Before the clarification from the U.S. Attorney General, some financial institutions were comfortable banking the legal cannabis industry without paying attention to the guidance provided in the original [2013 Cole Memo](#) or the Financial Crimes Enforcement Network (FinCEN),” added Mr. Allen. “Even though that guidance has been officially rescinded, banks and credit unions are realizing the value of protecting their bank licenses by having Blue Line’s professional investigators provide independent, third-party compliance services.”

Earlier this month, Blue Line [reiterated its commitment](#) to ensuring the legal cannabis industry operates in a safe, secure and compliant manner. Blue Line’s compliance investigators will continue to educate state licensed cannabis businesses about the importance of adhering to the spirit of the priorities listed in previous federal regulatory guidance, as well as all other pertinent state and local laws regulating the industry.

With over 600 compliance assessments completed on behalf of financial institutions providing transparent banking services to the legal cannabis industry, Blue Line will continue to augment its compliance investigation strategies based on input from local regulatory agencies, financial services partners and the business community at large.

As the industry continues to operate in a shifting legal landscape, Blue Line’s risk mitigation services will be crucial to the health and longevity of a compliant and responsible industry. Blue Line’s compliance investigations services are available to licensed financial institutions to assist with their “know your customer” regulatory requirements, or directly to business owners as part of a regulatory compliance development strategy. For more information, visit www.BlueLineProtectionGroup.com.

About Blue Line Protection Group, Inc.

Blue Line Protection Group provides consulting, armed security, compliance and investigations, transportation and secure vaulting services to banks, businesses and government entities who need to protect their assets, licenses and clients. Blue Line serves banks and credit unions by providing currency processing and transportation solutions, and its risk mitigation services help financial institutions serving cash-intensive industries comply with federal “know your customer” mandates. For more information, visit www.BlueLineProtectionGroup.com.

Safe Harbor Statement

This release includes forward-looking statements, which are based on certain assumptions and reflects management's current expectations. These forward-looking statements are subject to a number of risks and uncertainties that could cause actual results or events to differ materially from current expectations. Some of these factors include: general global economic conditions; general industry and market conditions, sector changes and growth rates; uncertainty as to whether our strategies and business plans will yield the expected benefits; increasing competition; availability and cost of capital; the ability to identify and develop and achieve commercial success; the level of expenditures necessary to maintain and improve the quality of services; changes in the economy; changes in laws and regulations, including codes and standards, intellectual property rights, and tax matters; or other matters not anticipated; our ability to secure and maintain strategic relationships and distribution agreements. The Company disclaims any intention or obligation to update or revise any forward-looking statements, whether as a result of new information, future events or otherwise.

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