Alcohol and Marijuana Control Office
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Phone: 907.269.0350

Alaska Marijuana Control Board

Form MJ-01: Marijuana Establishment Operating Plan

What is this form?

An operating plan is required for all marijuana establishment license applications. Applicants should review **Title 17.38** of **Alaska Statutes** and **Chapter 306** of the **Alaska Administrative Code.** This form will be used to document how an applicant intends to meet the requirements of those statutes and regulations. If your business has a formal operating plan, you may include a copy of that operating plan with your application, but all fields of this form must still be completed per 3 AAC 306.020(c).

What must be covered in an operating plan?

Applicants must identify how the proposed premises will comply with applicable statutes and regulations regarding the following:

- Control plan for persons under the age of 21
- Security
- Business records
- Inventory tracking of all marijuana and marijuana product on the premises
- Employee qualification and training
- Health and safety standards
- Transportation and delivery of marijuana and marijuana products
- Signage and advertising

Applicants must also complete the corresponding operating plan supplemental forms (**Form MJ-03, Form MJ-04, Form MJ-05,** or **Form MJ-06)** to meet the additional operating plan requirements for each license type.

Section 1 – Establishment & Contact Information

Enter information for the business seeking to be licensed, as identified on the license application.

Licensee:	Leaf & Larf, LLC	**MJ License #:**	27520		
License Type:	Marijuana Concentrate Manufacturing Facility				
Doing Business As:	Purgatory Cannabis				
Premises Address:	43280 Kenai Spur Highway, Unit F				
City:	Kenai	**State:**	Alaska	**ZIP:**	99635

Mailing Address:	PO Box 595				
City:	Kenai	**State:**	Alaska	**ZIP:**	99611

Designated Licensee:	Toby Foster		
Main Phone:	907-690-0091	**Cell Phone:**	907-690-0091
Email:	Toby@alaskacannabis.com		

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Section 2 – Control Plan for Persons Under the Age of 21

2.1. Describe how the marijuana establishment will prevent persons under the age of 21 from gaining access to any portion of the licensed premises and marijuana items:

Purgatory Cannabis is not open to the public, therefore, the entire facility will be restricted access. Doors will remain locked at all times, accessible through commercial-grade locks. Purgatory Cannabis will train all employees on procedures and policies to prevent persons under age 21 from accessing the premises. Purgatory Cannabis will post a sign at all entries stating "No one under 21 years of age allowed" and "Restricted Access Area - Visitors Must Be Escorted" The signs will be at least 12 inches long and 12 inches wide. The letters will be at least one-half inch in height and will contrast with the background of the sign. Video surveillance cameras will be in operation continuously and will capture all activity around the exterior of the premises. Doors will be equipped with audible alarms to prevent illegal or unauthorized access to the facility. Signs will be posted informing visitors that they are being surveilled. Visitors will be required to show valid, government-issued, photo identification before being allowed into the licensed premises. With the exception of law enforcement, AMCO enforcement, or other authorized individuals, visitors must schedule appointments ahead of time in order to be admitted into the building. If necessary, law enforcement will be contacted to enforce this policy.

Section 3 – Security

Restricted Access Areas (3 AAC 306.710):

3.1. Describe how you will prevent unescorted members of the public from entering restricted access areas:

Purgatory Cannabis will post a sign at all entries stating "No one under 21 years of age allowed" and "Restricted Access Area - Visitors Must Be Escorted." All doors will have commercial-grade locks and remain locked at all times. All employees are required to wear ID badges and any visitors in the facility are required to wear visitor badges. Surveillance cameras will continuously monitor all activities in the restricted access areas, as well as the exterior of the premises.

3.2. Describe your recordkeeping and processes for admitting visitors into and escorting them through restricted access areas:

With the exception of regulatory agents, AMCO Enforcement, or law enforcement, all visitors must be pre-approved and pre-scheduled to enter the facility. Visitors will be required to show valid, government-issued photo identification, that shows that they are 21 years of age or older. All visitors will be given a visitor's badge, which they must display on their person at all times. Employees will be required to display employee ID badges that feature their photo, name, company name, logo, and license number. Visitors will sign into a visitor's log, which will show the date, time, and purpose [if necessary] of their visit. All visitors will be escorted by a licensee or an employee at all times, with no more than five (5) visitors per each escort. At the conclusion of the visit, visitors shall return their badges and leave the premises. Visitor logs will be stored as an official business record and will be readily available for review by AMCO Enforcement and law enforcement.

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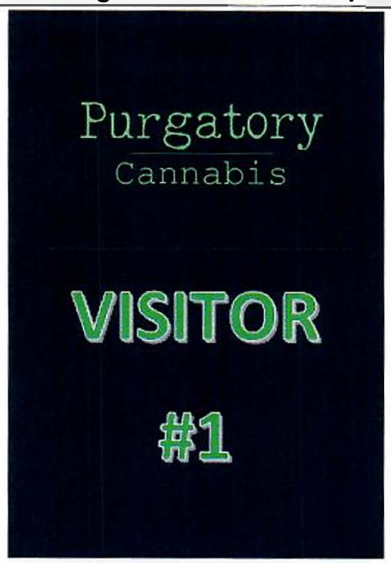
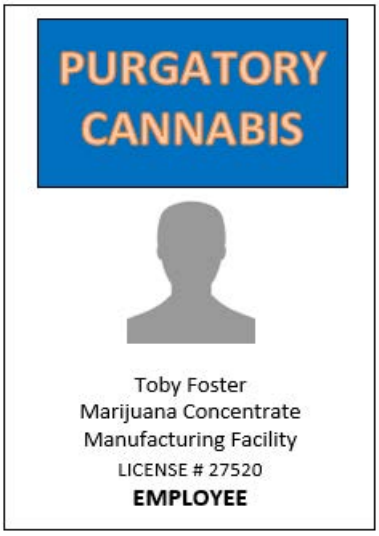
3.3. Provide samples of licensee-produced identification badges that will be displayed by each licensee, employee, or agent while on the premises, and of visitor identification badges that will be worn by all visitors while in restricted access areas:





Security Alarm Systems and Lock Standards (3 AAC 306.715):

3.4. Exterior lighting is required to facilitate surveillance. Describe how the exterior lighting will meet this requirement:

Purgatory Cannabis will ensure that exterior lighting fixtures will be installed to keep the premises well lit, and facilitate security surveillance, for a distance of at least 20 feet from all outer perimeters of the building. Bright lighting will be used to assist surveillance cameras in recording all entry points to the building. The lights will be installed with protective coverings and at an inaccessible height to discourage vandalism and prevent obstruction. The exterior lighting will be frequently checked by a licensee or designated employee to ensure that all lights remain operational and undamaged.

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3.5. An alarm system is required for all license types that must be activated on all exterior doors and windows when the licensed premises is closed for business. Describe the security alarm system for the proposed premises, explain how it will meet all regulatory requirements, and outline your policies and procedures regarding the actions to be taken by a licensee, employee, or agent when the alarm system alerts of an unauthorized breach:

Purgatory Cannabis will either install a regulatory alarm system or contract a third-party security agency for installation and maintenance. The alarm system will be set up with sensors on every exterior door and window, which will set off an audible alarm when disturbed, as well as notify the licensee via an electronic alert sent to their phone. If needed, local law enforcement will be contacted. These alarms will be active at any time that the facility is closed. The first licensee or employee to arrive in the morning will deactivate the alarm system for business hours. The last licensee or employee to leave the premises will activate the alarm system. In the case of an unauthorized breach, the employees will evacuate the building to a pre-determined location, if it is safe and necessary to do so. A designated employee will take a head count of all employees and any visitors that may have been on the premises to check that everyone is accounted for. Employees will await for any instruction from law enforcement and must comply with all directives. Once it is deemed safe to do so, employees will return to the premises and inspect for any property damage or theft and take inventory. In the case that any property damage or theft occurs, all necessary documentation will be promptly submitted to law enforcement officials and AMCO Enforcement. In accordance with AMCO regulation, any event that occurs on the licensed premises that involves local law enforcement will be reported to AMCO Enforcement via email within 24 hours.

3.6. Describe your policies and procedures for preventing diversion of marijuana or marijuana product, including by employees:

All marijuana (bud/flower/trim etc.), extracted oil and finalized products will be stored in the restricted access packaging area of the facility. All incoming bud/flower/trim etc., extracted oil and concentrates for final products and waste will be tracked in Metrc. All outbound orders will be cross-checked with Metrc and approved by a licensee or designated employee. Video cameras will continuously monitor all activity inside, and outside, the licensed premises. A Licensee or a designated employee will be required to complete weekly inventory counts to ensure all business records match Metrc generated reports. Weekly counts are documented and maintained as business records, and will be available to any AMCO Enforcement Official or local law enforcement officer who wishes to view them, for five years. If it is suspected that a theft, inversion, or diversion has occurred, employees will notify the licensee immediately. Employees will be trained extensively in spotting theft, diversion, and inversion of marijuana. If an employee has been determined to be stealing marijuana or marijuana product, law enforcement and AMCO will be notified immediately. Thefts will be recorded in Metrc and the stored business records.

3.7. Describe your policies and procedures for preventing loitering:

Purgatory Cannabis will promote business practices that discourage loitering. A Licensee or a designated employee will perform random perimeter checks to ensure that there are no loiters on the premises. All loiterers will be asked to leave and escorted off the premises. If loiterers do not comply, law enforcement will be contacted for back up. In any event that law enforcement is contacted Purgatory Cannabis will notify AMCO electronically as soon as possible but in any event, not more than 24 hours. In addition, the exterior of the building will be well-lit and equipped with 24/7 video surveillance and signs that say "No Loitering". Signs will also be posted that bring notice to the video surveillance. Purgatory Cannabis designated employees and the licensee will view security footage to identify loiterers and potential vandals. Visitors will not be permitted to remain on the premises after their escorted visitation has ended.

You must be able to certify the statement below. Read the following and then sign your initials in the box to the right: Initials

3.8. I certify that if any additional security devices are used, such as a motion detector, pressure switch, and duress, panic, or hold-up alarm, to enhance security of the licensed premises, I will have written policies and procedures describing their use. TZ

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Video Surveillance (3 AAC 306.720):

You must be able to certify each statement below. Read the following and then sign your initials in the corresponding box: Initials

3.9. The video surveillance and camera recording system for the licensed premises covers each restricted access area, and both the interior and exterior of each entrance to the facility. [illegible]

3.10. Each video surveillance recording: is preserved for a minimum of 40 days, in a format that can be easily accessed for viewing (consistent with the Alcohol & Marijuana Control Office's approved format list); clearly and accurately displays the time and date; and is archived in a format that does not permit alteration of the recorded image. [illegible]

3.11. The surveillance room or area is clearly defined on the Form MJ-02: Premises Diagram that is submitted with this application. [illegible]

3.12. Surveillance recording equipment and video surveillance records are housed in a designated, locked, and secure area or in a lock box, cabinet, closet or other secure area where access is limited to the licensee(s), an authorized employee, and law enforcement personnel (including an agent of the Marijuana Control Board). [illegible]

3.13. Describe how the video cameras will be placed to produce a clear view adequate to identify any individual inside the licensed premises, or within 20 feet of each entrance to the licensed premises:

Bright lights will be positioned along the building to facilitate surveillance. Multiple twenty four hour video surveillance cameras will be placed strategically to record all restricted access areas of the facility, including all areas where marijuana and marijuana products(concentrates) are processed or manufactured, packaged, stored, wasted, and received/shipped. The exterior of the facility will also have 24 hour video surveillance monitoring any and all persons who enter and exit the facility. The security cameras will be checked regularly for obstructions, ensuring there are 20-foot sight lines from all entry points to the building. All doors, safes, and marijuana storage areas will also have video surveillance coverage to clearly identify the faces of those accessing the areas. A failure notification system will be installed to provide audible and visual notification of any failure in the surveillance system so that it will be promptly addressed. All video surveillance systems will have a backup battery, so that all cameras will be able to continue operation for at least one hour in the event of a power outage.

3.14. Describe the locked and secure area where video surveillance recording equipment and original copies of surveillance records will be housed and stored, and how you will ensure the area is accessible only to authorized personnel, law enforcement, or an agent of the Marijuana Control Board. If you will be using an offsite monitoring service and offsite storage of video surveillance records, your response must include how the offsite facility will meet these security requirements:

All business and surveillance records will be stored on-site in the locked office, ready to be made available to law enforcement or agents of the Marijuana Control Board. Video surveillance will be uploaded to a separate hard drive for longer storage, if needed to aid in any investigations. Only licensees will have access to business records. Records will be stored separately from any marijuana or currency. The security system will be password-protected to defend against any data tampering. All recordings will be stored on the systems DVR for a minimum of forty (40) days and are a part of the business records. All recordings will include the time and date stamp and will be archived in a format that does not permit alteration of the requested images. All data can and will be made accessible for upload to a separate hard drive to maintain records for as long as necessary in the event of a civil, administrative or criminal investigation. All recordings will be available to law enforcement or AMCO agents upon request.

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Section 4 – Business Records

Review the requirements under 3 AAC 306.755. All licensed marijuana establishments must maintain, in a format that is readily understood by a reasonably prudent business person, certain business records.

4.1. I certify that the following business records will be maintained and kept on the licensed premises: Initials

a. **all books and records necessary to fully account for each business transaction conducted under my license for the current year and three preceding calendar years** *(records for the last six months must be maintained on the licensed premises; older records may be archived on or off-premises)*; [illegible]

b. **a current employee list setting out the full name and marijuana handler permit number of each licensee, employee, and agent who works at the marijuana establishment;** [illegible]

c. **the business contact information for vendors that maintain video surveillance systems and security alarm systems for the licensed premises;** [illegible]

d. **records related to advertising and marketing;** [illegible]

e. **a current diagram of the licensed premises, including each restricted access area;** [illegible]

f. **a log recording the name, and date and time of entry of each visitor permitted into a restricted access area;** [illegible]

g. **all records normally retained for tax purposes;** [illegible]

h. **accurate and comprehensive inventory tracking records that account for all marijuana inventory activity from seed or immature plant stage until the retail marijuana or retail marijuana product is sold to a consumer, to another marijuana establishment, or destroyed;** [illegible]

i. **transportation records for marijuana and marijuana product, as required by 3 AAC 306.750(f); and** [illegible]

j. **registration and inspection reports of scales registered under the Weights and Measures Act, as required by 3 AAC 306.745.** [illegible]

4.2. A marijuana establishment is required to exercise due diligence in preserving and maintaining all required records. Describe how you will prevent records and data, including electronically maintained records, from being lost or destroyed:

All required six month business records will be stored in the facility's office, either electronically on a hard drive or in a locked metal filing cabinet. The business records will only be accessible to the Licensees. Records will be managed in accordance with standard retention policies to ensure that they are stored in a consistent and accessible manner. These stored records include inventory and employment logs, manifests, financial books, surveillance records, operational and regulatory documents and communications.

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Section 5 – Inventory Tracking of All Marijuana and Marijuana Product

Review the requirements under 3 AAC 306.730. All licensed marijuana establishments must use a marijuana inventory tracking system capable of sharing information with Metrc to ensure all marijuana cultivated and sold in the state, and each marijuana product processed and sold in the state, is identified and tracked from the time the marijuana is propagated from seed or cutting, through transfer to another licensed marijuana establishment, or use in manufacturing a marijuana product, to a completed sale of marijuana or marijuana product, or disposal of the harvest batch of marijuana or production lot of marijuana product.

You must be able to certify each statement below. Read the following and then sign your initials in the corresponding box: Initials

5.1. My marijuana establishment will be using Metrc, and if any other tracking software is used, it will be capable of sharing information with Metrc. [Initials]

5.2. All marijuana delivered to a marijuana establishment will be weighed on a scale registered in compliance with 3 AAC 306.745. [Initials]

5.3. My marijuana establishment will use registered scales in compliance with AS 45.75.080 (Weights and Measures Act), as required by 3 AAC 306.745. [Initials]

Section 6 – Employee Qualification and Training

Review the requirements under 3 AAC 306.700. All licensees, and every employee or agent of the marijuana establishment who sells, cultivates, manufactures, tests, or transports marijuana or a marijuana product, or who checks the identification of a consumer or visitor, must obtain a marijuana handler permit from the board before being licensed or beginning employment at a marijuana establishment.

You must be able to certify each statement below. Read the following and then sign your initials in the corresponding box: Initials

6.1. All licensees, and each employee or agent of the marijuana establishment who sells, cultivates, manufactures, tests, or transports marijuana or marijuana product, or who checks the identification of a consumer or visitor, shall obtain a marijuana handler permit from the board before being licensed or beginning employment at the marijuana establishment. [Initials]

6.2. Each licensee, employee, or agent who is required to have a marijuana handler permit shall keep that person's marijuana handler permit card in that person's immediate possession (or a valid copy on file on the licensed premises) when on the licensed premises. [Initials]

6.3. Each licensee, employee, or agent who is required to have a marijuana handler permit shall ensure that that person's marijuana handler permit card is valid and has not expired. [Initials]

6.4. Describe any in-house training that will be provided to employees and agents (apart from a marijuana handler course):

All employees and licensees of Purgatory Cannabis will be required to have a current marijuana handler permit and valid food handler cards before the start date of their employment. Employee handler cards must be kept current for the duration of their employment. A Licensee will periodically verify that all employees have current cards on file. Purgatory Cannabis's training will include: internal policies and procedures, employee safety measures, personal hygiene, all DEC regulations regarding safety and sanitation and what to do in the event of a recall, diversion, theft and inversion prevention, manufacturing techniques, sanitation, using Metrc software, state statutes and regulations, and relevant municipal codes. Federal laws concerning marijuana will also be discussed and if the need arises, each employee will be taught specific answers regarding this topic that are acceptable responses to provide to customers (marijuana retail establishments), regulatory officers, or others in order to ensure that there is no legal opinion rendered but, provide information on the law in its current state. Training will commence upon initial employment and will be refreshed as needed.

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Section 7 – Health and Safety Standards

Review the requirements under 3 AAC 306.735.

You must be able to certify each statement below. Read the following and then sign your initials in the corresponding box: Initials

7.1. I understand that a marijuana establishment is subject to inspection by the local fire department, building inspector, or code enforcement officer to confirm that health or safety concerns are not present.

7.2. I have policies regarding health and safety standards (including: ensuring a person with an illness or infection does not come into contact with marijuana or marijuana product; good hygienic practices; cleaning and maintenance of equipment and the premises; pest deterrence; chemical storage; sanitation principles; and proper handling of marijuana and marijuana product) and will take all reasonable measures and precautions to ensure that they are met or exceeded.

7.3. I have policies to ensure that any marijuana or marijuana product that has been stored beyond its usable life, or was stored improperly, is not salvaged and returned to the marketplace.

7.4. I have policies to ensure that in the event information about the age or storage conditions of marijuana or marijuana product is unreliable, the marijuana or marijuana product will be handled in accordance with 3 AAC 306.735(d).

Answer "Yes" or "No" to each of the following questions:	Yes	No
7.5. Adequate and readily accessible toilet facilities that are maintained and in good repair and sanitary condition are clearly indicated on my Form MJ-02: Premises Diagram.	☑	☐
7.6. Convenient handwashing facilities with running water at a suitable temperature are clearly indicated on my Form MJ-02: Premises Diagram.	☑	☐

7.7. If you answered "No" to either 7.5 or 7.6 above, describe how toilet and/or handwashing facilities are made accessible, as required by 3 AAC 306.735(b)(2):

Section 8 – Transportation and Delivery of Marijuana and Marijuana Products

Review the requirements under 3 AAC 306.750.

8.1. Describe how marijuana or marijuana product will be prepared, packaged, and secured for shipment. Include a description of the type of locked, safe, and secure storage compartments to be used in vehicles transporting marijuana or marijuana product:

All packaging materials that will be sold to marijuana retail establishments for sale to consumers will be child-resistant and unappealing to children. All packaging done at the facility will be performed in a specific 24-hour surveillance monitored area and will then be packaged in a uniform manner with labels secure and clearly displayed. Marijuana products will be individually packaged immediately after manufacturing, and subsequent to positive third party testing, further packaged with approved exterior packaging, health and safety labeling methods. marijuana concentrates will be stored in the secured, restricted access, locked production and packaging room in the facility with 24/7 surveillance when awaiting distribution. For all transports of marijuana products (concentrates), Purgatory Cannabis will create a Metrc generated Trip Manifest. All Trip Manifests will be sent with the products, and an additional copy will be stored and filed on the premises as an official business record. The manifest documents will clearly have the strain name, type of product, batch number, weight, name of the transporter and handlers ID, time of departure and expected delivery, and the make, model, and license plate of the transporting vehicle. All marijuana product (concentrates) will be in a sealed package or container not exceeding ten (10) pounds and then stored in a locked storage compartment within the transport vehicle. The transport vehicle will travel directly between destinations without making any unnecessary stops and at no time during transit will marijuana products be directly visible. All marijuana product packaging will have a label stating that a licensed testing facility has tested each batch in the shipment.

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You must be able to certify each statement below. Read the following and then sign your initials in the corresponding box: Initials

8.2. The marijuana establishment from which a shipment of marijuana or marijuana product originates will ensure that any individual transporting marijuana shall have a marijuana handler permit required under 3 AAC 306.700.

8.3. The marijuana establishment that originates the transport of any marijuana or marijuana product will use the marijuana inventory tracking system to record the type, amount, and weight of marijuana or marijuana product being transported, the name of the transporter, the time of departure and expected delivery, and the make, model, and license plate number of the transporting vehicle.

8.4. The marijuana establishment that originates the transport of any marijuana or marijuana product will ensure that a complete printed transport manifest on a form prescribed by the board must be kept with the marijuana or marijuana product at all times during transport.

8.5. During transport, any marijuana or marijuana product will be in a sealed package or container in a locked, safe, and secure storage compartment in the vehicle transporting the marijuana or marijuana product, and the sealed package will not be opened during transport.

8.6. Any vehicle transporting marijuana or marijuana product will travel directly from the shipping marijuana establishment to the receiving marijuana establishment, and will not make any unnecessary stops in between except to deliver or pick up marijuana or marijuana product at any other licensed marijuana establishment.

8.7. When the marijuana establishment receives marijuana or marijuana product from another licensed marijuana establishment, the recipient of the shipment will use the marijuana inventory tracking system to report the type, amount, and weight of marijuana or marijuana product received.

8.8. The marijuana establishment will refuse to accept any shipment of marijuana or marijuana product that is not accompanied by the transport manifest.

Section 9 – Signage and Advertising

Review the requirements under 3 AAC 306.770.

9.1. Describe any signs that you intend to post on your establishment, including quantity, dimensions, graphics, and location on your establishment (photos or drawings may be attached):

Purgatory Cannabis will not be posting any signs with a business name or logo on the the manufacturing facility.

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9.2. Describe any advertising you intend to distribute for your establishment. Include medium types and business logos (photos or drawings may be attached):

Purgatory Cannabis may utilize the following medium types when distributing advertisements:
-Newspaper Ads
-Radio Ads
-Social Media to feature specific strains
-Magazine Ads
-Sponsorships & Fundraisers
-Website
-Platforms such as LeafLinks, etc.

Purgatory
Cannabis

I declare under penalty of unsworn falsification that this form, including all accompanying schedules and statements, is true, correct, and complete.

Signature of licensee

Toby Foster
Printed name of licensee

Notary Public
SHAUNTEALA GRAHAM
State of Alaska
My Commission Expires April 10, 2022

Notary Public in and for the State of Alaska

My commission expires: April 10, 2022

Subscribed and sworn to before me this 18th day of December, 2020.

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(Additional Space as Needed):

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