February 07, 2017

Sara Chambers, Interim Director
State of Alaska – Alcohol & Marijuana Control Office
550 W. 7th Avenue, Suite 1600
Anchorage, Alaska 99501

Project: Retail Marijuana Store License #10866 Review Response

Dear Ms. Chambers,

The purpose of this letter is to respond to the Retail Marijuana Store License #10866 review dated January 26, 2017. Our formal responses are as follows:

- MJ-01 Operating Plan:
    - The retail sales area, toilet and business office are contained within the restricted access area. The changes have been made to the MJ-01 Marijuana Establishment.
    - The retail sales area, toilet and business office are contained within the restricted access area. The changes have been made to the MJ-01 Marijuana Establishment.
    - We have described how we intend to prevent employee diversion on Page 5 (first box).
    - We have described how marijuana or marijuana product will be prepared, packaged, and secured for shipment. We have also described the type of locked, safe, and secured storage will be utilized for transportation of marijuana or marijuana products.

      We have also made a change to the second box on page 15, we have deleted the installation of a secure pneumatic tube system for transferring marijuana product between cultivation/retail and cultivation/manufacturing.
    - We have changed the description from "stood-off" to "project-out from" the building. The signage will be attached to the exterior of the building.
- MJ-02 Premises Diagram
    - Please reference Sheet SK-2a for the illustration of the restricted access areas for Retail (Suite 102).
    - Please reference Sheets SK-1a, SK-2a, SK-3a, and FS-1 for further clarification.

- MJ-03 Retail Supplement
    - We have provided additional information per 3 AAC 306.345 (a)(2) & (3).
- Publishers Affidavit
    - We have submitted the revised information to The Press and it will be published next week, upon which they will provide us with the publishers affidavit and copy of the new ad.

We appreciate your consideration of this proposal; please contact us with any questions or requests regarding this proposal.

Sincerely,

David L. McConnell II, Managing Member
AK Frost, LLC