Alcohol and Marijuana Control Office
550 W 7th Avenue, Suite 1600
Anchorage, AK 99501
marijuana.licensing@alaska.gov
https://www.commerce.alaska.gov/web/amco
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:	Broken Dirt, LLC	**MJ License #:**		10284	
License Type:	Standard Marijuana Cultivation Facility				
Doing Business As:	Catalyst Cannabis Company				
Premises Address:	5001 Eagle St., Suite B				
City:	Anchorage	**State:**	Alaska	**ZIP:**	99503

Mailing Address:	6967 Laser Dr.				
City:	Anchorage	**State:**	Alaska	**ZIP:**	99504

Designated Licensee:	William Schneider		
Main Phone:	907-205-1181	**Cell Phone:**	
Email:	will@catalystcannabisco.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:

Every aspect of our operations will have a strong emphasis on security and preventing the exposure and diversion of marijuana to persons under the age of 21. Signage will be posted on the exterior and interior of all Catalyst Cannabis Co. licensed premises in a non-obscured area that states, "NOTICE no persons under 21 allowed". All Catalyst Cannabis Co. employees will be trained on the organizational customer intake procedures that includes visually and physically inspecting all presented forms of identification as well as the additional security check steps of utilizing black lights, markers, and barcode scanners to verify legal and legitimate identification credentials. Any person found to be under the age of 21, whether they are alone or with another individual,will be asked to leave the licensed premises immediately and will not be permitted to enter any portion of the licensed premise or allowed access to marijuana items. Furthermore, it is Catalyst Cannabis Co. policy for employees to notify the Anchorage Police Department, if necessary, to assist in any situation involving persons under the age of 21.

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:

The licensed premises will be designed, constructed, and engineered to prevent unauthorized entry into restricted access areas by unescorted members of the public. Our building's security landscape will include secure facility entry points utilizing commercial grade, non-residential door locks and deadbolts with internal vestibules and separate service/delivery areas with secure bay, full visual screening of the public and restricted access areas from the exterior of the facility, and a secure storage room. The secure storage room will be for all marijuana, marijuana product, and Catalyst Cannabis Co. company assets and have safes and/or vaults with at minimum a GSA Class 5, TL 15, or TL 30 rating.

Catalyst Cannabis Co. will have a professionally installed security alarm and video surveillance system that allows for 24 hour continuous operational monitoring and video recording. All facility interiors and exteriors (excluding bathrooms) will be intelligently monitored and our system will allow us to identify any person and their activities in (1) any area where marijuana or marijuana product is cultivated, sold, or stored, (2) all point of sale areas, (3) any room used to pack or unpack a secured container used to transport marijuana or marijuana products, (4) Catalyst Cannabis Co.'s security rooms housing our alarm and surveillance systems, and (5) all entrances and exits to/from the facility from indoor and outdoor locations. Furthermore, our alarm and video surveillance systems will provide real time notifications of security events via text messaging and email to Catalyst Cannabis Co. management and authorized employees. The alarm system will incorporate door contact alarms, motion detection, and glass breaks to provide for perimeter and interior protection.

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

Catalyst Cannabis Co. will ensure that when a visitor is admitted to a restricted access area of the licensed premises, an employee will log the visitor in and out. An employee will greet and triage visitors, directing every step of the intake process. At no point will the number of visitors exceed more than 5 for each licensee, employee, or agent of the company who is actively engaged in supervising visitors. Each visitor will be assigned a badge with a unique color and number and the Catalyst Cannabis Co. employee will record in the organizational visitor logbook the visitor's name, affiliated organization, reason for visit, date, time in and out, and badge color and number. Any visitor to be admitted to a restricted access area will be required to present their government-issued identification when requested by our employee and no individual under the age of 21 will be admitted to restricted access areas. It is Catalyst Cannabis Co. policy that every visitor must have a form of government-issued photo identification to include a driver's license and/or passport to enter the licensed premises restricted access area.

When visitors are admitted to a restricted access area of the licensed premises, a Catalyst Cannabis Co. employee will continuously visually supervise the individual(s) while on the premises. Employees will be trained on safe and secure visitor escort practices focused on surveillance, product diversion, and facility compliance. Every visitor will be clearly visible to at minimum one Catalyst Cannabis Co. employee at all times, either in physical time and place and/or digitally on surveillance monitors. Upon visitor entry, a Catalyst Cannabis Co. employee will assess the nature of the person's visit. From building maintenance to regulatory inspections, visitors will be logged and supervised while on the licensed premises. A Catalyst Cannabis Co. employee will oversee the completion of registration forms and visually account for every visitor during the process. Once the visitor is approved to enter a restricted access area, an employee will escort the individual and before any employee is relieved of their visual supervision responsibility, a verbal confirmation of visitor hand-off must be established to the assuming employee. Additionally, Catalyst Cannabis Co. will ensure that whenever a visitor is admitted to a restricted access area, our employees will ensure that the visitor does not touch marijuana or marijuana products. A Catalyst Cannabis Co. employee will deliver the organizational visitation policies and procedures to all visitors upon intake. Per the visitor escorting and visual surveillance protocols, each individual will be instructed to not touch marijuana or marijuana product while on the licensed premises. Catalyst Cannabis Co. visitation conditions will be posted to the logbook each visitor will sign, acknowledging acceptance of our organizational policies regarding visitor rules and regulations.

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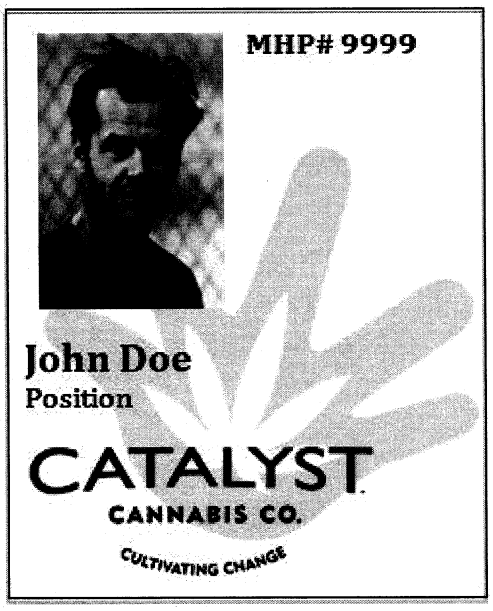
3.3. Provide samples of licensee-produced identification badges that will be displayed by each licensee, employee, or agent while on the premises, and of visitor identification badges that will be worn by all visitors while in restricted access areas:

This is a sample employee identification badge. Actual badges will include all required information, including, but not limited to, the name of the employee, job title, and establishment information.



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:

The Catalyst Cannabis Co. licensed premises will have adequate lighting to support and facilitate video surveillance. The exterior lighting landscape will provide dusk to dawn illumination to support exterior video surveillance camera fields, which will include entry and exit points and the employee parking area(s). Catalyst Cannabis Co. will trim back/down all trees, bushes, and other foliage to ensure thorough visibility and eliminate coverage blind spots. All security lighting fixtures will be able to ensure proper illumination levels in order to support viable image retrieval from the video surveillance footage. All Catalyst Cannabis Co. facility security and emergency light fixtures will be tested regularly by our employees and certified by either local regulatory agencies or accredited third party contractor to ensure proper functionality and overall compliance.

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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:

Our alarm system is interactive and intelligent, incorporating dedicated communication channels, tamper-resistant protection, awareness control measures, image sensing, video monitoring, access control considerations, and contemporary technologies in order to ensure maximum security and safety. The cellular communication features of our alarm system will ensure reliable and fast communication without the need for a land line, battery backup power options, and secure broadcasting of critical messages. Catalyst Cannabis Co.'s alarm system will also feature continuous monitoring and customizable notifications providing us with a mobile application for authorized users, instantaneous alerts, personalized user access codes, and historical activity reporting, with the capability to search for specific events, activity by sensor, or date and time. The sensing system that integrates with our alarm system will include motion, pressure, and sound sensors, motion for spatial monitoring, pressure for windows and doors, and sound for perimeter protection.

Our alarm system and all associated sensors and detectors will be continuously monitored our security provider. Additionally, Catalyst Cannabis Co. intends to use a monitoring service for 24 hour/7 days a week security alarm monitoring. Our licensed premises alarm systems will communicate with our security provider by GSM radio to the monitoring station(s), all of which will be UL approved. IP reporting and grounded telephone lines will be utilized to their fullest capabilities to back up the GSM radio to ensure that communication to our monitoring station(s) will be real-time while removing default delays during programming . Furthermore, Catalyst Cannabis Co.'s alarm system, access control devices, and video surveillance infrastructure will be supported with an auxiliary battery system that provides full operational viability during a total AC power loss incident for up to 48 hours.

All employees will be trained on organizational standard operating procedures regarding all security logistics to include alarm system administration (arming/disarming), alarm system device management (cameras, DVR, sensors), and troubleshooting techniques to ensure all security equipment is 100% operational at all times, including after business hours.

(Continued on p.11)

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

Catalyst Cannabis Co. will ensure that all employees are trained on the detection and prevention of diversion of marijuana or marijuana products. It will be the responsibility of any Catalyst Cannabis Co. employee that witnesses or suspects criminal activity to report this information to senior leadership immediately. We will train our employees on common pharmaceutical drug diversion techniques derived from healthcare models focused on employee and patient safety. Catalyst Cannabis Co. training will address instances of internal and external diversion practices, covering the marijuana and marijuana product movement process from seed to sale. And rotating inventory practices to ensure unpredictability and break routine behavior. Employee education concerning internal diversion threats will include employee theft or pilferage, operational phase opportunities during the ordering, inventorying, disposal and/or dispensing of marijuana and marijuana products, and the personnel styles of diversion of either individual actions or collaborative teamwork.
(Continued on p. 11)

3.7. Describe your policies and procedures for preventing loitering:

We will position and mount all external cameras and lighting fixtures in clear view of the public to establish video surveillance monitoring activities and illumination identification capabilities. Additionally, we intend to place signs inside and outside of our buildings that read "NOTICE this area is under 24 hour video surveillance" and "No loitering or soliciting on this property" to alert all persons of company policy and potential legal actions. We will not tolerate loitering of any kind. Our security plan and strategies include the mitigation of loitering by implementing practices that eliminate the causes of loitering to include addressing reclining/sleeping spots, the availability of food access in the area, reducing and/or eliminating (where allowable) cigarette smoking locations, and customer/employee parking lot activities. Employees will be trained to not confront any irate, aggressive, hostile persons or large group of individuals and to call the Anchorage Police Department should law enforcement intervention be required.

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.

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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.

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.

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

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).

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:

Video surveillance cameras will be positioned 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. On the interior of the licensed premises, video cameras will be placed in low and high risk areas alike, establishing clear sight lines at every entrance, in every vestibule, in secure storage rooms, in employee break rooms, and otherwise in every room of the building (except bathrooms) to ensure more than adequate visual coverage of the licensed premises. A surveillance camera will be located and operated to capture activity at each entrance and exit to and from the licensed premises. Exterior egress cameras will be positioned to capture persons within 20 feet of any entrance or exit, and will have designated view angles featuring 360-degree perspectives. Surveillance cameras will also be positioned on the interior of the building at all ingress/egress points, ensuring the capture of facial characteristics of any individual entering or exiting the building. All exterior cameras will be mounted below any lighting fixtures to mitigate camera image blooming and ensure quality picture resolution. We will ensure a surveillance camera will capture activity at each entrance to restricted access areas where marijuana or marijuana product is packaged, tested, processed, stored, or dispensed. The licensed premises shipping and receiving processes will always be conducted on camera and where applicable, lighting will automatically illuminate to guarantee quality video coverage that is unobstructed and appropriately contrasting.

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:

Catalyst Cannabis Co. will have a locked and secure area where video surveillance recording equipment and records will be housed. No wall(s) of the secure storage room will be perimeter walls of the building and entrance to the room will be regulated by access control systems either featuring commercial, non-residential deadbolts and locks or an electronic card or key credential identifier. The Catalyst Cannabis Co. secure storage rooms will be monitored and controlled by a combination of senior leadership, management, and authorized employees depending on department and job responsibility. We intend on constructing our secure storage room in the center portion of our licensed premises and will not be within visual sight of customers, visitors, and select employees. Additionally, a sign posted on the external wall of the storage room will clearly read "Restricted access area, authorized persons only" making all individuals aware of the storage room entrance requirements and credentials.

We will establish our secure storage room with only one entrance door that meets all commercial security standards. Entry into the main room/area will be restricted access governed by industrial designed locking mechanisms to include door integrated keyed bolt locks, and where possible electronic and magnetic safeguards. Before entrance is permitted, the intrusion alarm monitoring system and/or devices will need to be disarmed. Upon entering the secure storage room, access into the safe/vault where marijuana, marijuana products, or company records and assets are stored will require additional and separate security procedures, depending on the item being accessed. Access controlled doors will be placed on full, windowless walls that will restrict movement into the licensed premises restricted access areas. All secured storage areas at Catalyst Cannabis Co. licensed premises will be available immediately upon request of the Marijuana Control Board, Anchorage Police Department, or any other agent of the Marijuana Control Board.

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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)*;

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;**

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

d. **records related to advertising and marketing;**

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

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

g. **all records normally retained for tax purposes;**

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;**

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

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

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:

Catalyst Cannabis Co. will ensure that all required records will be maintained in either paper or electronic format. If in paper format, the records will remain in a locked, fireproof cabinet that is located in our secure storage room and area with access to such records limited to authorized employees and senior leadership. If in an electronic format, access to such records will be protected by a password that will be available only to authorized employees who have a need to access or create such records in accordance with their job function and all electronic records will be backed up on a server this is maintained both on-site and off-site. We will retain all records in a format that is readily understood by a reasonably prudent business person and such recordkeeping of documents will include (1) all books and records necessary to fully account for each business transaction conducted, (2) a current Catalyst Cannabis Co. employee list complete with state marijuana handler permit number, (3) the business contact information for our security service vendor(s) that maintain our video surveillance and alarm system, (4) our records related to advertising and marketing, (5) a current diagram of the licensed premises including all restricted access areas, (6) all visitor access and log information to include name, date, and time of entry, (7) all records that a business would normally retain for tax purposes, (8) all accurate and comprehensive seed to sale inventory tracking metrics and records, and (9) transportation records for all marijuana and marijuana products as required by the Marijuana Control Board.

Catalyst Cannabis Co. will retain all business records conducted under our license for the current year and three preceding calendar years securely on-site and readily available upon request for the Marijuana Control Board or any other regulatory agency. Once documents and records have surpassed a 3 year storage period on-site at our licensed premises, Catalyst Cannabis may archive the records in a secured, easily accessible off-site location.

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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.

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

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.

Section 6 – Employee Qualification and Training

Review the requirements under 3 AAC 306.700. A marijuana establishment and each licensee, 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. Each licensee, 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.

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.

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.

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

Ensuring our employees are knowledgeable and have a high degree of confidence with Alaska marijuana laws is a top priority of Catalyst Cannabis Co. Employees will only be hired after an interview process and providing a resume and list of references that demonstrates that they meet general qualifications for retail employment and specific qualifications necessary for working in the highly regulated marijuana retail industry. Employee training curriculum will include marijuana and marijuana product consumption effects, the identification of a marijuana impaired individual, how to determine valid identification, intervention techniques to prevent unlawful marijuana consumption, the associated penalties for an unlawful act by a licensee, employee, or agent of Catalyst Cannabis Co., and all other integral operational topics to ensure compliance with marijuana handler permit requirements and Catalyst Cannabis Co. standard operating procedures. Employee education may be supplemented with on-line tutorials and hard-copy binders containing relevant information and legal regulations and requirements. Additionally, Catalyst Cannabis Co. will utilize role-playing exercises to enhance employee confidence and knowledge.

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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:

Catalyst Cannabis Co. will promote good cultivation and handling practices including all aspects of preparation, packaging, labeling, and securing of marijuana, marijuana product, or marijuana byproduct (trim and kief) for shipment. Byproduct, by definition, in a cultivation facility, refers to the material reworked for extraction or a usable marijuana product that does not require extraction. Green waste, by contrast, is material that will remain unused and is considered debris. All unused plant parts will be considered green waste and all usable plant parts will be defined as marijuana, marijuana byproduct, or finished marijuana. All Catalyst Cannabis Co. employees will follow organizational logistical protocols regarding the preparation, packaging, labeling, and securing of not only marijuana and marijuana product, but marijuana byproduct as well. A prevalent form of marijuana byproduct in cultivation facilities is trim. As marijuana is harvested, dried, cured, and manicured, excess leaves are removed to enhance the ratio of cannabinoids to plant material. Trim is the term given to the dried leaves removed from the cured flower that retain cannabinoids and will be packaged and send for extraction. Trim that will be packaged and labeled will be categorized in a number of ways. First, after dried or cured marijuana flower is manicured the trim of each harvest batch will be weighed on a standardized scale meeting all Marijuana Control Board and Alaska Weights and Measures Act requirements. Each harvest batch trim weight will be recorded and updated in a harvest inventory control logbook and seed to sale software system. Catalyst Cannabis Co. employees will reference the data in the logbook and/or database to calculate the total marijuana byproduct weight. This weight will be all marijuana material that is not cured flower and to be shipped or dispensed in properly handled, packaged, and labeled containers. (continued on p.12)

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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

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

Catalyst Cannabis Co. does not intend on posting any signs with our business name and logo on our cultivation facility. The safety and security are of our company assets and employees are of the utmost importance and signs identifying the cultivation facility compromises these considerations. It is our intention to keep our cultivation facility nondescript and visually unobtrusive to our surrounding community.

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

We do not plan to publicly distribute any advertising specific to the cultivation establishment itself. However, products produced at the cultivation facility, and sold at the affiliated retail store, may be advertised within the industry via various auditory and visual means. An example of the Catalyst Cannabis Company logo which may accompany any visual advertising is below.

CATALYST
CANNABIS CO.

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

Signature of licensee

William Schneider
Printed name of licensee

KATREENA LITTLE
NOTARY PUBLIC
STATE OF ALASKA
My Commission Expires: 07.04.18

Notary Public in and for the State of Alaska

My commission expires: 07.04.18

Subscribed and sworn to before me this 13th day of April, 2018.

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(Additional Space as Needed):

3.2 Continued:
Catalyst Cannabis Co. will maintain a log of all visitors to restricted access areas of the licensed premises for a minimum of 1 year (current license period) on-site and 5 years at an off-site location. Visitors to restricted access areas will be documented according to Marijuana Control Board requirements and Catalyst Cannabis Co. organizational standard operating procedures. A logbook will be securely filed on-site detailing visitor specifications, including their name, date, and time of entry into the restricted access area. Access to any and all visitor data will be limited to authorized employees, senior leadership, agents of the Marijuana Control Board, or any other agent of any regulatory agency. Files will be protected by physical, lockable cabinets and digitally encrypted passwords where necessary for virtual files that will only be available on a need-to-know basis to premises personnel and upon immediate request by the Marijuana Control Board.

3.5 Continued:
Spatial motion detectors, pressure sensors, and sound sensors will be strategically positioned throughout our licensed premises as allowable and where needed. Where appropriate and allowable on our licensed premises, we will install duress/panic buttons to enable Catalyst Cannabis Co. employees to immediately notify the security monitoring center and the Anchorage Police Department if necessary. The duress/panic alarms will be programmed to provide a local audible sounder and a notification to our alarm monitoring station that an emergency crisis situation is occurring. All duress/panic buttons will be strategically positioned based on ingress and egress points, shipping and receiving areas, and the cash exchange zones. Our highly integrative and intelligent security landscape will include smoke, heat, and carbon monoxide sensors that will always be active, regardless of the systems state of armed or disarmed. If a sensor activates the system, a local audible pulse is sounded and communication to the system monitoring station will identify the specific zone(s) impacted and type of alarm signaled. The Catalyst Cannabis Co. security infrastructure panels will be programmed to communicate an AC power loss condition as well. The licensed premises will have a 48-hour battery backup for all security landscape components.

If the electronic notification system alerts law enforcement of an unauthorized breach in security, employees will be trained to escort all remaining employees out of the building and away from the premises in a calm and safe manner. Employees will relocate at an established safe zone while waiting for authorities. The licensee, all employees or agents shall assist in any way to help law enforcement agencies by providing detailed descriptions of persons and events leading up to the breach in security. The licensee, employees and agents shall protect and preserve any evidence or area where the breach occurred, restricting access to the area and not disturbing anything until law enforcement arrives. Licensee, employees or agents shall assist the local authorities in any way possible when they arrive and is necessary. After the situations is settled and authorities have left, the employees will do a thorough walk through and look for property damage to determine if there was any diversion of marijuana, marijuana products, or other assets. Reports will be filed internally and all information in reports, any video footage, or any other information pertinent to investigation will be made available to the authorities as soon as possible.

3.6 Continued:

Other mechanisms of product diversion that will be discussed during training will include employees manipulating point of sale parameters, "short filling" the customers allowable purchase quantity, employees placing marijuana or marijuana products into personal belongings like socks and shoes, pockets, wallets and purses, water bottle/beverage container, or body through their shift. Training information will highlight these potential diversion avenues due to their difficulty in tracking because no retail transaction occurs.

Additionally, traditional theft and robbery strategies will be acknowledged and addressed during diversion training as they may be utilized to obtain larger quantities of marijuana or marijuana product. Catalyst Cannabis Co. employees will have intimate knowledge of the operations of the licensed premises and levels of security employed, providing a myriad of opportunities to breach safeguard systems. Catalyst Cannabis Co. will strive to continually revise our standard operating procedures and employee training programs to be proactive and comprehensively address diversion mitigation. Employees will be educated on the spectrum of strategies to reduce internal diversion as neither supply or demand of marijuana or marijuana products.

Catalyst Cannabis Co. employees will be educated and trained in participating in a company culture of accountability for the security of marijuana and marijuana product. To this end, all company employees will be made aware that the compliance department in conjunction with senior leadership will conduct regular internal audits of all workflow processes and procedures. Internal company audits will include Marijuana Control Board, federal, and state law enforcement standards regarding onsite use of marijuana and/or marijuana product prohibited, disposal of marijuana and marijuana product reporting of source, quantity, and sales, using safe rooms, safes, and vaults for storage, utilizing a working alarm system, and ensuring the overall security plan is consistent with Catalyst Cannabis Co. standard operating procedures. Audits will also entail standard compliance pertaining to records to be maintained, both physically and digitally, the disclosure of those records upon request by the Marijuana Control Board and/or federal/state law enforcement agencies, and the consent to have all company records inspected.

External diversion practices that Catalyst Cannabis Co. employees will cover in their training will include the recognition of prohibited acts regarding marijuana and marijuana product such as customers reselling their products in the community, established personal relationships with known criminals, the consumption of marijuana and/or marijuana product on the licensed premises or public space, or the use of alcohol, inhalant, or any other controlled substance on the licensed premises. Our employees, according to job description and function, will have limited authorized access within the licensed premises to include critical operational areas in which marijuana and marijuana product is handled, processed, and stored. Employees will be taught that while limited access to marijuana and marijuana product is sacrificed for logistical convenience, Catalyst Cannabis Co.'s priorities are to securely dispense marijuana and marijuana product to qualifying customers while protecting and ensuring public safety. All marijuana and marijuana product packaging and physical logbooks will feature tamper-evident tape, child-resistant lids, and zip tie locks on containers when applicable and any aspect of these security devices found adulterated will be reviewed on recorded security surveillance camera footage. Furthermore, all waste disposal processes will be visually audited both by an in-person inspector and/or recorded video footage. Employees will be trained to understand that trash receptacles and dumpsters are common staging areas for diversion, which is why Catalyst Cannabis Co. will implement clear trash bags and locked dumpsters. It will be company policy that the same employee tasked with documenting waste weights/amounts and unused/expired marijuana or marijuana product for disposal will not be responsible for physically processing the marijuana or marijuana product to its ultimate disposal.

In the event of a discrepancy between weight/amount of marijuana or marijuana product dispensed, stored, and/or accounted for, Catalyst Cannabis Co. employees will immediately perform an internal audit to determine the source of discrepancy by viewing video surveillance footage, reviewing all operational logs, and creating a missing inventory report. If it is determined the discrepancy is due to theft of diversion, senior leadership will immediately be notified. Catalyst Cannabis Co. will cooperate with any Marijuana Control Board and/or Anchorage Police Department investigations or directives. The detection and prevention of diversion of marijuana or marijuana product is recognized as a public safety and health concern and our employees will be thoroughly trained in all aspects of quality control and product security.

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8.1 Continued:
All green waste that is unusable marijuana material will be assigned for proper waste disposal. We will establish that thorough securing, packaging, labeling, and handling of all marijuana material leave no marijuana material untracked or unaccounted for both in physical logbooks and the MJ Freeway seed to sale inventory control system as unique identification tags will be affixed to all packages containing marijuana. Digital monitoring of trim weight to be handled, packaged, and ordered to extraction will be tracked in the inventory control system and referenced throughout the byproduct chain of custody documentation. Catalyst Cannabis Co. will also establish procedures concerning the preparation, packaging, labeling, and securing of the marijuana byproduct kief. Kief is a marijuana byproduct composed of glandular trichomes and the minimal plant material that has fall off harvested, drying or cured marijuana flowers. Kief is collected in basins in trim equipment, collection bins, and other production processing surfaces. Kief is collected from sanitary receptacles and categorized by a harvest batch identification number in order to proceed with packaging, handling, labeling, and securing. Kief has extremely high concentrations of cannabinoids and may be dispensed without further processing. Kief may be packaged as a marijuana byproduct and shipped to qualifying licensees. All Catalyst Cannabis Co. employees will handle kief with sanitary instruments for collection, packaging, and other handling. Additionally, employees will wear protective equipment when handling kief and other marijuana byproduct material.

In addition to categorization by batch identification number and unique identification tag, Catalyst Cannabis Co. will establish preparation, packaging, labeling, and securing procedures that address categorizing marijuana, marijuana product, and marijuana byproduct by strain name, weight amount, expected physiologic effect, and other cannabinoid variables. When appropriate, employees will affix pharmacy style auxiliary labels warning of common potential contraindications such as operating a motor vehicle. Each harvest batch identification number will identify all marijuana plants for which the number describes and indicates. We will establish that the harvest batch identification number will be logged and printed on marijuana, marijuana product, and marijuana byproduct packages and containers. Each package containing marijuana, marijuana product, or marijuana byproduct will be identified with the batch identification numbers of each package's contents. Catalyst Cannabis Co. will establish with all employees that it is imperative this data is verified along the chain of custody of each package containing marijuana, marijuana product, or marijuana byproduct. Our organizational standard operating procedures establish that we will ensure that our standards of quality and excellence are upheld by confirming the safety and efficacy of marijuana, marijuana product, and marijuana byproduct is suitable for use. We will establish that employees responsible for directing products to be processed or transferred along a chain of custody to either other registered licensees or qualifying customers, will determine the destination, preparation, packaging, labeling, and securing action to be taken with the contents of each harvest batch. As part of our handling procedures we will establish and continue to develop assignment protocols concerning the contents or portions of the entire contents of individual harvest batches. As part of the handling process, employees will verify the inventory control log and seed to sale software system and package all marijuana, marijuana product, and marijuana byproduct accordingly.

All marijuana, marijuana product, and marijuana byproduct will be packaged in containers with a total content of less than 1 pound (454 grams) each. This procedure has been established to efficiently categorize, sort, and transport packages containing marijuana. Packages weighing less than 1 pound may be directed to ship or dispense according to the specified destination of the marijuana, marijuana product, or marijuana byproduct. All packages containing marijuana, marijuana product, or marijuana byproduct will be airtight, child-resistant, plain, and tamper-evident with unique Metrc package identification tags affixed and be labeled with all appropriate data reflected from control logbooks, and electronic manifests when applicable. The harvest batch and weight of the package contents will also be labeled on the outside of the package. Labels attached to each package will be indelible and weather-resistant and made of tamper-evident materials. Employees will affix a label to each package with the accurate weight, name, unique batch identification number, and other pertinent information. Weights may be displayed in micrograms (mcg), milligrams (mg), grams (g), kilograms (kg), ounces (oz.) or pounds (lbs.). Each weight less than 1 full unit will be represented with a leading zero. Weights will be displayed with appropriate significant figures to reflect precise measurements and our standardized scales will be calibrated according to Marijuana Control Board and Alaska Weights and Measure Act regulations and manufacturer recommendations and labels will reflect directly the data represented on the standardized scale(s).
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Packages of marijuana, marijuana product, or marijuana byproduct that are being shipped will be sealed within one large opaque, tamper-evident container. Catalyst Cannabis Co. will use heavy duty locking cases and TripLok currency deposit bags. Both options come in a variety of sizes and colors and may be used to securely contain multiple packages of marijuana, marijuana product, or marijuana byproduct. To maximize efficient security and to be conscientious of container waste, we will use the smallest opaque tamper-evident container possible. All contents within the container will be appropriately packaged and labeled. Tamper evident cable ties will be fastened to the container before transport. We will label each package in a shipment of products with the date and time of the sealing of the package for shipment.

When transporting to a retail facility a folder is affixed to the outside of the shipping container for compliance with 306.475. In this folder there is copies of the transport manifest created in Metrc, a Transfer Document and test results from a certified testing lab. The Transfer Document includes a list of each soil amendment, fertilizer, and other crop production aid applied to the growing medium or marijuana plant included in the batch, including any pesticide, herbicide, or fungicide that was used; and the name of the licensed marijuana testing facility that performed any required laboratory test and the results of each required laboratory test.

The Transfer Document also includes our business name and license number, the harvest batch number, the net weight of the marijuana in the package, (A) not including weight of the shipping container; and a complete list of all pesticides, fungicides, and herbicides used in cultivation of the marijuana. A chart showing the cannabinoid potency profile expressed as a range of percentages that extends from the lowest percentage to highest percentage of concentration for each cannabinoid listed from every test conducted on that strain of marijuana from the same marijuana cultivation facility within the last three months is also included on this Transfer Document/label. The label also has a statement listing the results of microbial testing and the testing or no testing of other contaminants such as: molds, mildew, and filth; herbicides, pesticides, and fungicides; and harmful chemicals. We only ship using a Catalyst employee or agent, or an agent or employee of the receiving licensed marijuana facility. Any person transporting is required to have a valid Marijuana Handler's permit. The transport manifest is produced by Catalyst in Metrc.

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