Current MJ-01 and MJ-05 (excluding products) in case is needed

Alcohol and Marijuana Control Office
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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:

- Security
- Inventory tracking of all marijuana and marijuana product on the premises
- Employee qualification and training
- Waste disposal
- Transportation and delivery of marijuana and marijuana products
- Signage and advertising
- Control plan for persons under the age of 21

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 Information

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

Licensee:	Axion Enterprises, LLC	**License Number:**	12769		
License Type:	Marijuana Product Manufacturing Facility				
Doing Business As:	Secret Garden Cannabis				
Premises Address:	726 E. 15th AVE Suite 2				
City:	Anchorage	**State:**	ALASKA	**ZIP:**	99501

Mailing Address:	PO Box 1611				
City:	Girdwood	**State:**	ALASKA	**ZIP:**	99587

Primary Contact:	James M.P. Thornton		
Main Phone:	907-952-7070	**Cell Phone:**	907-952-7070
Email:	james@alaskaraw.com		

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Section 2 – Security

Review the requirements under 3 AAC 306.710 – 3 AAC 306.720 and 3 AAC 306.755, and identify how the proposed premises will meet the listed requirements.

Describe how the proposed premises will comply with each of the following:

Restricted Access Areas (3 AAC 306.710):

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

The entire facility will be designated as a restricted access area and will be equipped with a robust security system. The premises will be equipped with outdoor lighting, 24 hour video surveillance, an alarm system that will provide electronic notification to the owner and law enforcement if necessary, and multiple signs stating that the premises is secured and monitored. Posted signs will also state that visitors must be escorted. The interior of the facility will have security cameras installed for 24 hour monitoring of the facility. The exterior of the building will have 24 hour surveillance cameras recording all activity on the premises. Visitors will be required to provide valid state-issued identification, with no exceptions. Visitors will be given a visitor badge to be displayed on their person at all times within the facility. All visitors will be escorted by an employee at all times at a 5:1 ratio. A visitor's log will record the visitor's name, date and time, and purpose for the visit, and will be available to AMCO upon request. Access to the facility will be granted through a smart lock system, and a sign will be posted on the door stating that the door leads into a restricted area and members of the public must be escorted. Cameras will also be placed conspicuously at each exterior door to the building (the manufacturing facility has no exterior doors) to deter visitors from attempting access alone.

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

The owner, manager on duty, specially-defined agents, and any emergency personnel during the time of an emergency will have unrestricted access to the entire facility. All other individuals who are permitted access to restricted areas must be accompanied by an escort at all times. All visitors will enter through the front entrance door and check in with an employee in the arctic entry of the cultivation facility. Valid government-issued photo identification will be required and will be retained until the visitor exits the premises. The visitor will sign into a log with their name, the date, time in and out of the restricted space and purpose of their visit. The log will be kept and stored as a business record and will be made available to the MCB upon request. All visitors will be given a visitor badge to be displayed on their person at all times and returned upon exit. Visitors will be escorted and actively supervised by an employee at a 5:1 ratio while in the facility, and once the visit has concluded, the visitor must leave the premises immediately.

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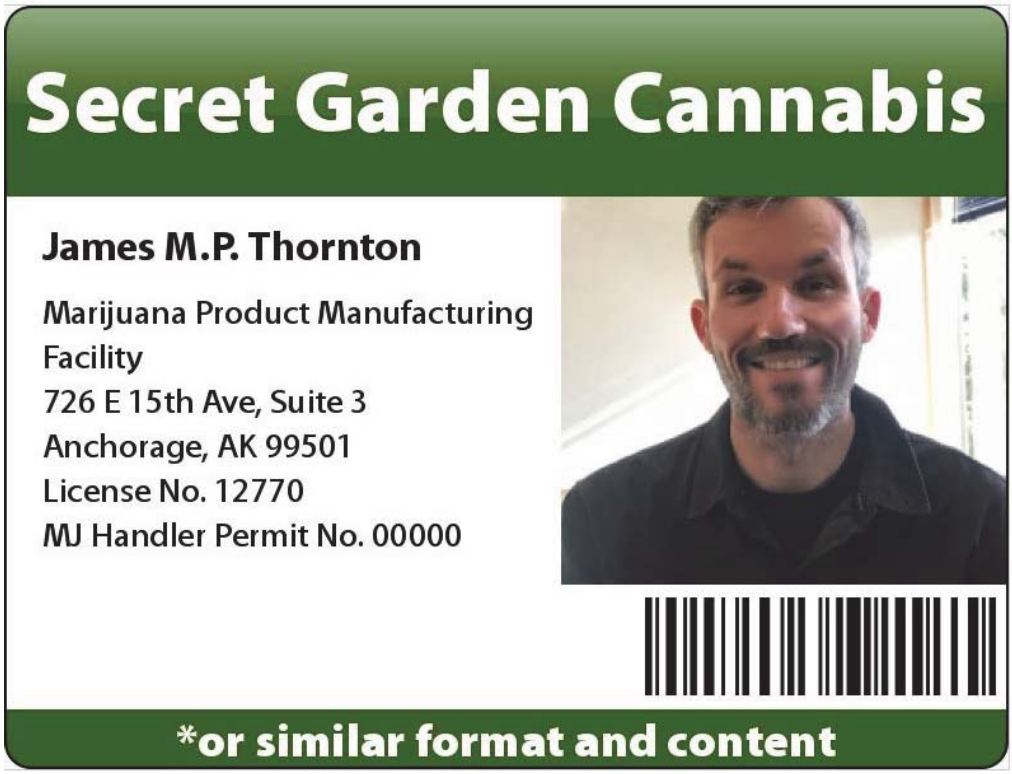
Describe your recordkeeping of visitors who are escorted into restricted access areas:

Visitors will sign into a visitor's log noting their name, the date, time in and out of the facility, and the purpose of their visit. Business records will be kept in the secured, shared office located on the second floor of the building and only the licensee and authorized employees will have access. Visitors will be escorted by an employee at all times while inside the facility, and any additional information, activity, or behavior will be recorded, as necessary, during the visit.

Provide a copy of a sample identification badge to be displayed by each licensee, employee, or agent while on the premises:

The licensee and all employees and agents of the facility who have been approved for access on the premises will be given an identification badge to display on their person at all times.



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

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

Exterior lighting will be positioned against the building and perimeter, and evenly distributed throughout the property. The facility plans to install a total of 8-12 commercial LED lights to be affixed to the building, evenly distributed on the property, and posted along the outer perimeter of the premises. The light fixtures will keep the premises and signs well lit, and allow the exterior surveillance cameras to record individuals up to twenty (20) feet from all entry points to the building (there are no exterior entry points to the manufacturing facility). The lighting fixtures will be positioned at an inaccessible height with sturdy housings to deter vandalism and common obstructions. The bulbs will be extremely bright to maximize visibility and deter crime. The exterior lighting will be checked weekly by the manager on duty to ensure that each light in the system is operational, and that each mount is positioned for optimum recording clarity and to deter unauthorized presence on the premises.

An alarm system is required for all license types. Describe the security alarm system for the proposed premises:

A third party security company will install the alarm system, maintain its equipment, test the devices every six (6) months, and continuously monitor the facility at an off-site center to ensure the safety of the property and to detect unauthorized activity. The alarm system will be set up to monitor for intrusions with motion detectors in all areas of the building, during closed hours. When triggered, an electronic alert will be automatically sent to the security company who will then contact local law enforcement and ownership. Panic buttons will be worn on lanyards for employees to access in case of emergency. When pressed, the buttons will trigger the alarm system, 24 hours a day. Employees will be trained to know how and when to use the panic buttons prior to beginning work, and the owner and managers will be educated on proper use, troubleshooting, and control of the alarm system. Each morning, the on-site manager will disable the overnight alarm system and check the surveillance cameras and recordings to ensure the system is functioning as expected. The last agent to leave the facility each night will activate the overnight devices and sensors.

The alarm system must be activated on all exterior doors and windows when the licensed premises is closed for business. Describe how the security alarm system meets this requirement:

Sensors will be installed and maintained on all potential entry points of the building, including all doors and windows, to monitor for motion, intrusion, or activity when the alarm system is activated (the manufacturing facility has no exterior doors or windows). The last employee to leave the facility each day will activate the overnight security devices and sensors. The alarm system will be active at all times that the facility is closed, and any attempted intrusion will initiate an immediate and electronic notification to the off-site security center. Each morning, the on-site manager will disable the alarm system, and inspect the security cameras and recordings to ensure that the system is functioning as expected.

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Describe your policies and procedures for preventing diversion of marijuana or marijuana product:

Video surveillance will continuously monitor the manufacturing facility. Employees will perform mandatory inventory counts each week and document the reports as business records. The company has a zero tolerance policy for theft and diversion, and all employees will complete mandatory training in recognizing such activity. In the event that theft or diversion is suspected, all employees will alert management immediately. In the event that an employee is caught stealing marijuana, Secret Garden Cannabis will notify local law enforcement immediately, comply with all directives, and provide all necessary information and records for the investigation. Ownership will take the necessary steps to ensure that illegal conduct by an employee does not compromise the facility's license and legitimate business operations and follow company disciplinary protocols, including employee termination when necessary. Once a theft is reported, ownership will update the product records in the tracking system, as needed, to maintain an accurate and comprehensive accounting for all marijuana products and inventory. Ownership will comply with all inquiries and investigations lodged by the MCB as a result. Documentation related to marijuana theft will be maintained as a business record for five (5) years and made available to the MCB upon request. All marijuana product will be secured in the locked storage areas of the manufacturing facility once it is ready and waiting for packaging. Only designated personnel will have access to marijuana storage. Constant surveillance will monitor the marijuana storage spaces and all individuals entering the area. Video recordings will be backed up and stored for forty (40) days. Cameras will be prominently displayed in the manufacturing facility and will provide a full view of the facility. Security monitors and video recording equipment will be located in the main office on the second floor of the building.

Describe your policies and procedures for preventing loitering:

The company will prevent business practices that might entice or allow loitering, and escort all loitering individuals off the premises. The exterior will be well lit and equipped with 24 hour video surveillance and "No Loitering" signs. Agents of the facility will have a noticeable presence around the property to monitor for and deter loitering and unauthorized entrance. The manufacturing facility will have no direct entrance from outside. Any individuals found loitering outside the building will be asked to leave the premises or law enforcement will be notified. Once a visitor has completed their visit and no longer has a purpose inside the facility, they will be escorted off of the premises. No visitors will be permitted to remain on the property after their escorted visit has concluded. Company agents will contact local law enforcement for assistance when necessary.

Describe your policies and procedures regarding the use of any additional security device, such as a motion detector, pressure switch, and duress, panic, or hold-up alarm to enhance security of the proposed premises:

Motion detectors will be rigged to the exterior lighting system, in addition to the stationary lights, to allow for additional security measures during closed hours and to provide extra lighting for all surveillance recordings. The alarm system will monitor for intrusions with motion detectors on all building access points. Any unauthorized or attempted intrusion will prompt an automatic, electronic alert to the security company who will then contact local law enforcement and ownership. Panic buttons worn on lanyards for emergencies will trigger the alarm system at any time they are pressed. Employees will be trained in how and when to use the panic buttons prior to beginning work. All alarm systems and devices will be tested every six (6) months.

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Describe your policies and procedures regarding the actions to be taken by a licensee, employee, or agent when any automatic or electronic notification system alerts a local law enforcement agency of an unauthorized breach of security:

During emergencies, management will evacuate the building and agents of the company will await the arrival of local emergency officials in a safe and accessible location. All visitors present on the premises will be escorted immediately to the nearest exit in a safe and organized manner. A designated employee will take roll of employees on duty that day to ensure everyone is accounted for. When any dangerous, threatening, or unauthorized activity is reported to local law enforcement, employees will comply with directives and remain in a safe location while the incident is addressed. After the emergency is resolved, employees will look for property damage, verify cash and inventory, and submit all necessary documentation to law enforcement officials for a police report. Surveillance footage will be downloaded and submitted to police officials to aid in their investigation, and authorized officials will be given direct phone numbers to ownership and agents to ensure a good working relationship.

Video Surveillance (3 AAC 306.720):

All licensed marijuana establishments must meet minimum standards for surveillance equipment. Applicants should be able to answer "Yes" to all items below.

Video surveillance and camera recording system covers the following areas of the premises:	Yes	No
Each restricted access area and each entrance to a restricted access area	✓	
Both the interior and exterior of each entrance to the facility	✓	
Each point of sale area	✓	

Each video surveillance recording:	Yes	No
Is preserved for a minimum of 40 days, in a format that can be easily accessed for viewing	✓	
Clearly and accurately displays the time and date	✓	
Is archived in a format that does not permit alteration of the recorded image, so that the images can readily be authenticated	✓	

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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:

Surveillance cameras will be positioned along the building with ample lighting, and checked regularly to prevent obstructions and to get the best facial image of anyone within twenty (20) feet of all access points (there are no exterior access points to the manufacturing facility). Video surveillance cameras will be placed strategically to record all areas of the facility inside and outside, at a variety of angles. All doors and marijuana storage areas will have video coverage to clearly identify the faces of those present. Cameras at the external corners of the facility will record activity on each side of the building. The parking lot will have video coverage to identify vehicles. A failure notification system will be installed to provide audible and visual notification of any failure in the surveillance system so that it can be immediately resolved. During a power outage all video cameras and recording equipment will be run on emergency power with a battery backup system to ensure that they can continue to operate for at least one (1) hour.

Describe the locked and secure area where video surveillance recording equipment and 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 board:

All surveillance recording equipment and footage will be stored in the shared office with backups on site. The office will be accessible only by authorized agents, and will have an advanced, reinforced security door, locked at all times. The door will be equipped with an employee swipe card entry system, and a spring-loaded hinge. Ownership will have remote access to surveillance recordings to monitor operations virtually. The security system will be password protected to prevent any data tampering, and recorded data will be stored for a minimum of forty (40) days as an official business record. All surveillance footage will be accessible for upload to a separate hard drive in the event that it must be stored longer for criminal, civil, or administrative investigations. All recordings will be time and date stamped, and archived in a format that prevents alteration of the recorded image. Recordings and surveillance data will be available to the MCB and local law enforcement upon request.

Location of Surveillance Equipment and Video Surveillance Records:	Yes	No
Surveillance room or area is clearly defined on the premises diagram	✓	
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	✓	
Surveillance recording equipment access is limited to a marijuana establishment licensee or authorized employee, and to law enforcement personnel including an agent of the board	✓	
Video surveillance records are stored off-site	✓	

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Business Records (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. Applicants should be able to answer "Yes" to all items below.

Business Records Maintained and Kept on the Licensed Premises:	Yes	No
All books and records necessary to fully account for each business transaction conducted under its license for the current year and three preceding calendar years; records for the last six months are maintained on the marijuana establishment's licensed premises; older records may be archived on or off-premises	✓	
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	✓	
The business contact information for vendors that maintain video surveillance systems and security alarm systems for the licensed premises	✓	
Records related to advertising and marketing	✓	
A current diagram of the licensed premises including each restricted access area	✓	
A log recording the name, and date and time of entry of each visitor permitted into a restricted access area	✓	
All records normally retained for tax purposes	✓	
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	✓	
Transportation records for marijuana and marijuana product as required under 3 AAC 306.750(f)	✓	

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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 business records, including operational and regulatory documents, recordings, surveillance, financial books, inventory and employment records, logs, manifests, and communications, will be stored on-site in the shared office and backed up on an off-site hard drive backed up every 6-12 months to protect from loss and destruction and to allow ownership and designated authorities access at any time. Surveillance records stored off-site will meet all security requirements of 3 AAC 306. Facility records will be managed by authorized agents in accordance with standard retention policies to ensure that business records are stored in a consistent and searchable manner. Records within the facility will be stored in the secured office separate from all storage of marijuana products and currency. Only ownership, the daily manager, and authorized agents will have access to the office and business records. A commercial grade door with card access locking mechanism will be used to separate the office from the rest of the facility.

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Section 3 – Inventory Tracking of All Marijuana and Marijuana Product

Review the requirements under 3 AAC 306.730, and identify how the proposed establishment will meet the listed requirements.

All licensed marijuana establishments must use a marijuana inventory tracking system capable of sharing information with the system the board implements 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 propagated from seed or cutting, through transfer to another licensed marijuana establishment, or use in manufacturing a product, to a completed sale of marijuana or marijuana product, or disposal of the harvest batch of marijuana or production lot of marijuana product.

Applicants should be able to answer "Yes" to all items below.

Marijuana Tracking and Weighing:	Yes	No
A marijuana inventory tracking system, capable of sharing information with the system the board implements to ensure tracking for the reasons listed above, will be used	☑	☐
All marijuana delivered to a marijuana establishment will be weighed on a scale certified in compliance with 3 AAC 306.745	☑	☐

Describe the marijuana tracking system that you plan to use and how you will ensure that it is capable of sharing information with the system the board implements:

Secret Garden Cannabis will use the Metrc inventory tracking system to track the production and movement of all inventory, to increase product security, and to deter and prevent diversion activity. Data will be collected and recorded during all manufacturing and processing activity, and also during the subsequent sale, sample, transport, disposal, and/or destruction.
The facility will assign a tracking number to all marijuana material accepted into the facility, and record the tracking information in Metrc. Employees will be trained to use the tracking system to ensure that: (1) all marijuana products produced, processed, and packaged are identified and tracked through sale, transfer, or destruction; (2) all establishments transacting to purchase or otherwise receive marijuana products from the facility are licensed; and (3) any loss or theft of marijuana products is promptly reported. Employees will record all sales, testing, and transportation arrangements in the system, and generate a transport manifest to accompany all shipments. Marijuana and by-products used to prepare and package samples will also be recorded, including: (1) the amount of each sample; (2) the facility that received the sample; and (3) the disposal of any expired or outdated promotional sample returned to the facility. Employees will use the tracking system to verify all shipments, and identify any individuals at the facility for the purpose of conducting business.
Any products flagged for disposal will be recorded in Metrc at least three (3) days prior to any disposal action. Any destruction, loss, or theft of marijuana will be promptly recorded in Metrc to notify AMCO, and reported to local authorities.

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Section 4 – Employee Qualification and Training

Review the requirements under 3 AAC 306.700, and identify how the proposed establishment will meet the listed requirements.

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, shall obtain a marijuana handler permit from the board before being licensed or beginning employment at a marijuana establishment.

Applicants should be able to answer "Yes" to all items below.

Marijuana Hander Permit:	Yes	No
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	☑	☐
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 premises of a retail marijuana store, marijuana cultivation facility, or marijuana product manufacturing facility) when on the licensed premises	☑	☐
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	☑	☐

Describe how your establishment will meet the requirements for employee qualifications and training:

The licensee and all employees will be required to obtain a marijuana handler permit from AMCO Enforcement prior to beginning employment and must keep the permit in good standing at all times while employed with Secret Garden Cannabis. Qualified agents will be hired on a three (3) month probationary period during which they will be trained in their position, receive regular education and evaluation from ownership and management, and cross-trained to ensure that no positions are vacant. Training education will include marijuana industry topics, safety, customer care, legal issues, state and federal regulations, and OSHA, and will take place throughout the year as well as when topics arise. Employees will be expected to learn: (1) Alaska laws, regulations, and codes governing the marijuana industry and marijuana establishments; (2) all of the permitting requirements to act as a handler in a marijuana establishment; (3) company standards, protocol, and best practices; (4) general safety procedures and protocol; (5) how to think defensively in threatening situations and how to recognize the signs of impairment, drug abuse, and instability; (6) in-depth information about particular strains and products; (7) in-depth information on the requirements of each room, task, and system; and (8) the general federal, state, and local employment regulations by which the Company is governed. Employees will meet with management monthly for continued education and evaluation. Managers will be trained in opening and closing procedures, safety protocol, and managing operations and the inventory tracking system. Managers will know all procedures for quality control, inventory control, and sanitation, and will be responsible for accounting records and overseeing facility operations. Agents will be educated on quality control, inventory control, sanitation, opening and closing, manufacturing techniques and best practices, and security. Agents will be trained on how to use the inventory tracking system and how to interact with visitors while in production. Agents will attend a general security class at hiring, and learn how to handle security and emergency procedures. The agents will be given in-depth education on the products that are produced and sold, cannabis risks and effects, and all of the mandated information included in the handler's permit. Agents will also be trained in cash policies and how to record inventory. The state and local marijuana regulations and laws will be posted in spaces frequented by the staff, and all new hires will be required to meet with ownership to go over employment documents, tasks, educational materials, facility features, security, position-specific training, and to receive their uniform and supplies at hiring.

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Section 5 – Waste Disposal

Review the requirements under 3 AAC 306.740, and identify how the proposed establishment will meet the listed requirements.

Applicants should be able to answer "Yes" to the statement below.

Marijuana Waste Disposal:	Yes	No
The marijuana establishment shall give the board at least 3 days notice in the marijuana inventory tracking system required under 3 AAC 306.730 before making the waste unusable and disposing of it	☑	☐

Describe how you will store, manage, and dispose of any solid or liquid waste, including wastewater generated during marijuana cultivation, production, process, testing, or retail sales, in compliance with applicable federal, state, and local laws and regulations:

Secret Garden Cannabis has prepared a disposal plan for disposing of all marijuana product that does not meet state testing requirements and Secret Garden Cannabis' internal quality standards for any reason, including, but not limited to, disease, infestation, and mishandling. Rendering marijuana unusable before disposal will ensure that marijuana products are safely kept away from the public. Secret Garden Cannabis will ensure that all marijuana product is rendered unusable prior to leaving the facility. The Manager will maintain a log on the status of all marijuana product waste, tracking the type of waste, the date of disposal, the date It was rendered unusable, and the date that it was picked up by the disposal company. All marijuana product marked for disposal will be stored in a secured bin, separated from all other products and materials, until it can be rendered unusable. Once rendered unusable, marijuana product will be securely stored in locked containers located on the premises. All locks will comply with the highest UL standards. Only authorized personnel will have access to the keys that lock and unlock the disposal containers. A waste truck will collect the waste and dispose of it at the city solid waste facility. To ensure tracking and to ensure that no diversion occurs, a manager will meet with the waste truck driver and collect a signature and the name of the waste truck driver, the date, time, and the type of marijuana product waste being collected. This information will be entered Into a log by the manager, which will be securely stored and made available to AMCO upon request. The manager will make arrangements with the disposal company if ever the dumpsters are full prior to pickup.

Describe what material or materials you will mix with the ground marijuana waste to make it unusable:

Marijuana product waste will be ground up with other compostable food waste, yard waste, vegetable oils, or with non-food paper waste or cardboard after giving AMCO Enforcement at least three (3) days notice via email.

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Marijuana waste must be rendered unusable for any purpose for which it was grown or produced before it leaves the marijuana establishment. Describe the process or processes that you will use to make the marijuana plant waste unusable:

To render marijuana product unusable, Secret Garden Cannabis will grind and incorporate the marijuana product waste with either non-compostable or compostable solid wastes so that the resulting mixture is at least fifty percent (50%) non-marijuana product waste. Authorized agents will use paper waste, plastic waste, cardboard waste, soil, food waste, yard waste, and/or vegetable-based grease or oils. Management will inspect the resulting mixture to ensure it is composed of no more than fifty percent (50%) marijuana product by volume, and will record the composition of the mixture in the disposal log. All marijuana product waste will be secured in waste storage within the facility, separate from all other marijuana products, storage, and waste, until such time it is picked up by the waste disposal company under manager supervision.

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Section 6 – Transportation and Delivery of Marijuana and Marijuana Products

Review the requirements under 3 AAC 306.750, and identify how the proposed establishment will meet the listed requirements.

Applicants should be able to answer "Yes" to all items below.

Marijuana Transportation:	Yes	No
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	☑	☐
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	☑	☐
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	☑	☐
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	☑	☐
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	☑	☐
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	☑	☐
The marijuana establishment will refuse to accept any shipment of marijuana or marijuana product that is not accompanied by the transport manifest	☑	☐

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Alaska Marijuana Control Board

Form MJ-01: Marijuana Establishment Operating Plan

Describe how marijuana or marijuana product will be prepared, packaged, and secured for shipment:

For all transports of marijuana products the establishment 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 official business records. The Manifest documents will clearly have the 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 will be in a sealed package or container not exceeding more than five (5) 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. All packaging materials that will be sold to marijuana establishments for sale to consumers will be child-proof 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 matter with labels secure and clearly displayed. Packaged marijuana product will be stored in a secured area until ready for display or transport, and will be inspected, accepted or rejected, and recorded in an official log. The company will check all packages to make sure that they will keep all marijuana product from contamination and will check to make sure that the packages will not impart any toxic or deleterious substance to marijuana product. Secret Garden Cannabis will use certified scales in compliance with the Alaska Weights and Measures Act, and will maintain registration and inspection reports at the facility. Reports will be available upon request for AMCO.

Describe the type of locked, safe, and secure storage compartments that will be used in any vehicles transporting marijuana or marijuana product:

Any vehicle transporting marijuana will be unmarked and inconspicuous. Vehicles that will be used for transportation of marijuana will contain a secure and sanitary area affixed to the inside of the transportation vehicle that will lock and will ensure the products cannot be seen by anyone from outside of the transportation vehicle. The secure storage area within the transportation vehicle will be sanitized before and after each use. Prior to departure, a manager will ensure all marijuana is in sealed packages, and locked in the safe and secure storage compartment in the transport vehicle. All employees will be trained and will understand that under no circumstances (absent instruction from a duly authorized law enforcement officer) shall a sealed package containing marijuana be opened during transportation. The vehicle storage box will be a large rectangular industrial container mounted and secured within the vehicle, accessible by a combination lock. The structure will be formed of steel, hard plastic or like materials. From time to time ownership may utilize a third party for transport and shall ensure the third party transport company has their Marijuana Handlers' card.

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Form MJ-01: Marijuana Establishment Operating Plan

Section 7 – Signage and Advertising

Describe any signs that you intend to post on your establishment with your business name, including quantity and dimensions:

There will be 1 sign with the business name "Secret Garden Cannabis - Manufacturing" on it visible to the general public affixed to the backside of the building. The sign will not exceed 4,800 square inches.

If you are not applying for a retail marijuana store license, you do not need to complete the rest of Section 7, including Page 17.

Restriction on advertising of marijuana and marijuana products (3 AAC 306.360):

All licensed retail marijuana stores must meet minimum standards for signage and advertising.

Applicants should be able to answer "Agree" to all items below.

No advertisement for marijuana or marijuana product will contain any statement or illustration that:	Agree	Disagree
Is false or misleading	☐	☐
Promotes excessive consumption	☐	☐
Represents that the use of marijuana has curative or therapeutic effects	☐	☐
Depicts a person under the age of 21 consuming marijuana	☐	☐
Includes an object or character, including a toy, a cartoon character, or any other depiction designed to appeal to a child or other person under the age of 21, that promotes consumption of marijuana	☐	☐

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No advertisement for marijuana or marijuana product will be placed:	Agree	Disagree
Within one thousand feet of the perimeter of any child-centered facility, including a school, childcare facility, or other facility providing services to children, a playground or recreation center, a public park, a library, or a game arcade that is open to persons under the age of 21	☐	☐
On or in a public transit vehicle or public transit shelter	☐	☐
On or in a publicly owned or operated property	☐	☐
Within 1000 feet of a substance abuse or treatment facility	☐	☐
On a campus for post-secondary education	☐	☐

Signage and Promotional Materials:	Agree	Disagree
I understand and agree to follow the limitations for signs under 3 AAC 306.360(a)	☐	☐
The retail marijuana store will not use giveaway coupons as promotional materials, or conduct promotional activities such as games or competitions to encourage sale of marijuana or marijuana products	☐	☐
All advertising for marijuana or any marijuana product will contain the warnings required under 3 AAC 306.360(e)	☐	☐

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Form MJ-01: Marijuana Establishment Operating Plan

Section 8 – Control Plan for Persons Under the Age of 21

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:

At no time will a person under the age of twenty one (21) be permitted to remain on the premises. All entrants will be directed to enter through the front entrance door where they will check in with a designated agent. A sign will be posted on both the front entrance door and on the door leading into the cultivation area stating "No one under 21 years of age allowed". At check in, visitors will be required to present valid government-issued photo identification showing that they are twenty one (21) years of age or older. A valid form will include: (1) an unexpired, unaltered passport; (2) an unexpired, unaltered driver's license; instruction permit, or identification card of any state or territory of the United States, the District of Columbia, or a province of Canada; and (3) an identification card issued by a federal or state agency authorized to issue a driver's license or identification card. The facility will refuse entrance to all persons who fail to produce valid photo identification, regardless of how old they appear or how familiar they are with the employee. If at any time an employee suspects that a visitor is under twenty one (21), the employee will refuse access and have the individual escorted off the premises. Employees will be trained to spot inconsistencies and signs of forgery in IDs, and will have an ID guide on hand to help recognize IDs from other states and countries.

I declare under penalty of perjury that I have examined this form, including all accompanying schedules and statements, and to the best of my knowledge and belief find it to be true, correct, and complete.

James M. Thornton
Signature of licensee

James M. P. Thornton
Printed name

Subscribed and sworn to before me this 12 day of May, 2017.

CHRISTINA THIBODEAUX
Notary Public
State of Alaska
My Commission Expires Mar 31, 2021

Christina Thibodeaux
Notary Public in and for the State of Alaska.

My commission expires: March 31, 2021

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Form MJ-01: Marijuana Establishment Operating Plan

(Additional Space as Needed):

Some products were approved at the September 2017 meeting, others at the November 2017 meeting.

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Alaska Marijuana Control Board

Operating Plan Supplemental

Form MJ-05: Marijuana Product Manufacturing Facility

What is this form?

This operating plan supplemental form is required for all applicants seeking a marijuana product manufacturing facility license and must accompany the **Marijuana Establishment Operating Plan (Form MJ-01)**, per 3 AAC 306.020(b)(11). Applicants should review **Chapter 306: Article 5** of the **Alaska Administrative Code.** This form will be used to document how an applicant intends to meet the requirements of those 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 and 3 AAC 306.520(3).

What additional information is required for product manufacturing facilities?

Applicants must identify how the proposed establishment will comply with applicable regulations regarding the following:

- Prohibitions
- Equipment, compounds, and processes to be used
- Proposed marijuana concentrates and marijuana products
- Proposed product packaging and sample labels
- Waste disposal plan
- Testing

This form must be submitted to AMCO's main office before any marijuana product manufacturing facility license application will be considered complete.

Section 1 – Establishment Information

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

Licensee:	Axion Enterprises, LLC	**License Number:**	12769		
License Type:	Marijuana Product Manufacturing Facility				
Doing Business As:	Secret Garden Cannabis				
Premises Address:	726 E 15th Ave, Suite 2				
City:	Anchorage	**State:**	ALASKA	**ZIP:**	99501

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Operating Plan Supplemental

Form MJ-05: Marijuana Product Manufacturing Facility

Section 2 – Prohibitions

Applicants should review 3 AAC 306.510 and be able to answer "Agree" to all items below.

The marijuana product manufacturing facility will not:	Agree	Disagree
Sell, deliver, distribute, or transfer any marijuana, marijuana concentrate, or a marijuana product directly to a consumer, with or without compensation	☑	☐
Allow any person, including a licensee, employee, or agent, to consume marijuana, marijuana concentrate, or a marijuana product on its licenses premises	☑	☐

The marijuana product manufacturing facility will not manufacture or sell any product that:	Agree	Disagree
Is an adulterated food or drink	☑	☐
Closely resembles a familiar food or drink item including candy	☑	☐
Is packaged to look like candy, or in bright colors or with cartoon characters or other pictures or images that would appeal to children	☑	☐

Section 3 – Equipment, Compounds, and Processes to be Used

Review the requirements under 3 AAC 306.555, and identify how the proposed premises will meet the listed requirements.

Describe the equipment and solvents, gases, chemicals, and other compounds the marijuana product manufacturing facility will use to create marijuana concentrates:

Equipment:Commercial oven, Supercritical CO2 botanical oil extractor, Hydraulic rosin press
Solvents, gases, chemicals: CO2, ethyl alcohol, acetone, citric acid, activated charcoal.

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Describe the processes to be used to create marijuana concentrates:

Subcritical, critical and supercritical CO2 extraction: Ground marijuana material is loaded manually into a stainless steel vessel, which is then pressurized. CO2 passes through the material and caries out the cannabinoids, terpenes, plant waxes, and other volatile organic compounds. Pressures and temperatures can be varied to target specific compounds. The vessel is then depresurized, the plant material is disposed of according to 3 AAC 306.740 and the concentrate is removed from its collection vessel and stored in a freezer.

Ethanol extraction both of raw material and of CO2 extracted material: Pure, lab grade ethanol is added to ground marijuana material or marijuana concentrate and the mixture is placed in a refrigerator or freezer for a specific period of time, ranging from an hour to several days. The plant wax is then filtered out of the mixture using either a pump and filter with plumbing or a vacuum buchner funnel. The filtered plant wax is disposed of and the ethanol/concentrate mixture is removed from its collection vessel and stored in a freezer.
Fractional distillation:The ethanol/concentrate mixture is placed under vacuum and heated to remove specific impurities. Vacuum pressure and temperature are varied to target specific impurities, such as ethanol and water. The ethanol is collected and saved for future use. The water is disposed of. The refined marijuana concentrates are removed and stored in a freezer.

Hydraulic rosin press extraction:Ground marijuana material or whole flower is placed into a stainless steel die, which is loaded into a hydraulic press. The die is heated with an electric element while the hydraulic press squeezes the concentrates out of the marijuana plant material. The die is then removed from the press and the marijuana plant material is disposed of according to 3 AAC 306.740. The marijuana concentrates are removed from the die and stored in a freezer.

Ice water extraction: Ground marijuana material or whole flower is placed into a bucket lined with cloth sieves. The bucket is then filled with ice water, and the mixture is manually agitated. After the ice melts, the sieves are removed sequentially, leaving concentrate of different consistency in each screen. The marijuana plant material is disposed of according to 3 AAC 306.740. The concentrates can be heated in an oven to remove residual moisture, then stored in a freezer.

Dry ice extraction: This process is identical to that of ice water extraction, except granulated dry ice (CO2) is used instead of water.

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Operating Plan Supplemental

Form MJ-05: Marijuana Product Manufacturing Facility

Section 6 – Waste Disposal Plan

Review the requirements under 3 AAC 306.520, and identify how the proposed premises will meet the listed requirements.

Describe the marijuana product manufacturing facility's plan for disposal of any expired or outdated marijuana or marijuana product that is not sold or transferred to another licensed marijuana establishment:

Secret Garden Cannabis has prepared a disposal plan for disposing of all marijuana product that does not meet state testing requirements and Secret Garden Cannabis' internal quality standards for any reason, including, but not limited to, disease, infestation, and mishandling. Rendering marijuana unusable before disposal will ensure that marijuana products are safely kept away from the public. Secret Garden Cannabis will ensure that all marijuana products are rendered unusable prior to leaving the facility. The Manager will maintain a log on the status of all marijuana product waste, tracking the type of waste, the date of disposal, the date It was rendered unusable, and the date that it was picked up by the disposal company. All marijuana products marked for disposal will be stored in a secured bin, separated from all other products and materials, until they can be rendered unusable. Once rendered unusable, marijuana products will be securely stored in locked containers located on the premises. Marijuana waste will be rendered unusable (after giving AMCO Enforcement a 3 day notice) by grinding or mixing the materials with other compostable and non-compostable material until the resulting mixture is no more than fifty percent (50%) marijuana waste. All locks will comply with the highest UL standards. Only authorized personnel will have access to the keys that lock and unlock the disposal containers. A waste truck will collect the waste and dispose of it at the city solid waste facility. To ensure tracking and to ensure that no diversion occurs, a manager will meet with the waste truck driver and collect a signature and the name of the waste truck driver, the date, time, and the type of marijuana product waste being collected. This information will be entered Into a log by the manager, which will be securely stored and made available to AMCO upon request. The manager will make arrangements with the disposal company if ever the dumpsters are full prior to pickup.

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Form MJ-05: Marijuana Product Manufacturing Facility

Section 7 – Testing

The area where in-house testing will occur must be identified on the premises diagram, per 3 AAC 306.520(2).	Yes	No
Will the marijuana product manufacturing facility perform in-house testing (as defined in 3 AAC 306.990(b)(20))?	☑	☐

Applicants should review 3 AAC 306.550 and be able to answer "Agree" to the item below.

The marijuana cultivation facility applicant has:	Agree	Disagree
Read and understands and agrees to the required laboratory testing set forth in 3 AAC 306.550	☑	☐

I declare under penalty of perjury that I have examined this form, including all accompanying schedules and statements, and to the best of my knowledge and belief find it to be true, correct, and complete.

Signature of licensee

James M.P. Thornton

Printed name

Subscribed and sworn to before me this 12 day of May, 2017.

CHRISTINA THIBODEAUX
Notary Public
State of Alaska
My Commission Expires Mar 31, 2021

Christina Thibodeaux
Notary Public in and for the State of Alaska.

My commission expires: March 31, 2021

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(Additional Space as Needed):