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:

- 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:	The Fairbanks Cut, LLC	**MJ License #:**	18187		
License Type:	Retail Marijuana Store				
Doing Business As:	The Fairbanks Cut, LLC				
Premises Address:	188 Bentley Trust Road, Suite A				
City:	Fairbanks	**State:**	Alaska	**ZIP:**	99701

Mailing Address:	188 Bentley Trust Road, Suite A				
City:	Fairbanks	**State:**	Alaska	**ZIP:**	99701

Designated Licensee:	Lily Bosshart		
Main Phone:	907-444-3656	**Cell Phone:**	907-444-3656
Email:	lbosshart@dankorage.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:

No one under the age of 21 will enter the premises of The Fairbanks Cut, LLC for any reason, so all customers will show identification before entering. ID's will be scanned to verify authenticity. Employees will be trained to identify fake ID's and any fake ID's will be confiscated and turned over to local law enforcement.

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 Fairbanks Cut LLC will admit visitors into restricted access areas of the facility only after the following conditions have been met:

1) Visitor's valid ID must identify them as being aged 21 or older.
2) Visitor must sign in to the official Fairbanks Cut visitor log. Visitor's full name, government issued ID number, date, and time they visited will all be logged upon entrance.
3)Visitor must wear an official Fairbanks Cut visitor badge that is highly visible at all times.
4)Visitor must be accompanied by a Fairbanks Cut employee at all times while in a restricted access area; with no greater than a 1:5 ratio.

All doors leading to the restricted access area will be locked and will require a code for entrance. All Restricted Access Area doors are clearly visible and all employees will be trained to monitor all doors.

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

The Fairbanks Cut will keep careful records of all visitors who have been admitted into restricted access areas of the premises by utilizing a log which requires the visitors full signed name, ID # , the date and time the restricted access area was entered by the visitor. Visitors will receive a brightly colored visitor's badge. There will be no more than five visitors per employee within the restricted access area. At no point will a visitor be left unattended in the restricted access area. At the end of the visit, the escorting employee will check that the restricted access area is clear of all visitors and lock the door behind them. The sign-in log will be kept on the premises for a minimum of two years before being archived. All restricted access areas are monitored by video cameras. This feed will be saved for forty days and can be reviewed at any time.

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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:

See below for an example of The Fairbanks Cut employee and Visitor identification badges:

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 Fairbanks Cut will have exterior lighting that facilitates our surveillance system via flood lights which will be installed next to the exterior video surveillance cameras. Each light will be triggered via motion sensor, light switch or when the security system is triggered due to a trespasser. These lights will provide more than adequate lighting so that all people entering and exiting the premises are easily identifiable and are clearly recorded on our video surveillance system.

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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:

The Fairbanks Cut will use a brand new, industry standard security alarm system. All entry points will be monitored. When the system is activated there will be glass break sensors and motion detector sensors in use. Our restricted access area will be secured with reinforced steal doors. All exterior windows and doors are connected to our security system which alerts local law enforcement if an unauthorized breach occurs.
A keypad is located inside the main entrance door and an owner/manager will have the code to arm and disarm the alarm. Part of daily closing procedures will involve arming the system prior to locking up for the night. When and if the system alarm goes off due to an unauthorized breach, an agent for The Fairbanks Cut will meet local law enforcement on location as soon as possible. They will follow any and all directives given by law enforcement and stay on-site until the store is secure.
A member of the Fairbanks Cut management will notify the Department of Commerce, Community, and Economic Development, along with Alcohol and Marijuana Control Office as soon as reasonably practical and in any case not more than 24 hours after any unauthorized access to the premises or the establishment's knowledge of evidence or circumstances that reasonably indicate theft, diversion, or unexplained disappearance of marijuana, marijuana products, or money from the licensed premises.

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

All product is weighed and received into Metrc upon entering the store. All bulk cannabis is stored in the restricted access area. Small amounts of prepackaged material will be stored behind the restricted access area counter for convenient bud tender access. When a customer places an order, a bud tender gathers product from behind the restricted access area counter, rings it up using our point of sale "Greenbits", checks it for accuracy and completes the transaction. All store policies and procedures are designed with regulatory compliance in mind. We will regularly review footage from all security cameras. All marijuana flower inventory is to be audited biweekly and twice daily counts will be taken for all concentrates. Employees to attend trainings every other week and are expected to be fluent in state and city regulations. Heavy staffing is maintained to ensure safety and oversight.

3.7. Describe your policies and procedures for preventing loitering:

The Fairbanks Cut's policies and procedures for preventing loitering consist of posting proper signage around the building. All Fairbanks Cut employees will be trained to discourage loitering as well by politely, but firmly, asking loiterers to move along. There will be no outside seating or lounge areas provided. Security cameras will be monitored throughout the day to ensure pedestrian traffic is flowing smoothly.

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. UB

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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 cameras are placed on both sides of the main entrance on the inside of the store within ten feet of the door. Adequate cameras will be placed within the premises so that the entire location is covered by security cameras. All cameras provide 24/7 video surveillance. All cameras capture a high resolution image so that faces are clearly visible within twenty feet of the camera.

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:

A locked metal cabinet will be mounted to the wall inside the surveillance room, within the Restricted Access Area. All video storage devices will be securely locked within the cabinet. Only owners and managers will have access to this security cabinet. All security footage will be stored on-site for the full 40 days required. Security feed can also be accessed securely through computer monitors located on-site. As such, any agent of the state can have easy access to footage upon request.

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Section 4 – Business Records

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

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

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

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;** US

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

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

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

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

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

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;** US

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

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

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:

The Fairbanks Cut will exercise due diligence in preserving and maintaining all required records by using Xero financial software and backing any and all documentation via external hard drives for all computers. All hardware is plugged into surge protectors. A copy of all records are kept on-site for two years and then archived for seven years. Every computer will have a backup hard drive attached that automatically stores all files in an encrypted form. All computers are covered by surveillance cameras and access will be restricted to management/ownership.

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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. [UB]

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

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. [UB]

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. [UB]

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. [UB]

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. [UB]

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

All Fairbanks Cut employees will be briefed and trained on all Alaska customer service laws and regulations pertaining to the handling of marijuana product and safety procedures. All staff will attend biweekly meetings. During those meetings staff will be kept up to date on any regulation changes or updates to our procedures. In addition staff has access to THC University in order to further their cannabis education. Management attends expos and seminars conducted both in and out of state on a regular basis.

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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.	UB
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.	UB
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.	UB
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).	UB

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:

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. There will also be a printed manifest documenting pick-up and delivery dates, locations and times as well as the weight, type, and amount of marijuana. All of this information is tracked by the marijuana point of sale system that The Fairbanks Cut will be using known as Greenbits, along with Metrc.

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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. [UB]

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. [UB]

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. [UB]

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. [UB]

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. [UB]

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. [UB]

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

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):

We will have three signs posted on the premises. Signs One and Two will be either side of an internally lit monument sign, mounted to a base on the south side of the parking lot. The sign will be a metal light-box with Plexiglas inserts fitted to each side. The Plexiglas will be printed with our logo on both sides. The light box will be no larger than 4,800 square inches.
The Third sign will be the name "The Fairbanks Cut" in individually lit letters, mounted above the front door. The composite square footage of the lit phrase will be no larger than 4,800 square inches. Letters will be constructed of metal and back lit.

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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 intend to have on hand pamphlets describing our business philosophy and cannabis offerings. We also intend to purchase space in our local paper that displays our logo, contact information and hours of operation.

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

Signature of licensee

Lily Bosshart
Printed name of licensee

DARIEN LOPEZ
Notary Public
State of Alaska
My Commission Expires Jan 18, 2022

Notary Public in and for the State of Alaska

My commission expires: 01-18-2022

Subscribed and sworn to before me this 14 day of June, 2018.

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