Alcohol and Marijuana Control Office
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Anchorage, AK 99501
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Phone: 907.269.0350

Alaska Marijuana Control Board

Form MJ-01: Marijuana Establishment Operating Plan

What is this form?

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

What must be covered in an operating plan?

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

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

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

Section 1 – Establishment & Contact Information

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

Licensee:	Arctic Bakery, LLC	**MJ License #:**		16006	
License Type:	Marijuana Product Manufacturing Facility				
Doing Business As:	Arctic Bakery, LLC				
Premises Address:	1409 Well Street				
City:	Fairbanks	**State:**	Alaska	**ZIP:**	99701

Mailing Address:	P.O. Box 61210				
City:	Fairbanks	**State:**	Alaska	**ZIP:**	99706

Designated Licensee:	Brian L. Simpson		
Main Phone:	907-322-9841	**Cell Phone:**	907-322-9841
Email:	noainc@mosquitonet.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:

The entire facility, including the parking lot area within the fenced perimeter, is a restricted area and not open to the public. When the facility is closed all alarms will be armed and all doors locked. All visitors will be pre-scheduled and must present valid government issued ID validating that they are over 21 years of age. No persons will be allowed into the facility without approval from management. Exterior signs stating no trespassing, no persons under 21 permitted, entire area is under 24 hour video surveillance and the facility is protected by an electronic alarm system will be posted. Anyone who violates the visitor policy or attempts to aid unauthorized access for anyone, including persons under 21 years of age, will be reported to law enforcement and prohibited from accessing the facility again.

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 entire facility is a restricted area and not open to the public. No person may enter or remain in the facility without first pre-scheduling, presenting a valid ID, signing into the visitors log, obtaining a visitor badge and being escorted by an on duty employee at all times. The facility will be protected from entry by unescorted members of the public and all other unauthorized persons by the following security measures: The exterior will include signs stating the facility is secured and monitored, outdoor lighting, 24 hour video surveillance of the doors, windows, all points of ingress and egress, exterior facility property and adjacent properties, parking lot surrounded by barbed wire topped chain link fencing, steel window and door bars, commercial door locks and alarm system. The entire interior of the facility is protected by video surveillance, motion detectors, windows and doors with alarms, and every section of every room, including the walk in freezer, office, surveillance room, extraction lab, production, packaging and storage areas are monitored by 24 hour video surveillance.

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

The entire facility is a restricted area and all visitors must pre-schedule their visit. Each visitor shall enter through the west wall entrance door, identified as Exterior Door #1 on Diagram #3 attached to the Form MJ-02 Premises Diagrams, and log into the visitor log in the reception area adjacent to the entrance door and office. Each visitor must present valid government issued ID, sign into the visitors log book stating the time in and out of the facility and the the purpose of the visit, obtain a visitor badge and be escorted by an employee at all times. The visitor's ID is kept until the visitor completes the visit and returns their visitor badge. The visitor must exit the facility immediately at the conclusion of the visit.

The visitor log book will be kept and stored as a business record available to AMCO on request along with all other business records in the business office.

In the event of an emergency, the owners, manager on duty, specifically defined agents and any emergency or law enforcement personnel will have unrestricted access to the entire facility.

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

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

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

The two exterior doors for access into the restricted secured facility, the office door and the secure surveillance room door will have commercial grade locks. The exterior lighting will be checked daily by the manager on duty to ensure the lighting system is fully operational for video surveillance recording and deter unauthorized presence on or near the premises. The exterior light fixtures are installed against the building and will keep the premises, signs, doors and windows well lit and allow exterior surveillance cameras to record individuals up to twenty (20) feet from all entry points, and the entire licensed property. The LED lights will be bright to maximize visibility and deter criminal activity.

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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 premises will be actively monitored by a third party security company 24 hours a day 7 days a week. The security company will install and maintain an alarm system which monitors every exterior door and window, the interior office door and window and the interior secured surveillance room door to detect any unauthorized entry or attempted entry. The system will be enhanced with motion detectors inside the facility when it is closed. An unauthorized entry attempt will trigger an automatic electronic alert to a designated offsite manager and local law enforcement. The security company will be in direct contact with our onsite manager during operational hours, and when the facility is closed a designated offsite manager and local law enforcement at all times. The system will always be activated when the facility is closed. The morning manager will disable the system upon arrival at the site, and check all tapes and cameras to insure they are properly functioning. At closing of daily operations, the manager will insure all doors and windows are locked and activate the alarm system. There will also be a panic alarm that can be activated by employees in the event of an intrusion during working hours to notify a designated off site manager and local law enforcement. The system will be tested every six (6) months. Ownership and managers will be trained on the security/alarm system by the security company and installers, to include: proper use, troubleshooting, measures, controls and police response. At all times an offsite manager/owner will be notified of an alarm to respond and co ordinate the response to an intrusion with the onsite manager or employee during operational hours, and with law enforcement. During non-operational hours the offsite manager will respond to the alarm and be available to aid law enforcement to investigate the intrusion. All employees will be trained on the location and use of the "panic" alarm in the event of an intrusion during operational hours.

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

All marijuana fiber, extracted oil, and infused edible products will be stored in the production - packaging area of the facility, which is a restricted access area limited to authorized employees. The exact weight of all incoming fiber/flower, extracted oil and oil infused into finished products and waste will be tracked with bio-tracks and metrc systems. All production orders require signatures from the manager and the production crew lead to account for the use of every mg of THC, these records will be stored with other business records and available for review to determine any discrepancies. The entire facility is restricted, locked and monitored under 24 hour video surveillance. Any employee who steals or illegally distributes any amount of marijuana will be reported to law enforcement immediately. Management will comply with all directives and provide all information and records for the investigation. All reports and records of suspected or actual theft or diversion will be maintained by the company for five (5) years and made available to AMCO and its' agents and representatives upon request.

3.7. Describe your policies and procedures for preventing loitering:

The two exterior doors of the facility face the parking lot which is within a barbed wire topped chain link fence which is private property and the gate will be marked with a no trespass sign. There is no public access within the fence, and trespassers will be asked to leave, and if they do not comply, the manager on duty will call law enforcement. Any unauthorized person loitering on the premises between the fence and the building's north wall to the public right of way at Well Street will be asked to leave. In the event such person does not leave the premises, law enforcement will be contacted by management. The entire exterior of the facility is monitored 24 hours a day with surveillance video, and well lit.

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. BS

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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. BS

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. BS

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

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). BS

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:

The two (2) exterior ingress/egress doors will have video coverage to clearly identify the faces of anyone within twenty (20) feet and documenting the face of anyone entering or leaving the facility. The exterior of the facility will be monitored by video coverage. The production room, extraction lab, walk in freezer, break room, office and surveillance security room will all be fully covered by video surveillance, free of obstruction from fixtures and equipment. The parking areas will also be covered by the cameras. In the event of a power failure, the cameras and recording equipment will run on emergency back up power to insure the system will operate for a minimum of one (1) hour.

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:

Video surveillance recording equipment and the original copies of surveillance records will be kept in the secured surveillance room. This room will have a reinforced security door locked at all times. Only owners and the office manager will have the access code for the door smart lock, and spring loaded hinges will insure the door closes after each time it is opened. This secured room requires access through the office, which also has a locking door, and is also only accessible to the owners and the office manager. Both the office and surveillance rooms are monitored 24 hours 7 days a week with video camera surveillance. The video data will be stored on the system's DVR for a minimum of forty (40) days and are part of the business records. All recordings will include the time and date stamp and be archived in a format that does not permit alteration of the requested images. All data can be made accessible for upload to a separate hard drive to maintain records for as long as necessary in the event of civil, administrative or criminal investigation(s). All recordings and business records will be available to law enforcement or AMCO representatives 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)*; BS

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;** BS

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

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

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

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

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

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;** BS

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

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

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

All business records, operational and regulatory documents, surveillance recordings, inventory records, employment records, employee attendance records, visitor logs, invoices, manifests, extracted oil records, edible product production records and communications will be stored onsite in both the office and secured surveillance room, with access limited to ownership, management and government authorities. Aside from original documentation, back up electronic copies will be kept in the secured office and secured surveillance room and at an off site location to prevent from loss or destruction. Access to records within the facility will be limited to owners and management. Electronic records will be copied to both an onsite and an offsite hard drives to insure records will be available to AMCO and law enforcement.

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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. BS

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

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. BS

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. BS

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. BS

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. BS

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

All individuals in ownership and employees will have a valid marijuana handler card, required to be kept with their employee badge while in the facility. Copies of every card will be kept with corporate records onsite. Every employee will also be required to have a valid first aid card, and the company will provide training. All employees will be trained on protocols to respond to regulatory mandates, security issues, health, safety and fire responses, visitor escorting and loiterers on or near the premises. All owners, managers, production and packaging employees will have valid food handler cards on their person and a copy with the business records on file. Managers will have specific training in the topics listed above and in depth protocols including: Product recall policy, facility hygiene and periodic deep cleaning and maintenance protocols, protocols opening and closing the facility, security alarm and surveillance video systems, record storage, managing emergency situations such as personnel injury, fire and law enforcement scenarios and inventory tracking for in house policy and metrc requirements.

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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. BS

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. BS

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. BS

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). BS

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 edible products will be individually packaged immediately after manufacturing with nitrogen filled 4mm mylar, and subsequent to positive third party testing further packaged with approved exterior packaging, health and safety labeling methods, child proof and unappealing to children. Infused products will be stored in the secured, restricted access, locked production and packaging room in the facility with 24/7 surveillance when awaiting distribution. All transports of marijuana products will have Metrc generated trip manifests, and labels stating that a licensed testing facility has tested each batch attached with the products, additional copies will be filed as business records. Products prepared for shipment 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 unmarked vehicle will travel directly between destinations without making any unnecessary stops or with marijuana products directly visible. Employees, agents and third party transporters will have current marijuana handler cards.

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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. BS

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. BS

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. BS

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. BS

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. BS

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. BS

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

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):

The entire facility is restricted and closed to the public. All sales are to offsite licensed retail stores. Exterior signage will be limited to: (1) Street Address displayed, (2) "Surveillance cameras in use", (3) "Restricted Access", (4) "No Loitering", (5) "No Trespassing" and (6) No persons under 21 allowed. Interior signage will include: (1) State of Alaska marijuana license, (2) City of Fairbanks Certificate of Occupancy, (3) State Business License (4) City Business License, (5) Labor and EEOC required signs, (6) Fire Exits and (7) Fire Extinguisher signs.

In the event AMCO agents do not easily locate the facility as necessary, a small exterior sign with "Arctic Bakery" will be installed.

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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):

Advertising will be a website and a facebook page displaying the logo (below), images of licensed products, describing detailed information of licensed products, images and information for future products to be released upon AMCO approval, a list of licensed retail stores that carry our products and the required warnings in 3 AAC 306.475.

est. 2018
ARCTIC BAKERY
Manufactured in Fairbanks, AK 99701 | License# 16006

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

Signature of licensee

Brian L. Simpson
Printed name of licensee

HALEY GRABNER
My Commission Expires
NOTARY PUBLIC
January 1, 2020
STATE OF ALASKA

Notary Public in and for the State of Alaska

My commission expires: 01.01.2020

Subscribed and sworn to before me this 27 day of October, 2018.

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(Additional Space as Needed):

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