Alcohol and Marijuana Control Office
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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:	Shotnine, LLC	**MJ License #:**	15016		
License Type:	Retail Marijuana Store				
Doing Business As:	The Vault Cannabis				
Premises Address:	1133 E. 68th Ave.				
City:	Anchorage	**State:**	Alaska	**ZIP:**	99518

Mailing Address:	P.O. Box 102221				
City:	Anchorage	**State:**	Alaska	**ZIP:**	99510

Designated Licensee:	Noah Groskreutz		
Main Phone:	907-748-0878	**Cell Phone:**	
Email:	nightsky591@gmail.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:

All patrons wishing to enter the retail establishment will be asked for a valid form of photo ID at the door by either Noah or an employee to prevent any minors accessing the establishment. Any minors will be asked to leave the premise immediately. A valid form of identification includes: (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. At the register, an additional identification check will be performed by the cashier in which the DOB will need to be entered into the point of sale system and be compliant in order to complete the transaction. Signage will be posted at the main entry door stating, "No one under 21 years of age allowed".

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 Vault Cannabis will have "Restricted access area. Visitors must be escorted." signs posted on all storage, inventory and processing areas with a locking door that is only accessible by Noah. All doors leading to the restricted access area will be behind counter displays and will be key pad entry that should remain locked or shut at all times during business hours. Only Noah and employees will have the key code in order to open the key pad entry. Employees in the retail area will not allow customers behind the counter at any time unless such individual is signed into the visitor log and issued a visitor badge. The entrance to the area behind the point of sale counter will also have a sign posted stating that access is restricted and visitors must be escorted.

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

In order to be escorted into restricted access areas, a visitor must be pre-scheduled by either Noah, or a manager, with the exception of AMCO and duly authorized law enforcement agents. Each visitor will sign into the visitor's log indicating their name, the date, time in and out of the restricted access area(s) and purpose of the visit. All visitors will be required to sign in, and to provide valid, government issued, photo identification. Each visitor (with the exception of law enforcement, AMCO Enforcement or other duly authorized agents such as from the Anchorage Municipality or Health Dept.) will be issued a visitor badge and will be instructed to clearly display it on their person at all times while on the licensed premises and return the badge upon exit. At this time, the employee or Noah, will brief the visitor on the company's policy's regarding hygiene, safety, regulatory compliance and any other pertinent information the visitor should be aware of while inside the restricted access areas of the retail store. A designated employee or Noah will escort and actively supervise the visitor(s) during the entire visit. At no time will there be more than 5 visitors per supervising employee or licensee on the premises. Once the visit has concluded, all visitors will be required to exit the restricted access areas of the store and return their visitor badges. The visitor's log will be kept and stored on-site as an official business record. The visitors will be escorted by an employee or Noah at all times while in the restricted access area. The escorting employee will record all information related to the visitor's presence, including any reportable activity or behavior during the visit. This visitor log will be made available to AMCO upon request. The records will be stored in a lock box stored in the crawl space. Only Noah and designated employees will have access to the crawl space. After 7 years the hard copy may be destroyed.

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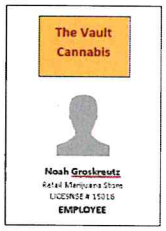
3.3. Provide samples of licensee-produced identification badges that will be displayed by each licensee, employee, or agent while on the premises, and of visitor identification badges that will be worn by all visitors while in restricted access areas:



*or similar format and content

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 Vault Cannabis will ensure their store has adequate lighting by having yard lights that are activated from dusk to dawn on automatic timers. These lights will light up the entire property parcel on the exterior that includes all other buildings on site. The facility will have additional lights attached to the building located over each entrance of the facility and on each wall of the building that are also activated from dusk to dawn on an automatic timer. Exterior lighting and video surveillance recordings will be inspected regularly to ensure all lights are operational and that cameras have sufficient lighting for optimum recording clarity.

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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 Vault Cannabis will contract with a third party security company to install the alarm system, maintain the equipment, periodically test the devices and continuously monitor the facility at an off-site security monitoring center. The alarm system will be set up to monitor for intrusions with motion detectors in all areas of the building, active during closed hours, as well as a door sensor on the exterior door. If triggered, an automatic, electronic alert will be sent to the security monitoring center as well as to Noah's cell phone and/or the general manager. This will also trigger an audible alarm to help deter potential intruders. Live security footage will also be accessible to Noah and/or the general manager via their cellular phones so they may keep an eye on the facility even when they are away. The alarm system will be active at all times that the store is closed. The last employee or Noah to leave the store each night will activate the alarm system and the first employee or Noah to arrive in the morning will deactivate the system. The security alarm company will have a notification parameter built in that will notify the store manager and Noah if the alarm does not activate or deactivate respectively, within fifteen (15) minutes of the store's closing or opening time to ensure Noah can secure inventory at all times. In the event that the alarm system sends an electronic alert to local law enforcement to notify them of an unauthorized breach, the management team will evacuate the building (if it's safe to do and necessary) to a pre-determined safe location. A designated employee will take a head count of employees and any visitors that may have been on the premises to ensure everyone is accounted for. Management will await instruction from law enforcement and comply with all directives. Once it is safe to do so, employees will return to the facility and inspect for property damage, theft, take inventory and submit all necessary and requested documentation to law enforcement officials and to AMCO enforcement. Additionally, any event that occurs on the licensed premises that involves local law enforcement will be promptly reported to AMCO Enforcement via email.

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

The inventory tracking and POS system that to be used will be Greenbits. This system integrates with the State of Alaska's seed to sale tracking system, METRC. Greenbits will generate all SKU numbers, will track manifests, and will assist in entering all inventory into our internal system through the internal state system, METRC. All invoices and item counts will be logged and tracked in this system. Inventory counting can be audited through this system with a cycle count or whole count procedure and items can be hand counted or scanned using IDS applications. Items can be tracked for write offs, inventory adjustments, mis-rings on the cash register, and product shrinkage. Inventory reports can be pulled to track shrinkage, write-offs, and employee audit logs. Access levels will be set by Noah and only designated employees will have the ability to make inventory adjustments. Cycle count is the preferred accounting method and the parameter for reconciliation that is preferred is monthly. Manifest intake protocols will regulate inventory intake and outtake procedures. Security cameras will be located to have all angles viewable at all times for review and it is ideal to ensure that cycle counts are completed within the camera record over a period of 40-45 days. Limited employee access to restricted access marijuana and marijuana product storage areas will help prevent employee theft. The Vault Cannabis understands that diversion can happen in two ways - inversion and diversion - and is equally profitable diverting product out of the legal system as it is diverting product from the illegal system into the legal market. In the event that theft or diversion is suspected, employees will be trained to alert management immediately. In the event that an employee is caught stealing marijuana, OR infusing the facility with non-regulated black-market product, The Vault Cannabis will notify local law enforcement and AMCO enforcement immediately, comply with all directives, and provide all necessary information and records for the investigation. Noah and the general manager will take the necessary steps to ensure that illegal conduct by an employee does not compromise the facility's license and legitimate business operations. All employees will be trained to recognize potential theft, and are required to notify Noah, or management if they suspect such activity is occurring.

3.7. Describe your policies and procedures for preventing loitering:

Signage will be posted on the licensed premises that states "No Loitering". Customers who are sitting in the parking lot or standing outside the premises will be asked to purchase or leave the premises immediately. Company culture will promote no tobacco smoking on premises, on shift or in the vicinity. Individuals found to be loitering on the premises will be met with a verbal request to exit the premises per the no loitering policy and if they do not comply law enforcement will be contacted for back up.

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. NG

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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. NL

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. NL

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

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). NL

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:

Camera angles for the purpose of conducting safe and efficient business practices will be double and single redundancy with a line of sight over the entire inside and exterior of the building. Additional cameras will be placed over each point of sale system and placed on each interior and exterior of the entrance from the exterior and on all doors leading to restricted access areas. A third party security company will assist with camera placement throughout the facility. During a power outage, all video cameras and recording equipment will be run on emergency power with a battery backup system to ensure continued operation for at least one (1) hour.
Surveillance cameras and recordings will be inspected frequently by Noah or a manager to ensure they are getting clear recordings adequate to identify individuals both inside the licensed premises and within 20 feet of the entrance to the store.

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:

NVR (network video recording) systems will be kept in an NVR lock-box at all times and located in the restricted access areas of the licensed premises. Camera recordings will be available via IP address and Internet viewer and will only need to be physically accessed from the NVR's inside the lock-box if the internet host is down. Video surveillance will be available on Noah's phone and Internet for immediate viewing. The lock box will be located in the crawlspace. The only access to the crawl space is from the private office in the restricted access area - only Noah and designated manager will have access. 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 AMCO and local law enforcement 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)*; Nh

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;** Nh

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

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

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

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

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

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;** Nh

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

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

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, including operational and regulatory documents, recordings, surveillance, financial books, inventory and employment records, logs, manifests, and communications and marketing documents will be stored on-site in the crawl space, and backed up every 6-12 months on an off-site external hard drive to protect from loss and destruction and to allow ownership and designated authorities access at any time. Hard copies (if original hard copy is needed to be kept in addition to electronic versions such as Visitors Logs) will be kept in the crawl space, in a separate locked box that is accessible only to Noah and designated employees. 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. Every 6 months, the company will do a manual backup to an external hard drive. The hard drive will be locked in the record cabinet located in the office. Hard copies of documents will be kept for at least seven (7) years and the company has no intention of destroying any electronic copies of the business records.

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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. NL

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

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. NL

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. NL

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. NL

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. NL

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

Employees will:
- Complete marijuana handler permit before on-boarding
- Undergo on-boarding training program
- Review, understand, and sign the employee handbook and policies regarding compliance
- Access online continued education through online training partnerships
- Be required to have Marijuana Handler Permit in name badge or on person at all times

All Marijuana Handlers Permits will have a copy stored on site in employee files and will be checked quarterly for necessary renewals.

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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. Nh

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. Nh

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. Nh

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). Nh

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:

In the event The Vault Cannabis must transport marijuana, preparation for transport will begin by taking an audit of the inventory that is to be transported and by separating this inventory into transportation bins. These transportation bins will be heavy duty plastic bins such as Husky that will be locked with a padlock. After separating and accounting for all inventory, the inventory will be place in our restricted access area while a transportation manifest is generated through our inventory tracking system. The transportation manifest will account for all items, price, units, weight, type of product, name of the transporter, time of departure and expected delivery time, make, model and license plate number of the transporting vehicle. This will all be entered into the inventory tracking system in order to generate a compliant transportation manifest. Once generated, the manifest will accompany the sealed marijuana products ready for transport and a copy will be maintained on-site as a business record. During transport, the locked and sealed bins will be secured with a cable in the trunk or locking rear compartment of the vehicle transporting the cannabis. The vehicle will travel directly to its scheduled destination with no unnecessary stops. No product will be opened during transport. Products will be put in heavy duty plastic bins and locked with a padlock. The product will be transported in the trunk or rear locking area in a van, car or truck with a rear locking compartment. Labels will be affixed to the packaging including all information originally provided by the cultivation or manufacturing facility such as; (1) testing facility and license number (2) testing date and results (3) name and license number of cultivation facility (4) name and license number of manufacturing facility if applicable (for concentrates and products) (5) harvest batch number or production lot number (6) date of packaging (7) net marijuana weight (8) expiration date if applicable.

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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. NL

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. NL

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. NL

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. NL

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. NL

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. NG

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

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):

Total signage will not exceed 4800 square inches. Two signs will be placed on the establishment that will display the logo and the text, "The Vault Cannabis."
The main sign over the front door will be 3800 square inches and the additional sign will be 1000 square inches and located on the other side of the building.
Both signs will indicate the logo, business name and the nature of the business.

Logo is still in development and will be submitted to AMCO once finalized.

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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):

The Vault Cannabis' advertising and marketing is still in development; however, the company plans to utilize the following medium types when distributing advertisements:

- Newspaper ads
- radio ads
- social media to feature specific strains
- magazine ads

Advertisements will include the company logo, the retail store hours and location, available products and will include each warning statement verbatim as they are listed in the regulations.

Logo is still in development and will be submitted to AMCO once finalized.

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

Signature of licensee

Noah Groskreutz

Printed name of licensee

VALERIE MASTOLIER
Notary Public
State of Alaska
My Commission Expires Jun 7, 2022

Notary Public in and for the State of Alaska

My commission expires: 6/7/22

Subscribed and sworn to before me this 17 day of September, 2018.

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(Additional Space as Needed):

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