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Alaska Marijuana Control Board

Operating Plan Supplemental

Form MJ-03: Retail Marijuana Store

What is this form?

This operating plan supplemental form is required for all applicants seeking a retail marijuana store license and must accompany **Form MJ-01: Marijuana Establishment Operating Plan**, per 3 AAC 306.020(b)(11). Applicants should review **Chapter 306: Article 3** of the **Alaska Administrative Code.** This form will be used to document how an applicant intends to meet the requirements of the 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 and 3 AAC 306.315(2).

What additional information is required for retail stores?

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

- Prohibitions
- Signage and advertising
- Displays and sales
- Exit packaging and labeling
- Security
- Waste disposal

This form must be completed and submitted to AMCO's main office before any new or transfer application for a retail marijuana store license will be considered complete.

Section 1 – Establishment Information

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

Licensee:	L&A Cannabis, LLC	**MJ License #:**		17120	
License Type:	Retail Marijuana Store				
Doing Business As:	HOT POT				
Premises Address:	303 Shore Ave Suite 201				
City:	Kotzebue	**State:**	Alaska	**ZIP:**	99752

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Alaska Marijuana Control Board

Form MJ-03: Retail Marijuana Store Operating Plan Supplemental

Section 2 – Overview of Operations

2.1. Provide an overview of your proposed facility's operations. Include information regarding the intake and flow of marijuana and marijuana product at your premises, and a description of what a standard customer visit to your establishment would entail:

Each shipment of marijuana and marijuana product that arrives at Hot Pot's retail store will be inspected by a member of the management team, or a designated employee, checked for quality, packaging compliance, test results and weighed, before being accepted and added to the store's inventory and entered into METRC. Each shipment will be reconciled with the transport manifest, shipment labels and packaging labels to ensure consistency. All product will be weighed by Hot Pot and reconciled with the weight listed on the manifest and labels. Any shipments with discrepancies will be rejected. Shipments that pass initial inspection will be accepted into the facility, entered into METRC and the point of sale software and added to the store's inventory storage or display cases. At the end of each business day, the management team will reconcile the sale's transactions from the point of sale software with the inventory on hand and with METRC to ensure consistency and to resolve any discrepancies immediately. Customers will be greeted at the store's entrance by an employee who will check photo identification and be on the lookout for signs of impairment. Customers will then enter the retail store where they can browse display cabinets, view available products displayed behind glass display cases. Customers will be able to view/smell samples of product in closed glass jars connected to the counter. Sales transactions will take place at the cash registers and when complete, customers will be guided to the store exit. All employees will be trained on the importance of the limits on quantity sold per transaction and the exit packaging requirements set forth in the regulations.

Section 3 – Prohibitions

Review the requirements under 3 AAC 306.310.

3.1. Describe how you will ensure that the retail marijuana store will not sell, give, distribute, or deliver marijuana or marijuana product to a person who is under the influence of an alcoholic beverage, inhalant, or controlled substance:

Employees will be trained to be alert for and recognize the signs of impairment and to refuse service to any individuals exhibiting signs of impairment. Employees will escort the impaired person off of the licensed premises and will contact local law enforcement when necessary. The employee checking ID's at the entrance to the retail store will not allow entrance to anyone suspected of being intoxicated by any substance. Additionally, employees will be trained to strictly adhere to the limit on quantity sold and all employees will have a current marijuana handler permit issued by AMCO.

3.2. I certify that the retail marijuana store will not:	Initials
a. **sell, give, distribute, deliver, or offer to sell, give, distribute, or deliver marijuana or marijuana product in a quantity exceeding the limit set out in 3 AAC 306.355;**	DA
b. **sell, give, distribute, deliver, or offer to sell, give, distribute, or deliver marijuana or marijuana product over the internet;**	DA
c. **offer or deliver to a consumer, as a marketing promotion or for any other reason, free marijuana or marijuana product, including a sample;**	DA
d. **offer or deliver to a consumer, as a marketing promotion or for any other reason, alcoholic beverages, free or for compensation; or**	DA
e. **allow a person to consume marijuana or a marijuana product on the licensed premises.**	DA

Answer "Yes" or "No" to the following question:	Yes	No
3.3. Do you plan to request future approval of the Marijuana Control Board to permit consumption of marijuana or marijuana product in a designated area on the proposed premises?	☐	☑

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Section 4 – Signage and Advertising

Review the requirements under 3 AAC 306.360 and 3 AAC 306.365. All licensed retail marijuana stores must meet minimum standards for signage and advertising.

You must be able to certify each statement below. Read the following and then sign your initials in the corresponding box:	Initials
4.1. I understand and agree to follow the limitations regarding the number, placement, and size of signs on my proposed establishment, set forth in 3 AAC 306.360(a).	DA
4.2. The retail marijuana store will not use giveaway coupons as promotional materials, or conduct promotional activities such as games or competitions to encourage the sale of marijuana or marijuana products.	DA
4.3. All advertising for marijuana or marijuana product will contain the warnings required under 3 AAC 306.360(e).	DA
4.4. I understand and agree to post, in a conspicuous location visible to customers, the notification signs required under 3 AAC 306.365.	DA
4.5. I certify that no advertisement for marijuana or marijuana product will contain any statement or illustration that:	
a. is false or misleading;	DA
b. promotes excessive consumption;	DA
c. represents that the use of marijuana has curative or therapeuticeffects;	DA
d. depicts a person under the age of 21 consuming marijuana; or	DA
e. 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.	DA
4.6. I certify that no advertisement for marijuana or marijuana product will be placed:	
a. within 1,000 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;	DA
b. on or in a public transit vehicle or public transitshelter;	DA
c. on or in a publicly owned or operated property;	DA
d. within 1,000 feet of a substance abuse or treatment facility;or	DA
e. on a campus for postsecondary education.	DA

Section 5 – Displays and Sales

5.1. Describe how marijuana and marijuana products at the retail marijuana store will be displayed and sold:

All areas of the retail store where marijuana or marijuana product is stocked for sale or dispensed for sale will be a restricted access area. Signs stating "Restricted access area. Visitors must be escorted" will be posted at the entrance to each restricted access area. Marijuana and marijuana products will be displayed in locked display cabinets for customers to view. The area behind the cabinets will be designated as a restricted access area with signage displayed accordingly. Employees will open the cabinet from within the restricted access area and place product into exit packaging at the cash register before handing it to the customer. Once a customer's transaction is completed, a customer is expected to exit - if a customer does not exit and does not appear to have a legitmate reason for hanging around the store, an employee will politely ask them to exit the store as shown in the premises diagram.

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Section 6 – Exit Packaging and Labeling

Review the requirements under 3 AAC 306.345.

6.1. Describe how the retail marijuana store will ensure that marijuana and marijuana products sold on its licensed premises will meet the packaging and labeling requirements set forth in 3 AAC 306.345(a):

Licensees, and/or the general manager will inspect all shipments of marijuana and marijuana products that arrive at the retail store. Shipments will be inspected for quality and consistency with the transport manifest and shipment labels, and for regulatory compliance. Labels will be checked for: (1) name and license number of the manufacturing or cultivation facility; (2) production lot and/or batch number; (3) strain information; (4) net weight of the product (5) packaging date and expiration date; (6) test results, testing lab name and license number; (7) required warnings if packaged for direct sale. The transport manifest will be checked for: (1) name and license number of the providing entity; (2) delivery date; (3) start time and estimated arrival time; (4) strain and batch information; (5) delivery driver name and handler's card verification; (6) the weight of the products transferred (compared with the weight at Hot Pot when weighed on certified registered scale, minus the estimated packaging weight if applicable; and (7) testing information. Once a delivery is approved by either the general manager, the inventory will be accepted into the retail facility and entered into Metrc with all mandatory information designated by AMCO. The shipment information will be both recorded in Metrc and stored on-site as official business records. Both the transporting agent and the general manager will sign all paperwork and documents expressing that all information is deemed correct and the transfer took place. Shall any of the above be missing or inaccurate, the general manager will refuse the transfer.

6.2. Provide a sample label that the retail marijuana store will use to meet the labeling requirements set forth in 3 AAC 306.345(b):

HOT POT

Retailer: Hot Pot **License No: 17120**
Cultivator: **License No:**
Harvest Batch No: **Package No:**
Net Weight: **Strain:**
Testing Facility: **License No:**
THC: **THCA:** **CBD:** **CBDA:** **CBN:**
Microbial Test: **Fungicides:** **Pesticides:** **Herbicides:**
Fertilizers: **Soil Amendment:**

Alaska Safety Warning: Marijuana has intoxicating effects and may be habit forming and addictive. Marijuana impairs concentration, coordination and judgment. Do not operate a vehicle or machinery under its influence. There are health risks associated with consumption of marijuana. For use only by adults twenty-one and older. Keep out of the reach of children. Marijuana should not be used by women who are pregnant or breast feeding.

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Section 7 – Security

Review the requirements under 3 AAC 306.350 and 3 AAC 306.720.

7.1. Describe the retail marijuana store's procedures for ensuring a form of valid photographic identification has been produced before selling marijuana or marijuana product to a person, as required by 3 AAC 306.350(a):

Hot Pot will not sell, offer to sell, give, distribute, or deliver marijuana or marijuana products to any consumers who are: (1) not physically present on the licensed premises; (2) under the influence of an alcoholic beverage, inhalant, or controlled substance; or (3) not at least twenty-one (21) years of age at the time of purchase, as evidenced by valid, government-issued photo identification. Employees of Hot Pot will greet all customers and check each ID at the entry door. No individual will be allowed to pass the ID check station and enter the sales floor without their photo identification being verified regardless of how familiar the person is to the employee(s). Continued on Page 6

You must be able to certify the statement below. Read the following and then sign your initials in the box to the right: Initials

7.2. The video surveillance and camera recording system for the licensed premises covers each point-of-sale area. DA

Section 8 – Waste Disposal

Review the requirements under 3 AAC 306.740.

8.1. Describe how you will store, manage, and dispose of any marijuana waste, including expired marijuana or marijuana products, in compliance with any applicable laws. Include details about the material(s) you will mix with ground marijuana waste and the processes that you will use to make the marijuana waste unusable for any purpose for which it was grown or produced:

Hot Pot will be disposing of: (1) marijuana that is identified as contaminated, infected or is otherwise rejected for quality; (2) marijuana and marijuana products that reach their expiration date; (3) any other materials or containers in contact with marijuana products that risk contamination (4) any other marijuana or marijuana product deemed as waste by the licensees, general manager, MCB or AMCO Director. Marijuana waste will be stored away from all other products in a locked container on the premises, and will be rendered unusable prior to leaving the store for disposal. A notice, via email, will be sent to AMCO enforcement not later than three days prior to rendering waste unusable. Marijuana waste will be rendered unusable by grinding the materials and mixing with other compostable and non-compostable non-marijuana material such as, food waste, cardboard, paper, and yard waste; until the resulting mixture is no more than fifty percent (50%) marijuana waste. Management will maintain a log on the status of all marijuana waste, tracking the type, date of disposal, date it was rendered unusable, the reason it's being wasted, and the final destination. The borough waste truck will collect the waste mixture and dispose of it at the local waste station. During phases of small waste batches, either a licensee or the general manager may dispose of the unusable waste in their outdoor compost. This information will be recorded in the disposal log and securely stored as a business record, available to AMCO upon request.

You must be able to certify the statement below. Read the following and then sign your initials in the box to the right: Initials

8.2. The retail marijuana store shall give the board at least three days written notice required under 3 AAC 306.740(c) before making marijuana waste unusable and disposing of it. DA

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

Signature of licensee

Printed name of licensee

Notary Public in and for the State of Alaska

My commission expires: 09.11.2021

Subscribed and sworn to before me this 7th day of August, 2019.

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(Additional Space as Needed):

7.1 Continued

Employees will be trained to identify forgeries and inconsistencies in ID's and will utilize an ID guide to help recognize ID's from other states and countries. A manager will be on hand to help manage customer ingress and egress on the sales floor. If an ID is not in compliance for any reason, the customer will be asked to leave, and law enforcement will be contacted if necessary.

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