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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:	Midnight Sun Distributors, LLC	**MJ License #:**	23934		
License Type:	Retail Marijuana Store				
Doing Business As:	Midnight Sun Distributors				
Premises Address:	28011 Old Parks Highway, Suite 1				
City:	Willow	**State:**	Alaska	**ZIP:**	99688

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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 Midnight Sun Distributors will be inspected by a member of the management team before it is accepted and added to the store's inventory. The shipment will be reconciled with the transport manifest, shipment labels and packaging labels to ensure consistency. All product will be weighed by Midnight Sun Distributors 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 that any discrepancies are immediately addressed. The product will be stored in the MJ storage room until ready to be sold. As customers and visitors enter the retail facility they will be asked to produce photo identification. After valid identification has been provided the visitors and customers can shop the store and head to the counter where the budtenders will assist them. Continued on page 6....

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:

Midnight Sun Distributors will not 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 ID. Continued on page 6...

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;** PMS

b. **sell, give, distribute, deliver, or offer to sell, give, distribute, or deliver marijuana or marijuana product over the internet;** PMS

c. **offer or deliver to a consumer, as a marketing promotion or for any other reason, free marijuana or marijuana product, including a sample;** PMS

d. **offer or deliver to a consumer, as a marketing promotion or for any other reason, alcoholic beverages, free or for compensation; or** PMS

e. **allow a person to consume marijuana or a marijuana product on the licensed premises.** PMS

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). PBJ

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. PBJ

4.3. All advertising for marijuana or marijuana product will contain the warnings required under 3 AAC 306.360(e). PBJ

4.4. I understand and agree to post, in a conspicuous location visible to customers, the notification signs required under 3 AAC 306.365. PBJ

4.5. I certify that no advertisement for marijuana or marijuana product will contain any statement or illustration that:

- **a. is false or misleading;** PBJ
- **b. promotes excessive consumption;** PBJ
- **c. represents that the use of marijuana has curative or therapeutic effects;** PBJ
- **d. depicts a person under the age of 21 consuming marijuana; or** PBJ
- **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.** PBJ

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;** PBJ
- **b. on or in a public transit vehicle or public transit shelter;** PBJ
- **c. on or in a publicly owned or operated property;** PBJ
- **d. within 1,000 feet of a substance abuse or treatment facility; or** PBJ
- **e. on a campus for postsecondary education.** PBJ

Section 5 – Displays and Sales

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

All marijuana and marijuana products will be displayed and dispensed for sales within the designated restricted access area, unreachable to customers. Signage stating, "Restricted Access Area: Visitors Must be Escorted: will be posted at the access points that lead behind the counter. All marijuana products will be displayed behind the retail counter for viewing products prior to purchase. Marijuana and marijuana products will be pre-packaged or deli-style and custom weighed to order. All deli-style marijuana will be weighed on a state certified scale and properly packaged and labeled at the time of purchase. Product displays will be in full view of a working video surveillance camera at all times that marijuana or marijuana product is stored in the display. Continued on page 6

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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):

A manager or licensee 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; and (6) testing lab name and license number. 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; and (7) testing information. Once a delivery is approved, 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 manager or licensee 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):

Retailer: Midnight Sun Distributors **License No:** 23934
Cultivator: **License No:**
Harvest Batch No: **Package No:**
Net MJ Weight: **OZ(g)** **Strain:**
Testing Facility: **License No:**
THC: **THCA:** **CBD:** **CBDA:** **CBN:**
Microbial Test: **Fungicides:** **Pesticides:** **Herbicides:**
Fertilizers: **Soil Amendment:**

MIDNIGHT SUN

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):

Midnight Sun Distributors 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. 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. PM

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:

Midnight Sun Distributors 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 licensee or manager. 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 materials such as; food waste, cardboard, paper, vegetable oil and yard waste until the resulting mixture is no more than fifty (50) percent 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. All marijuana waste will be either picked up by a borough waste truck or taken to the local landfill by a designated employee.

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. PM

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

Signature of licensee

Phillip Schneider

Printed name of licensee

AIMEE ROCUSH
My Commission
NOTARY PUBLIC
Expires 08-29-2023
STATE OF ALASKA

Aimee Rocush

Notary Public in and for the State of Alaska

My commission expires: 8/29/2023

Subscribed and sworn to before me this 4th day of March, 2020.

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(Additional Space as Needed):

2.1 Continued: If they are a visitor, a Midnight Sun Distributor employee will notify the manager or licensee of their arrival. If they are a customer they can then discuss our daily specials, edibles, flower, and concentrate products. The retail store will be mainly deli-style but will have pre-packaged products for busy times, specials, and bulk up to the set amount in accordance with 3 AAC 306.355 limit on quantity sold. If a customer wishes to view or smell product they can do so through a tamper-evident sealed "smell jar". Once the selection(s) are made the product will be weighed, packaged, labeled and rung out from the POS system.

3.1 Continued: All customers will enter one main door into the retail establishment where they will be greeted by a Midnight Sun Distributors staff member who will then check their ID. During this time, employees will be watching for signs of impairment. If a person enters the premises exhibiting signs of impairment, employees will be trained to recognize those signs, refuse all services and sale to that individual, and escort them safely from the premises. Law enforcement will be contacted for back-up when necessary. Additionally, employees and management will exercise strict diligence and compliance with the sale limits embodied in 3 AAC 306.355. A manager or licensee will be on hand to help manage customer ingress and egress and ensure there is an adequate number of employees on the sales floor.

5.1 Continued: Marijuana and marijuana products will be secured in a locked case at all times. All employees will be trained and regularly monitored to ensure compliance with the display and closing policies, and that all product is secured and accounted for at all times. When customers have made their purchasing decisions, they will head to the point of sale counter. All transactions will be recorded into Metrc, which will be linked and operational with our POS.

7.1 Continued: Employees of Midnight Sun Distributors 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). 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 or licensee 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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