Alcohol and Marijuana Control Office
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Anchorage, AK 99501
marijuana.licensing@alaska.gov
https://www.commerce.alaska.gov/web/amco
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:	Hack's Investments, Inc.	**MJ License #:**		29095	
License Type:	Retail Marijuana Store				
Doing Business As:	Scorpion Grass				
Premises Address:	1150 Huffman Park Drive				
City:	Anchorage	**State:**	Alaska	**ZIP:**	99515

Mailing Address:	1500 Bogard Road				
City:	Wasilla	**State:**	Alaska	**ZIP:**	99654

Designated Licensee:	Daniel Hacker		
Main Phone:	907-317-0730	**Cell Phone:**	818-307-2398
Email:	scorpiongrassllc@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:

Scorpion Grass will refuse entrance to any person who does not produce a valid photo identification showing that person is twenty-one (21) years of age or older. 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 no time will a person under the age of twenty-one (21) be permitted to remain on the premises. If at any time an employee suspects that a person is a minor, the employee will refuse access and have the individual escorted off the premises. A designated employee will request from all customers for government-issued, photo identification and will thoroughly examine the ID before allowing entrance into the retail store. In addition to passing the Marijuana Handler's Card course, employees in this position will be trained to spot the inconsistencies of forged identifications and they will be given an ID guide to help them recognize ID's from other states and countries. Signage will be posted at the main entry door stating, "No one under 21 years of age allowed". The sign will be twelve (12) inches long and twelve (12) inches wide, and the letters will be one half (1/2) inch in height in high contrast to the background of the sign.

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:

Scorpion Grass' facility will be equipped with a 24-hour monitoring alarm system, exterior motion-detecting lighting, and constant video surveillance. The restricted access area doors will be locked at all times with a spring-loaded hinge to ensure it closes behind persons as they enter or leave the secured area. Access will only be granted to the licensees and employees. The facility will have signage displayed on the door/entrance to each restricted access area indicating that members of the public are not allowed un-escorted access. At least one (1) employee will be present behind the counter at all times, ensuring customers do not enter the restricted access area behind the counter. The facility will be equipped with an alarm system and constant video surveillance. Security cameras will be installed throughout the retail store that allow for monitoring of all areas 24 hours each day including, at a minimum, all entrances and exits, all security doors and restricted access areas, all windows, the office and the exterior of the building to monitor and identify all activity adjacent to the facility.

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 a licensee, 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, and purpose of the visit (if relevant and necessary). 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 licensee 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 licensee will escort and actively supervise the visitor(s) during the entire visit. At no time will there be more than five (5) visitors per supervising employee or licensee on the premises. Once the visit has concluded, all visitors will be required to exit the premises and return their visitor badges. The visitors log will be kept and stored on-site as an official business record. The visitors will be escorted by an employee 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 the facility office. After seven (7) years, the hard copy may be destroyed.

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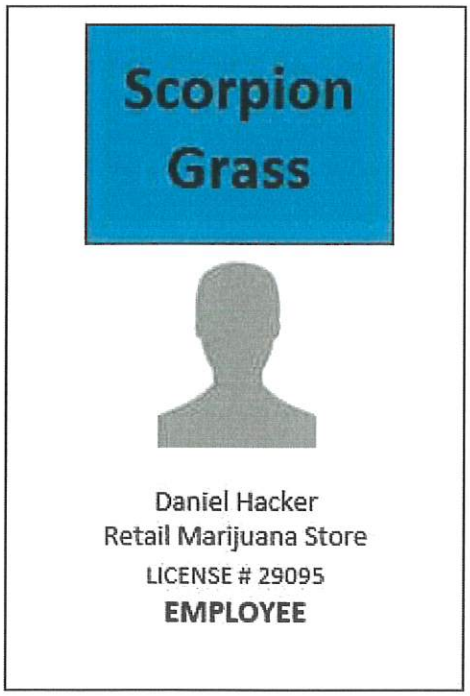
3.3. Provide samples of licensee-produced identification badges that will be displayed by each licensee, employee, or agent while on the premises, and of visitor identification badges that will be worn by all visitors while in restricted access areas:



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:

Scorpion Grass will ensure that adequate exterior lighting is installed throughout the property and will be sufficient to facilitate video surveillance. Four to six (4-6) commercial, LED lights with extremely bright bulbs will be used in all exterior light fixtures, as well as motion detection sensors. The licensees and/or management team will ensure light fixtures are installed in such a way to keep the exterior of the premises, signs and doors well lit and to allow surveillance cameras to clearly record individuals that are within twenty (20) feet from the entrance. Exterior lighting, as well as video surveillance recordings and cameras, will be inspected frequently by the licensees and/or the management team to ensure that each light is functioning and there is sufficient lighting for surveillance. Additional lighting will be installed as/if needed.

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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:

Scorpion Grass 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 and glass break sensors on each exterior window. If triggered, an automatic, electronic alert will be sent to the security monitoring center, as well as to the licensees' cell phones 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 the licensees and/or the general manager via their cell 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 licensee to leave the store each night will activate the alarm system and the first employee or licensee to arrive in the morning will deactivate the system.
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:

All areas of the licensed premises where marijuana or marijuana products are stocked for sale or dispensed for sale and storage/inventory areas will be designated as restricted access areas. Access is granted only to specific personnel to these restricted areas. These secured areas will have 24-hour video surveillance and video back up for all video footage and will be stored for a minimum of forty (40) days. When the business Is open, all products will be on display in specific areas, unreachable to customers. Cameras will be visible and provide a full view of the room, including the entryway, point of sale counter and marijuana storage areas. Security monitors and video recording equipment will be located in the facility office. Mandatory inventory counts will be taken weekly and stored as official business records. Additionally, management will perform internal audits by reconciling the inventory on hand with the recorded data in Metrc to ensure they match. Scorpion Grass 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. Continued on Page 11...

3.7. Describe your policies and procedures for preventing loitering:

Signage stating "No Loitering" and that the premises is under video and audio surveillance will be prominently posted around the facility. Designated Scorpion Grass personnel will be trained to perform routine, but unscheduled patrols of the premises to check for individuals with no official business on the property. 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. DH

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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. DH

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. DH

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

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). DH

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:

Multiple cameras will be used in order to record all areas of the establishment, inside and outside, at multiple angles, and at a height that will provide a clear, unobstructed view. Cameras will be carefully placed to prevent any blockage from fixtures, posts, display cases, or other equipment. All security cameras will be positioned in such a manner as to get the best facial image of anyone present within the building and within twenty (20) feet of any exit or entrance. All restricted access doors will have coverage to clearly identify the face of anyone present. All exterior corners of the space will have cameras installed to facilitate monitoring of all activity on each side of the building. The parking lot and entrance will also have video coverage. Footage from security cameras will be accessible remotely, allowing the licensees and the general manager to view operations from anywhere. A failure notification system will be installed to provide audible and visual notification of any failure in the electronic monitoring system. 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.

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:

All surveillance recording equipment and footage will be stored in the shared office with backups on site. The office will be accessible only by the licensees and the company's general manager, and any authorized AMCO agents or law enforcement. The office will have an advanced, reinforced security door, locked at all times. The door will be equipped with an employee personalized code entry system, and a spring-loaded hinge. The licensees and the general manager will have remote access to surveillance recordings to monitor operations virtually. 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, AMCO Enforcement 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)*; DH

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;** DH

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

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

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

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

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

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;** DH

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

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

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 office, and backed up every six to twelve (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 facility office, for six (6) months, in a separate locked cabinet that is accessible only to the licensees 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 six (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. DH

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

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. DH

Section 6 – Employee Qualification and Training

Review the requirements under 3 AAC 306.700. All licensees, and every 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. All licensees, and each 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. DH

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. DH

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. DH

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

Qualified candidates will be hired on a probationary period during which time they will receive training and evaluation specific to their position. Training will include marijuana industry topics: customer care, food handling, safety precautions and procedures; legal issues; and state, local, and federal regulations. Training will take place throughout the year, as well as when topics arise that need further explanation. The licensees and/or the general manager will personally present or arrange training and education to employees. Within the probationary period, all new employees will be required to meet with the general manager to team the company's business approach and to adopt the standard or service. Educational packets will be provided to each retail employee to be read and reviewed. The educational packets will discuss relevant cannabinoids in the marijuana plant, strain ratios, marijuana benefits and risks, and general Alaska marijuana law. Packets will also include safety procedures that specifically address the facility's security measures and controls for the prevention of diversion, theft, and loss of marijuana, such as emergency response procedures and state and federal statutes regarding confidentiality. As proper safety and security procedures are of the utmost importance to Scorpion Grass's licensees and management, the most up-to-date reading materials will be available to employees at all limes. Continued on page 11...

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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.	DH
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.	DH
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.	DH
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).	DH

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 that Scorpion Grass transports any marijuana or marijuana product from the retail store, a trip manifest will be printed from Metrc to accompany the shipment. A copy of the trip manifest will also be maintained on the licensed premises as a business record. Any marijuana or marijuana product to be transported will be placed within a sealed package or container up to ten (10) pounds and then into a secure storage compartment within the transport vehicle or in the bed of a truck. Any individuals involved in the transport will have a valid, marijuana handler permit and be trained to travel directly to the destination without any unnecessary stops and without opening packages of marijuana or marijuana product. 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, and (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. DH

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. DH

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. DH

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. DH

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. DH

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. DH

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

Section 9 – Signage and Advertising

Review the requirements under 3 AAC 306.770.

9.1. Describe any signs that you intend to post on your establishment, including quantity, dimensions, graphics, and location on your establishment (photos or drawings may be attached):

Scorpion Grass may post up to three (3) signs on the retail store premises with their business name and logo, two (2) of the three signs will be affixed to the facility and the third sign may be free-standing and will comply with the Municipality of Anchorage statutes and regulations. Each sign will be no more than 4,800 square inches.

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9.2. Describe any advertising you intend to distribute for your establishment. Include medium types and business logos (photos or drawings may be attached):

Scorpion Grass intends to utilize the following advertising mediums:

- Newspaper Ads
- Radio Ads
- Social Media to feature specific strains
- Magazine Ads
- Sponsorships and/or fundraisers
- Platforms such as leaflinks etc.

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

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

Signature of licensee

Daniel Hacker

Printed name of licensee

Mackenzie R. Lilland NOTARY PUBLIC STATE OF ALASKA My Commission Expires October 12, 2022

Mackenzie R. Lilland

Notary Public in and for the State of Alaska

My commission expires: 10/12/22

Subscribed and sworn to before me this 23rd day of April, 2021.

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(Additional Space as Needed):

3.6 Continued: In the event that an employee is caught stealing marijuana OR infusing the facility with non-regulated black-market product, Scorpion Grass will notify local law enforcement and AMCO Enforcement immediately, comply with all directives, and provide all necessary information and records for the investigation. A licensee and/or 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 a licensee or management if they suspect such activity is occurring. All reports and documentation concerning a suspected or actual theft will be maintained by the company for five (5) years and made available to AMCO upon request. If any suspected or actual theft occurs, a licensee or the general manager will contact local law enforcement and AMCO Enforcement immediately. Once a theft is reported to law enforcement, management will update the product records in the marijuana Inventory tracking system to maintain an accurate and comprehensive accounting for all marijuana inventory activity. The licensees will also comply with any and all directives, inquiries, and investigations lodged by AMCO.

6.4 Continued: Management will conduct quarterly staff meetings with the purpose of updating all employees on new state and local regulations, assuring that each employee is performing within company procedure, assessing any procedural changes that are needed, and addressing any comments or concerns from the staff. Prior to beginning work, employees will be expected to understand: (1) Alaska laws, regulations, and codes governing the marijuana industry and marijuana establishments; (2) all of the permitting requirements to act as a marijuana handler (including obtaining a Marijuana Handler Permit from AMCO Enforcement after completing a state-approved course prior to commencing employment) and to work in a marijuana establishment; (3) Scorpion Grass standards, operational protocol, and best practices with regard to retail and sale of marijuana; (4) general safety procedures and security protocol; (5) how to think defensively if threatening situations occur, and how to recognize the signs of impairment, drug abuse, and instability; (6) in-depth information about our particular strains and marijuana related products; (7) in-depth information on the requirements of each room, task, and system; (8) the general federal, state, and local employment regulations by which Scorpion Grass is governed; and (9) retail-specific education. To ensure full coverage for each position, all employees will be cross-trained on the requirements of each job. Scorpion Grass will encourage staff to attend seminars, conferences, and workshops, and Management will maintain a library of resources on marijuana topics that will be available to employees at all times. The state and local marijuana regulations and laws will be posted in the facility for reference. All new hires will be required to meet with the general manager to go over employment documents, specific tasks, educational materials, facility features, security and position-specific training.

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