DocuSign Envelope ID: 2D47B764-D88F-4E3B-90B1-EA308624EA06

Alcohol and Marijuana Control Office
550 W 7th Avenue, Suite 1600
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

Why is this form needed?

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:	Higher by Bad Gramm3r, LLC	**MJ License #:**	19178		
License Type:	Retail Marijuana Store				
Doing Business As:	HIGHER BY BAD GRAMM3R, LLC				
Premises Address:	6199 East Mountain Heather Way				
City:	Palmer	**State:**	Alaska	**ZIP:**	99645

Mailing Address:	5850 East Alder Circle				
City:	Wasilla	**State:**	Alaska	**ZIP:**	99645

Designated Licensee:	Teresa C Zell		
Main Phone:	907-232-7624	**Cell Phone:**	907-232-7627
Email:	teri@badgramm3r.com		

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:

To maintain the security of marijuana and marijuana products, Higher by Bad Grarnm3r monitors and restricts access to the licensed premises for all persons under the age of twenty-one (21). Staff will deny entrance to the store or the drive-thru to any person who does not provide a valid form of photo identification showing date of birth, date of issuance, and date of expiration or is not a child under (seven) 7 years of age who is related to the purchaser. At no time will a person under twenty-one years of age be permitted to purchase marijuana or marijuana products. If employees suspect that a sale is being made on behalf of an individual under the age of twenty-one, the staff will refuse the transaction and ask the individual to vacate the premises. Local law enforcement and AMCO may be notified if necessary. Signs will be posted at the main entry door and drive-thru, which read: "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) inches 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:

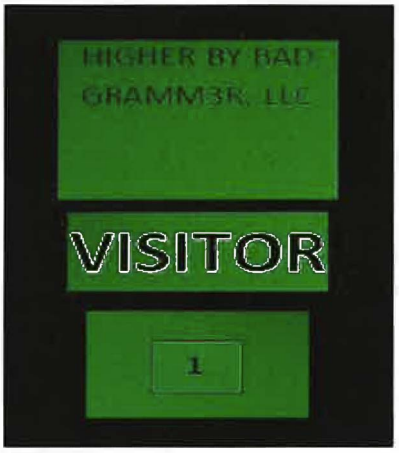
Higher by Bad Gramm3r's retail store has a 24-hour monitoring alarm system, exterior lighting, and video surveillance. There is one customer entrance/exit for walk-in customers and only one lane in the drive-thru to manage ingress and egress better. The restricted access area is located behind the retail sales counter and behind the glass at the drive-thru window, allowing employees to access the rest of the facility. At least one employee will always be present behind the point of sale/display counter, ensuring customers do not enter the restricted access area behind the counter. The entrance to the restricted access area behind the counter and at the drive-thru will have prominent signage stating that each area is restricted and that the public must be escorted. Security cameras are installed throughout the retail store, which allow for monitoring of all areas 24 hours each day, including, at a minimum, all entrances and exits, restricted access areas, all windows, every portion of the office, the point-of-sale area, the drive-thru and the exterior of the building to monitor and identify all activity adjacent to the facility. All employees, licensees, and agents of Higher by Bad Gramm3r, LLC will be required to wear and display a photo ID badge. No visitors will be granted access to a restricted area until they have shown identification to prove that the person is age 21 or older and received an "AUTHORIZED VISITOR" identification badge to be worn and easily distinguished from staff badges All visitors who have shown ID and received a badge will remain under constant supervision by an authorized Higher by Bad Gramm3r, LLC licensee or employee while within the restricted access area. The Visitor:Staff ratio will not exceed 5:1.

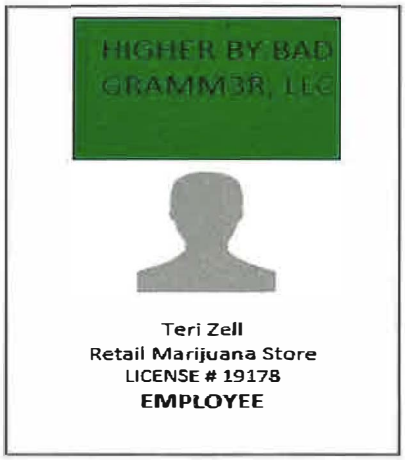
Higher by Bad Gramm3r, LLC will maintain a Visitor Log. All visitors must enter the following information before being granted access to a restricted access area: first and last name, date and time they are entering the restricted access area, the reason for visit, and finally, the time leaving the restricted access area. The Visitor Log for Restricted Access will be kept in a secure file for at least 5 years.

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

Higher by Bad Gramm3r will ensure that each visitor is pre-scheduled by a licensee, employee, or manager to access any restricted area except AMCO and duly authorized law enforcement agents. Each visitor must sign into the visitor's log indicating their name, the date, time in and time out of the restricted access area, and the purpose of the visit (if deemed necessary). All visitors must sign in and provide valid government-issued photo identification. The Visitor:Staff ratio will not exceed 5:1. Each visitor is issued a visitor badge and instructed to clearly display it on their person at all times while in the restricted access area and return the badge upon exit. At this time, the employee/manager or licensee briefs the visitor on the company's policies regarding 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/manager or licensee escorts and actively supervises the visitor(s) during the entire visit. At no time will there be more than five (5) visitors per supervising employee, manager, or licensee. Once the visit has concluded, all visitors must immediately exit the premises and return their visitor badges. The visitors' log is stored on-site as an official business record. The escorting employee/manager or licensee records all information related to the visitor's presence if there is any reportable activity or behavior during the visit. The visitor log will be made available to AMCO upon request. The Visitor Log will be stored in a secure file in the high security room for 5 years.

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:

Higher by Bad Gramm3r ensures that adequate exterior lighting is installed throughout the property and is sufficient to facilitate video surveillance. All exterior light fixtures and motion detection sensors use commercial LED lights with extremely bright bulbs. The exterior of Higher by Bad Gramm3r, LLC is fitted with six (6) light fixtures (2 in the front, 1 on each side, and 2 in the back), and there are six (6) light poles near the building providing parking lot illumination. The twelve (12) lights provide adequate illumination so that the exterior surveillance cameras provide a quality and well-illuminated color picture whereby persons and objects are readily distinguishable.
A licensee or manager ensures light fixtures are installed in such a way as 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 any entrance or drive-thru window. Exterior lighting, video surveillance recordings, and cameras are inspected frequently by a licensee or manager to ensure that each light is functioning and that the brightness of the bulbs is sufficient for surveillance. Additional lighting will be installed as needed.

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:

Higher by Bad Gramm3r contracts with a third-party security company to install the alarm system, maintain its equipment, test the devices, and continuously monitor the facility to ensure the property's safety and detect unauthorized access or activity. The alarm system will be set up to monitor intrusions with motion detectors in all building areas during closed hours. A third-party company will train all licensees or managers on the alarm system and panic buttons. Higher by Bad Gramm3r trains all employees on the alarm system's functions, such as arming and disarming the alarm, police response, and proper system use. Troubleshooting any issues will remain the responsibility of a licensee or manager. Each morning, the first employee arriving at the store will disable the overnight alarm system and check the surveillance cameras and recordings to ensure the system functions as expected. The last employee to leave the store in the evening will activate the overnight devices and sensors and lock all doors that are not self-locking. Sensors will be installed and maintained on all potential entry points, including all doors and the drive-thru window, to monitor motion, intrusion, or activity when the alarm system is activated. The alarm system will always be active when the store is closed, and any attempted intrusion will initiate an immediate and electronic notification to the off-site security center and the licensee and manager's cell phones.

In the event of an unauthorized breach, a licensee or manager will direct all persons in the retail store to vacate immediately and await law enforcement. Higher by Bad Gramm3r will comply with all law enforcement directives. A licensee and manager will enter the retail store and inspect for damages and/or missing property when deemed safe. Additionally, any event on the licensed premises involving local law enforcement will be promptly reported to AMCO Enforcement via email. In the case of the establishment's knowledge of evidence or circumstances that reasonably indicate theft, diversion, or unexplained disappearance of marijuana, marijuana products, or money from the licensed premises or any unauthorized access to the licensed premises, a licensee will notify AMCO, and AMCO Enforcement, electronically, within 24 hours of knowledge of the event. Higher by Bad Gramm3r will not resume regular business operations until it is deemed safe and prudent.

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 or dispensed for sale and storage/inventory areas are designated restricted access areas under 24/7 video surveillance. Access to restricted access areas is granted only to specific personnel. These secured, surveilled areas have video backup for all video footage and will be stored for at least forty (40) days. Upon Opening, all products will be displayed in specific areas, unreachable to customers. Any marijuana or marijuana product will not be visible from the drive-thru. Cameras are visible and provide a full view of the room, including the entryway, point-of-sale counter, drive-thru, and marijuana storage areas. Security monitors and video recording equipment are located in the facility office. Mandatory inventory counts will be taken weekly and stored as official business records. Additionally, a licensee or manager performs internal audits by reconciling the inventory on hand with the recorded data in Metrc to ensure they match. Continued on Page 11...

3.7. Describe your policies and procedures for preventing loitering:

"No Loitering." Employees will do frequent but unscheduled checks around the retail store and the property. If anyone is found loitering, they will be asked to leave. If said person does not comply, local law enforcement will be contacted.

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. DS TZ

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. DS TZ

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. DS TZ

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

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). DS TZ

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:

Higher by Bad Gramm3r will have multiple cameras in use to record all areas of the retail facility, inside and outside, at multiple angles and a height that provides a clear, unobstructed view. Cameras are carefully placed to prevent fixtures, posts, display cases, or other equipment blockage. All security cameras are positioned in a manner to get a clear facial image of anyone present within the building or drive-thru and twenty (20) feet from any facility entrance. Any entrance door has cameras that will clearly identify the face of anyone present. All exterior entrances and restricted access areas have video coverage documenting the face of anyone going in or out of the building. 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 and the drive-thru. The parking lot and entrances/exits will also have video coverage. Footage from security cameras will be accessible remotely, allowing the licensees and managers 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 and secured in the Higher by Bad Gramm3r high-security room. The office will be accessible only by the licensees, managers, and authorized AMCO agents or law enforcement. The licensee and manager will have remote access to surveillance recordings to monitor the 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 if 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 AMCO, AMCO Enforcement, and local law enforcement upon request.

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)*; DS TZ

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;** DS TZ

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

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

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

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

g. **all records normally retained for tax purposes;** DS TZ

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;** DS TZ

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

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

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. Paper business records will be kept in the facility office in a locked cabinet accessible only to a licensee and manager. Authorized agents will manage facility records per standard retention policies to ensure that business records are stored consistently and searchable. Every six (6) months, the company will do a manual backup to an external hard drive. Higher by Bad Gramm3r does not intend to destroy electronic records. Hard copies of documents will be kept for at least five (5) years, after which documents may be destroyed.

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. DS TZ

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

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. DS TZ

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. DS TZ

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. DS TZ

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. DS TZ

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

Higher by Bad Gramm3r will hire candidates on a probationary period, during which 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 occurs throughout the year and when topics arise that need further explanation. A licensee or manager will personally present or arrange employee training and education. All new employees must meet with the general manager within probation to learn the company's business approach and adopt the service standard. Educational packets may be provided to each retail employee to be read and reviewed. The educational 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.
Continued on Page 11…

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.	DS TZ
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.	DS TZ
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.	DS TZ
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).	DS TZ

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 Higher by Bad Gramm3r 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 secured 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. Continued on Page 11...

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. DS TZ

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. DS TZ

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. DS TZ

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. DS TZ

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. DS TZ

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. DS TZ

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

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):

Higher by Bad Gramm3r may have up to three (3) signs with the business name and logo visible to the general public. The signs will not exceed 4800 square inches. Two of the three signs may be attached to the outer walls of the building, and a third sign may be on an independent sign pole or similar on the property. Sign placement will be done within the parameters set forth by the Matanuska Susitna Borough ordinances.

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

Higher by Bad Gramm3r's plan to utilize the following medium types when distributing advertisements:

- Newspaper ads
- Magazine ads
- Social media to feature specific strains
- Direct text messages (that require consent and an opt-out feature)
- Sponsorships such as sporting events or fundraisers

Advertisements will contain each warning statement as they are listed in the regulations.

I hereby certify that I am the person herein named and subscribing to this application and that I have read the complete application, and I know the full content thereof. I declare that all of the information contained herein, and evidence or other documents submitted are true and correct. I understand that any falsification or misrepresentation of any item or response in this application, or any attachment, or documents to support this application, is sufficient grounds for denying or revoking a license/permit. I further understand that it is a Class A misdemeanor under Alaska Statute 11.56.210 to falsify an application and commit the crime of unsworn falsification.

DS TZ

Teresa Zell
Printed name of licensee

DocuSigned by:
Teresa Zell
Signature of licensee

(Additional Space as Needed):

3.6 Continued: Higher by Bad Gramm3r understands that diversion can happen in two ways - inversion and diversion - and is equally profitable to divert product from the legal system as it is diverting product from the illegal system into the legal system market. Employees will immediately be trained to alert a licensee or manager if theft or diversion is suspected. If an employee is caught stealing marijuana or infusing the store with a non-regulated black-market product, Higher by Bad Gramm3r 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 or 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 must notify either a licensee or manager if they suspect such activity is occurring. All reports and documentation concerning potential or actual theft is maintained by Higher by Bad Gramm3r and are available to AMCO upon request.

6.4 Continued: As proper safety and security procedures are of the utmost importance to Higher by Bad Gramm3r, the most up-to-date reading materials will always be available to employees. Higher by Bad Gramm3r will conduct quarterly staff meetings to update all employees on new state and local regulations, assure that each employee is performing within company procedure, assess any necessary procedural changes, and address any comments or concerns from the staff. Before beginning work, employees are 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 before commencing employment; (3) Higher by Bad Gramm3r's standards, operational protocol, and best practices concerning retail and sale of marijuana; (4) general safety procedures and security protocol; (5) how to think defensively if a threatening situation occurs, and how to recognize the signs of impairment, drug abuse, and instability; (6) in-depth information about marijuana strains and 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 Higher by Bad Gramm3r are governed; and (9) retail-specific education. To guarantee coverage for all positions, all employees are cross-trained on the requirements of each job. Higher by Bad Gramm3r encourages staff to attend seminars, conferences, and workshops. Higher by Bad Gramm3r maintains a library of resources on marijuana topics available to employees at all times. The state and local marijuana regulations are posted in the facility for reference. All new hires must meet with a licensee or manager to review employment documents, specific tasks, educational materials, facility features, security, and position-specific training.

8.1 Continued: Labels will be affixed to the packaging including all information originally provided by the cultivation or manufacturing facility such as: (1) testing facility 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