Alcohol and Marijuana Control Office
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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:	Grateful Extracts, LLC	**MJ License #:**	38155		
License Type:	Marijuana Concentrate Manufacturing Facility				
Doing Business As:	Grateful Extracts				
Premises Address:	53252 Borgen Ave, Building B				
City:	Kenai	**State:**	Alaska	**ZIP:**	99611

Mailing Address:	53252 Borgen Avenue				
City:	Kenai	**State:**	Alaska	**ZIP:**	99611

Designated Licensee:	Richard Huffman		
Main Phone:	907-283-2837	**Cell Phone:**	907-283-2837
Email:	gratefulbudllc@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:

The entire Grateful Extracts facility will be designated as a restricted access area and not open to the public. Grateful Extracts will train all employees on procedures and policies to prevent persons under the age of twenty-one (21) from accessing the premises. Grateful Extracts will post a sign at all entries stating, "No one under 21 years of age allowed," "Restricted Access Area," and "Visitors Must Be Escorted." The signs will be at least twelve inches long and twelve inches wide (12"x 12"). The letters will be at least 1/2 inch (0.5") in height and will contrast with the sign's background. Video surveillance cameras will operate 24/7 and capture all activity in the interior and exterior of the premises. Doors will be equipped with audible alarms to prevent illegal or unauthorized access to the facility. Signs will be posted informing the public that they are under video surveillance.

Visitors must show valid, government-issued photo identification proving they are over 21 years of age before being allowed into the licensed premises. Except for law enforcement, AMCO enforcement, or other authorized individuals, visitors must schedule appointments to be admitted into the building. If underage individuals are discovered on the premises, they will not be granted access to the facility and will be directed to leave immediately.

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:

Grateful Extracts will post a sign at all entries stating, "No one under 21 years of age allowed," "Restricted Access Area," and "Visitors Must Be Escorted." All doors will have commercial-grade locks that will remain locked at all times. All employees will have their employee ID badge clearly displayed in a readily accessible location on the licensed premises, and any visitors will be required to wear visitor badges. All visitors must be escorted by a Grateful Extracts licensee or staff member throughout their visit. Surveillance cameras will continuously monitor all activities in the restricted access areas, as well as the exterior of the premises. Any unauthorized individuals discovered on the premises will be directed to vacate the premises immediately, law enforcement will be contacted for assistance if needed.

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

All visitors except for regulatory agents, AMCO enforcement, or law enforcement must be pre-approved and pre-scheduled to enter the facility. Visitors must show valid, government-issued photo identification showing they are 21 or older. Valid forms of identification are an unexpired, unaltered passport; unexpired, unaltered driver's license, instruction permit, and ID card of any U.S. state or Territory, the District of Columbia, or Canadian province; ID cards issued by a state or federal agency authorized to issue driver's licenses or ID cards and tribal ID as outlined in the regulations. All visitors will be given a visitor badge, which they must always display on their person. All employees will have their employee ID badge clearly displayed in a readily accessible location on the licensed premises, and any visitors will be required to wear visitor badges. Visitors will sign into a Visitors log, which will show the date, time in and out, and the purpose of their visit (if necessary). All visitors will be escorted by the licensee or an employee at all times, with at most five (5) visitors per staff member or licensee. Immediately after the visit, visitors must return their badges and leave the premises. Visitor logs will be stored as official business records and readily available for review by AMCO enforcement and law enforcement.

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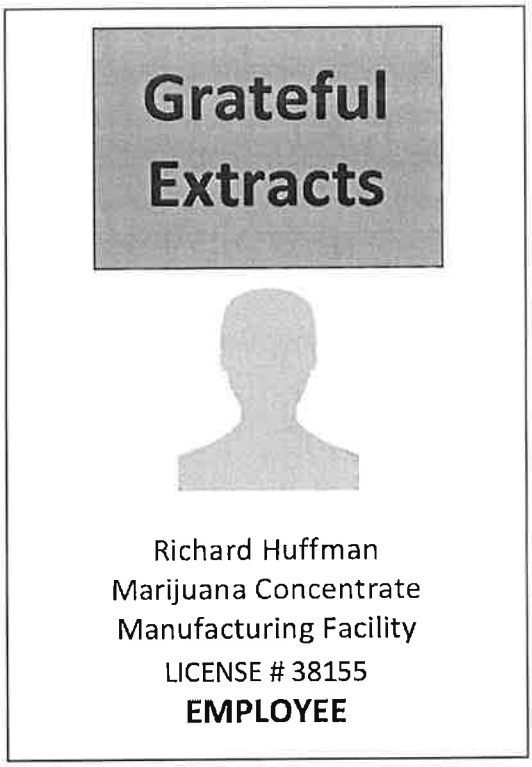
3.3. Provide samples of licensee-produced identification badges that will be displayed by each licensee, employee, or agent while on the premises, and of visitor identification badges that will be worn by all visitors while in restricted access areas:



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:

Grateful Extracts will install exterior lighting fixtures that will keep the premises well-lit and assist with security surveillance of the building's outer perimeters, with a twenty foot (20') radius at all entry points to the building. The lighting will be installed with protective coverings and at an inaccessible height to discourage vandalism and prevent common obstructions. The licensee or an employee will frequently check the exterior lighting to ensure all lights remain fully operational and undamaged.

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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:

Grateful Extracts or a third-party security agency will install a regulatory-compliant alarm system and perform regular maintenance. The alarm system will be set up with sensors on every exterior door and window. It will set off an audible alarm when disturbed and notify the licensee and/or a designated staff member, such as a manager, via an electronic alert sent to their cellular phones. If needed, law enforcement will be contacted. These alarms will be active any time that the facility is closed. The first employee or the licensee to arrive at the facility in the morning will deactivate the alarm system for business hours. At the close of the business day, the licensee or employee will activate the alarm system. In the event of an unauthorized breach, the employees will be directed by the licensee to evacuate all persons from the building and await law enforcement. Once all persons have been evacuated, the licensee, facility manager, or designated employee will take a head count of all employees and any visitors that may have been on the premises to verify that everyone is accounted for. Employees will await any instruction from law enforcement and comply with all directives. Once it is deemed safe to re-enter the premises, the licensee, facility manager, and employees will return, inspect for any property damage or theft, and take inventory. If any property damage or theft occurs, all necessary documentation will be promptly submitted to law enforcement officials and AMCO enforcement. Per AMCO regulations, any event on the licensed premises involving law enforcement will be reported to AMCO enforcement electronically as soon as reasonably practical - within 24 hours.

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

Video surveillance cameras will continuously monitor all activities inside and outside the licensed premises. A licensee, facility manager, or designated employee must complete weekly inventory counts to ensure all business records match Metrc generated reports. Weekly counts are documented and maintained as business records and will be available to AMCO enforcement or law enforcement. If it is suspected that a theft, inversion, or diversion has occurred, employees will notify the licensees immediately. Employees will be trained in spotting theft, diversion, and inversion of marijuana. If an employee has been determined to be stealing marijuana or marijuana product, Grateful Extracts will contact local law enforcement and AMCO immediately. Theft will be recorded in Metrc and kept as an official business record.

3.7. Describe your policies and procedures for preventing loitering:

Grateful Extracts will abide by a strict no-loitering policy and promote business practices that discourage loitering. A licensee or a designated employee will perform frequent but random perimeter checks to ensure no loiterers are on the premises. All loiterers will be asked to leave and escorted off the premises. If loiterers do not comply, law enforcement will be contacted for backup. The exterior of the building will be well-lit and equipped with 24/7 video surveillance and signs that state "No Loitering." Signs will also be posted that bring notice to the video surveillance. Employees of Grateful Extracts will view for security footage to identify loiterers and potential vandals. Visitors will not be permitted to remain on the premises after their escorted visit and must leave immediately.

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. RA

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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. RA

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. RA

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

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). RA

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:

Outdoor lighting will be positioned along the building to assist with the video surveillance to capture a twenty-foot (20') radius around the exterior of the licensed premises. The cameras will be checked regularly for obstructions and to ensure that the twenty-foot (20') sight line of all entry points to the building remains unencumbered. Continuous-recording video surveillance cameras will be placed strategically to record all restricted access areas of the facility, including all areas where marijuana is grown, harvested, trimmed, packaged, stored, wasted, received, and shipped. The facility's exterior will also have 24-hour video surveillance to monitor all persons who enter and exit the facility. All doors, safes, and marijuana storage areas will have video surveillance coverage to identify clearly the faces of those accessing the areas. A failure notification system will be installed to provide audible and visual notification of any failure in the surveillance system so that it will be promptly addressed. All video surveillance systems will have a backup battery so that in the event of a power outage, all cameras will continue operation for at least one (1) hour. The licensee will contact AMCO enforcement if a power outage lasts longer than 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 video surveillance recordings will be stored in the shared office, in a locked cabinet for a minimum of forty (40) days. Surveillance records will be managed as official business records and will be made readily available to law enforcement, AMCO enforcement or agents of the Marijuana Control Board. All surveillance footage will be accessible for upload to a separate hard drive in case it must be stored longer for criminal, civil, or administrative investigations. All recordings will be date and time stamped, and archived in a format that prevents data tampering. Only the licensee or a designated employee will have access to the surveillance system.

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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)*; RA

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;** RA

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

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

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

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

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

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;** RA

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

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

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 required business records will be stored in the facility for at least six (6) months, either electronically on a hard drive or in a locked filing cabinet. Records will be stored on the cloud and in the shared office if older than six (6) months. The business records will only be accessible to the Licensee or a designated employee. Access to business records will be readily available to AMCO enforcement, local law enforcement and agents of the MCB. Records will be managed following standard retention policies to ensure that they are stored in a consistent and accessible manner. These stored records include, but are not limited to, inventory logs, employment logs, manifests, financial books, diagrams, surveillance records, operational documents, regulatory documents, and communications materials.

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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. RA

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

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. RA

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. RA

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. RA

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. RA

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

Grateful Extracts employees must have a current marijuana handler permit before starting their employment. Handler cards must be kept current for the duration of employment. The licensee or a designated staff member will periodically verify that all employee handler cards are current and updated in the business records when renewed. Grateful Extracts training will include but is not limited to internal policies and procedures, employee safety measures, diversion, theft and inversion prevention, manufacturing techniques, safety and sanitation, equipment maintenance, using Metrc software, state statutes and regulations, and any local ordinances. Training will commence upon initial employment and will be refreshed as needed.

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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. RA

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. RA

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. RA

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). RA

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:

All packaging materials to be sold to retail marijuana establishments for sale to consumers will be child-resistant and unappealing to children. All packaging done at the facility will be performed in a specific 24-hour surveillance monitored area and then packaged in a uniform fashion with secured, clearly displayed labels. Marijuana and marijuana products will be individually packaged immediately after manufacturing, and subsequent to positive third-party testing, further packaged with approved exterior packaging, health, and safety labeling methods. Marijuana concentrates will be stored in the secured, restricted-access, locked production, and packaging room in the facility with 24hr surveillance. For all transports of marijuana products, Grateful Extracts will create a Metrc generated trip manifest. All trip manifests will be sent with the products, and an additional copy will be stored and filed on the premises as an official business record. The manifest documents will clearly have the strain name, type of product, batch number, weight, transporter's name and handler's ID, time of departure and expected delivery, and the make, model, and license plate of the transporting vehicle. All marijuana products will be in a sealed package or container not exceeding ten (10) pounds and then stored in a locked storage compartment within the transport vehicle. The vehicle will travel directly between destinations without making unnecessary stops and at no time during transit will marijuana products be visible. All marijuana product packaging will have a label stating that a licensed testing facility has tested each batch in the shipment. Grateful Extracts understands that the transportation policies of marijuana and/or marijuana products applies to the co-located cultivation facility and Retail Store.

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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. RA

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. RA

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. RA

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. RA

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. RA

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. RA

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

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):

Grateful Extracts will not be posting any signs with a business name or logo on the exterior of the Concentrate Manufacturing facility.

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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):

Grateful Extracts may utilize the following medium types when distributing advertisements:

- Newspaper Ads
- Radio Ads
- Social Media to feature specific products
- Magazine Ads
- Sponsorships and Fundraisers
- Website
- Platforms such as; Leaflinks, Weed Maps, etc.

All advertisements will contain the five AMCO required warning statements verbatim.

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.

Richard Huffman
Printed name of licensee

Signature of licensee

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(Additional Space as Needed):

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