This is the employee required annual training for licensed medical cannabis processors in the Commonwealth.

This training is <u>required for the employees and agents of medical cannabis businesses</u> licensed by the Office to operate in the Commonwealth of Kentucky.

As the Director of the Division of Enforcement and Compliance within the Kentucky Office of Medical Cannabis, I want to first thank you for your participation and commitment as a business licensee within Kentucky's medical cannabis program. The program relies on your services and success to ensure registered medical cannabis patients and caregivers have access to safe and quality products.

Next, I want to stress the importance of workplace safety as you conduct business across the Commonwealth. The regulatory requirements provided in this training are not just to ensure the safety and quality of products for patients, but also to ensure that your employees and the community in which you operate are also safe, secure, and protected.

For those reasons, our administrative regulation regarding licensing requires employees, contracted agents, and volunteers who have direct contact with cardholders or physically handle medical cannabis on behalf of a business licensee to complete the applicable training or trainings provided by the Office for their respective license type.

Additionally, each licensee must also provide a hard copy of the Enforcement and Compliance Guide for Medical Cannabis Businesses available for download and print on our website under the "Business Resources" page. On this page you will also find materials with summaries on how to properly secure your facility, transport, advertise, test, or package and label medical cannabis in the state.

And most importantly, licensees should be sure to review and familiarize themselves with the law and regulations set forth for all medical cannabis businesses.

Again, thank you for your service to our Program and we look forward to working with you.

Sincerely,

Chafic George
Enforcement and Compliance Director
Kentucky Office of Medical Cannabis

TEAM KENTUCKY
OFFICE OF MEDICAL CANNABIS

Employee Required Annual Trainings

Processor

Annual Training required by 915 KAR 1:020, Section 5(4)

As required by **915 KAR 1:020, Section 5(4)**, all licensed medical cannabis processors must complete this training. Specifically, every principal, agent, employee, and volunteer of a licensee who has direct contact with cardholders, or physically handles cannabis seeds, seedlings, tissue cultures, clones, mature cannabis plants, medical cannabis, or medical cannabis products, shall complete applicable training required by the cabinet, which may include trainings for cultivating, processing, testing, and retail sale of medical cannabis and usage of the commonwealth's designated electronic monitoring system and seed to sale tracking system required by **KRS 218B.140**.

What will this training cover?

Processor

- Track and Trace Requirements
- Overview of METRC
- Batch Size Requirements
- Testing Requirements
- Product Remediation
- Product Limitations
- Transporting Medical Cannabis & Transportation Manifests
- Medical Cannabis Waste
- Visitor Requirements
- Notifiable Events
- Worker Safety
- Minimum Performance Standards

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Here is what this training will cover:

- Track and trace requirements;
- Overview of METRC
- Batch size requirements;
- Testing requirements;
- Product Remediation;
- Product limitations;
- Transporting medical cannabis & transportation manifests;
- Medical cannabis waste;
- Visitor requirements;
- Notifiable events;
- Worker safety; and
- Minimum Performance Standards.

Understanding Track and Trace Requirements

A processor shall use the electronic monitoring system and seed to sale tracking system prescribed by the cabinet containing the requirements in KRS Chapter 218B, specifically KRS 218B.140. A processor shall use the electronic monitoring system and seed to sale tracking system in accordance with written instructions provided by the cabinet. See **915 KAR 1:040 Section 4(3).**

A processor shall ensure its inventory recorded in the electronic monitoring system and seed to sale tracking system ***is accurate in real-time***.

The required track and trace system for all medicinal cannabis licensees in Kentucky is **METRC**.

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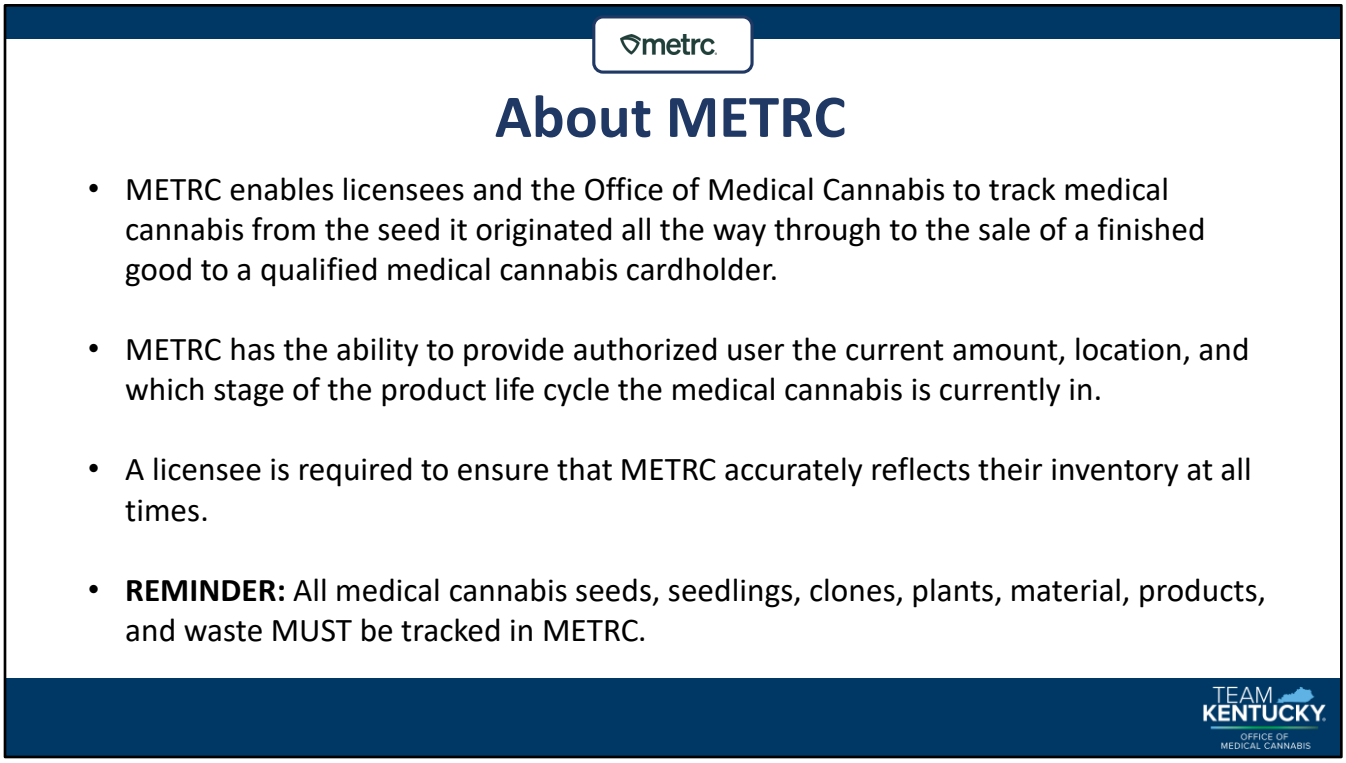
Administrative Regulation **915 KAR 1:040 Section 4(3)** requires that a processor shall use the electronic monitoring system and seed to sale tracking system prescribed by the cabinet containing the requirements in KRS Chapter 218B, specifically **KRS 218B.140**.

A processor shall use the electronic monitoring system and seed to sale tracking system in accordance with written instructions provided by the cabinet.

A processor shall ensure its inventory recorded in the electronic monitoring system and seed to sale tracking system is accurate in real-time.

To stress that again, inventory shall be accurate in real-time.

The required electronic monitoring system and seed to sale tracking system for all medical cannabis licensees in Kentucky is METRC.



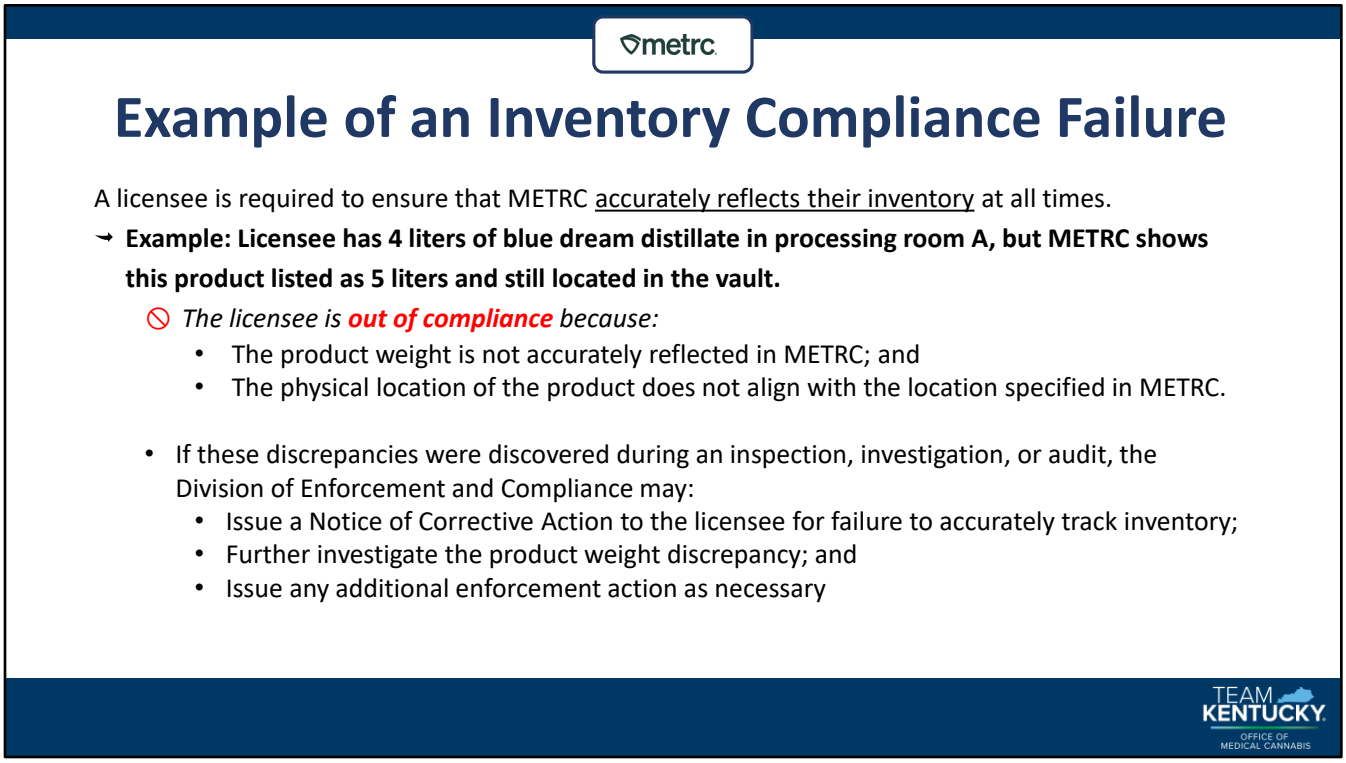
METRC enables the licensees and Office of Medical Cannabis to track medical cannabis from the seed it originated all the way through to the sale of a finished good to a qualified cardholder.

Among other features, METRC provides authorized users the current amount, location, and which stage of the product life cycle the medical cannabis is currently at in real time.

A licensee is required to ensure that METRC accurately reflects their inventory at all times.

Reminder: All medical cannabis material, seeds, seedlings, clones, plants, materials, products and waste MUST be tracked in METRC.

Regardless of the product type or what stage of the process it is in, if it is medical cannabis, it needs to be tracked in METRC.



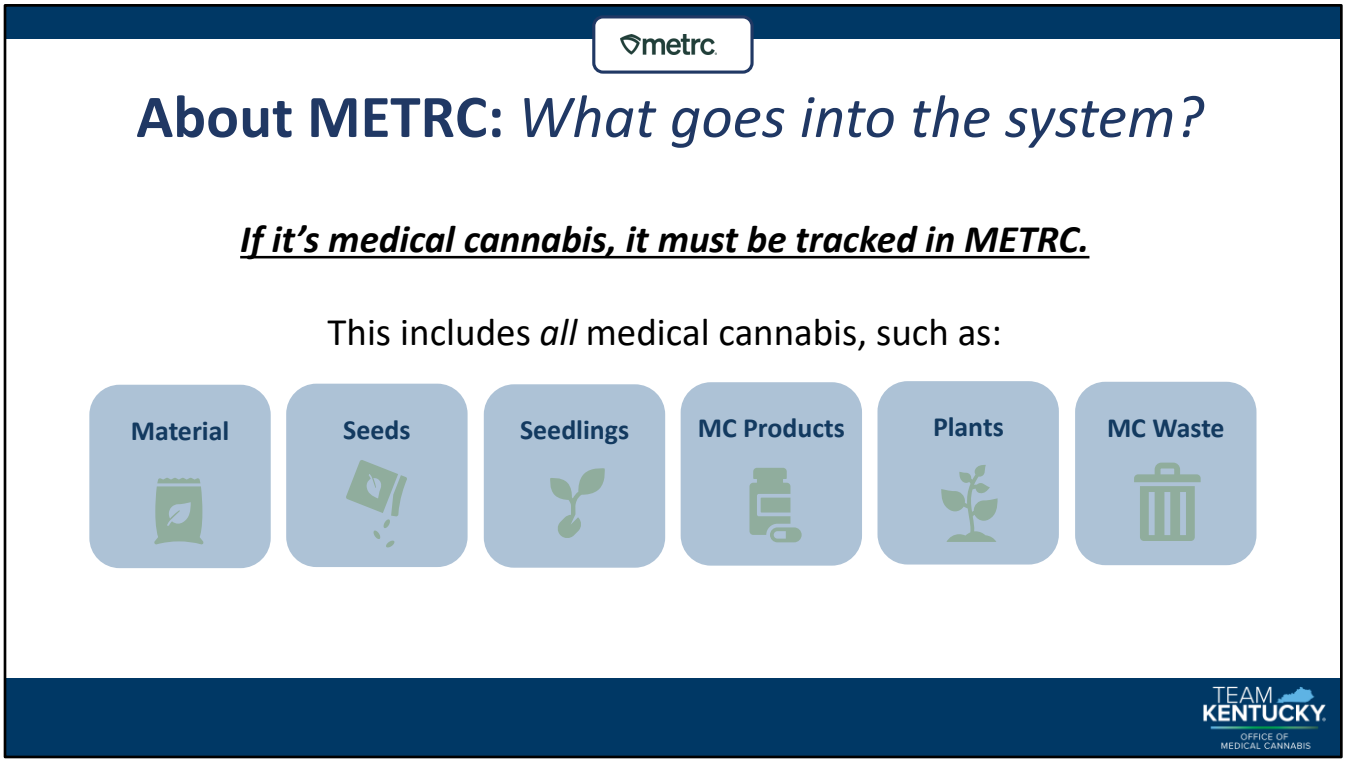
A licensee is required to ensure that METRC accurately reflects their inventory at all times. If it does not, then the licensee is not in compliance.

Here is an example is an example of an inventory compliance failure.

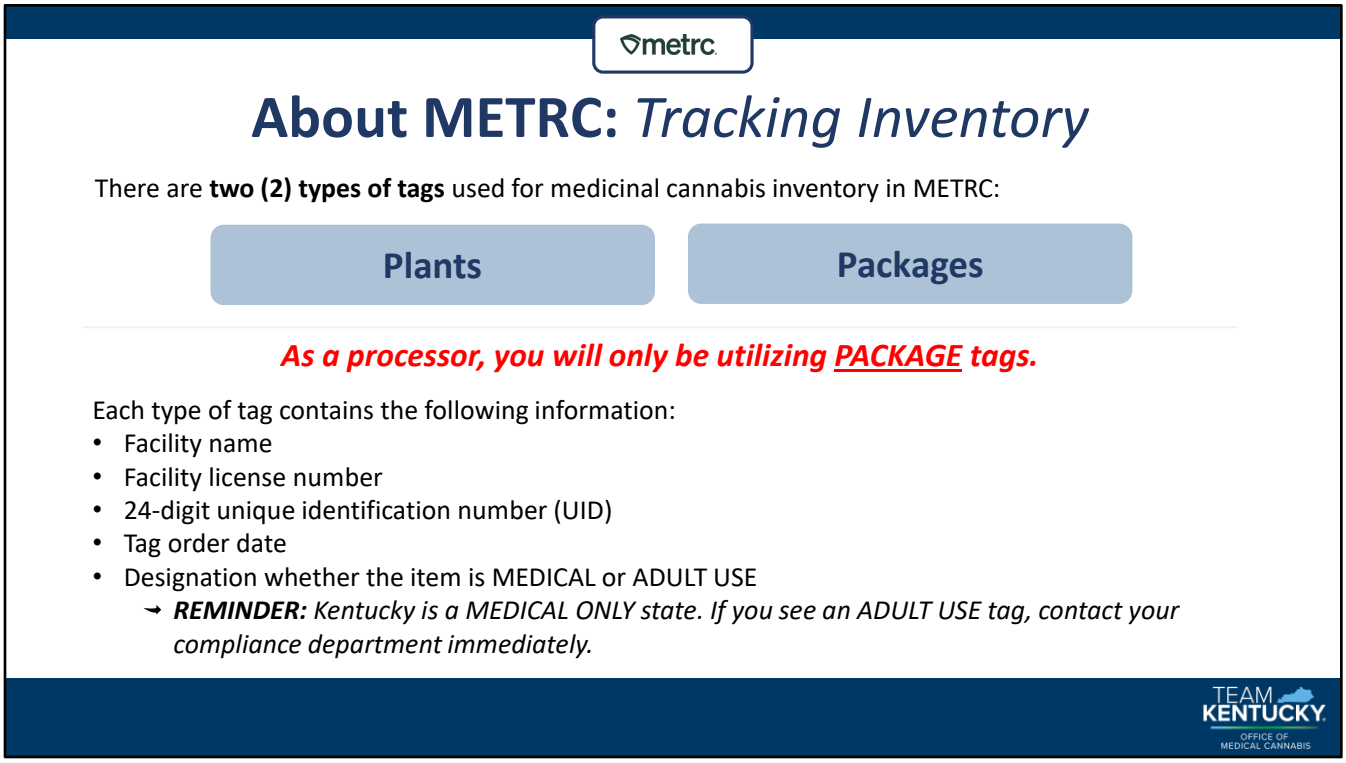
- Licensee has 4 liters of blue dream distillate in processing room A, but METRC shows this product listed as 5 liters and still located in the Vault.
    - The licensee is out of compliance because the product weight is not accurately reflected in METRC; and the products physical location does not align with its digital location within METRC.

If these discrepancies were discovered during an inspection, investigation, or audit, the Office of Medical Cannabis's Division of Enforcement and Compliance may, for example:

- Issue a Notice of Corrective Action to the licensee for failure to accurately track inventory and further investigate the product weight discrepancy as needed, which may result in issuing additional enforcement actions.



Again, all medical cannabis, such as medical cannabis material, seeds, seedlings, medical cannabis products, plants, or medical cannabis waste, MUST be tracked in METRC. This is crucial for tracking the entire lifecycle of the plants to products.



There are two (2) types of tagged medical cannabis inventory in metrc: PLANTS and PACKAGES

- ***IF YOU HAVE PLANT TAGS THEN YOU ORDERED THE WRONG ONES!***

Each tag contains the following information:

- Facility name;
- Facility license number;
- 24-digit unique identification number (UID);
- Tag order date; and
- The designation whether the item is MEDICAL or ADULT USE

Reminder: Kentucky is a Medical only State. If you see an Adult use tag in your facility, contact your compliance department immediately.

metrc

About METRC: *Tracking Inventory*

There are **two (2) types of tags** used for medicinal cannabis inventory in METRC:

Plants → **Packages**

About METRC: *Package Tags*

- Package tags are assigned post-harvest and are used to track medical cannabis packages and finished products
- Package tags record the entire history of the inventory batch, including:
  - Testing
  - Transfers
  - Adjustments
  - Package creation
- Each package, that has a tag applied, contains ONE TYPE OF PRODUCT

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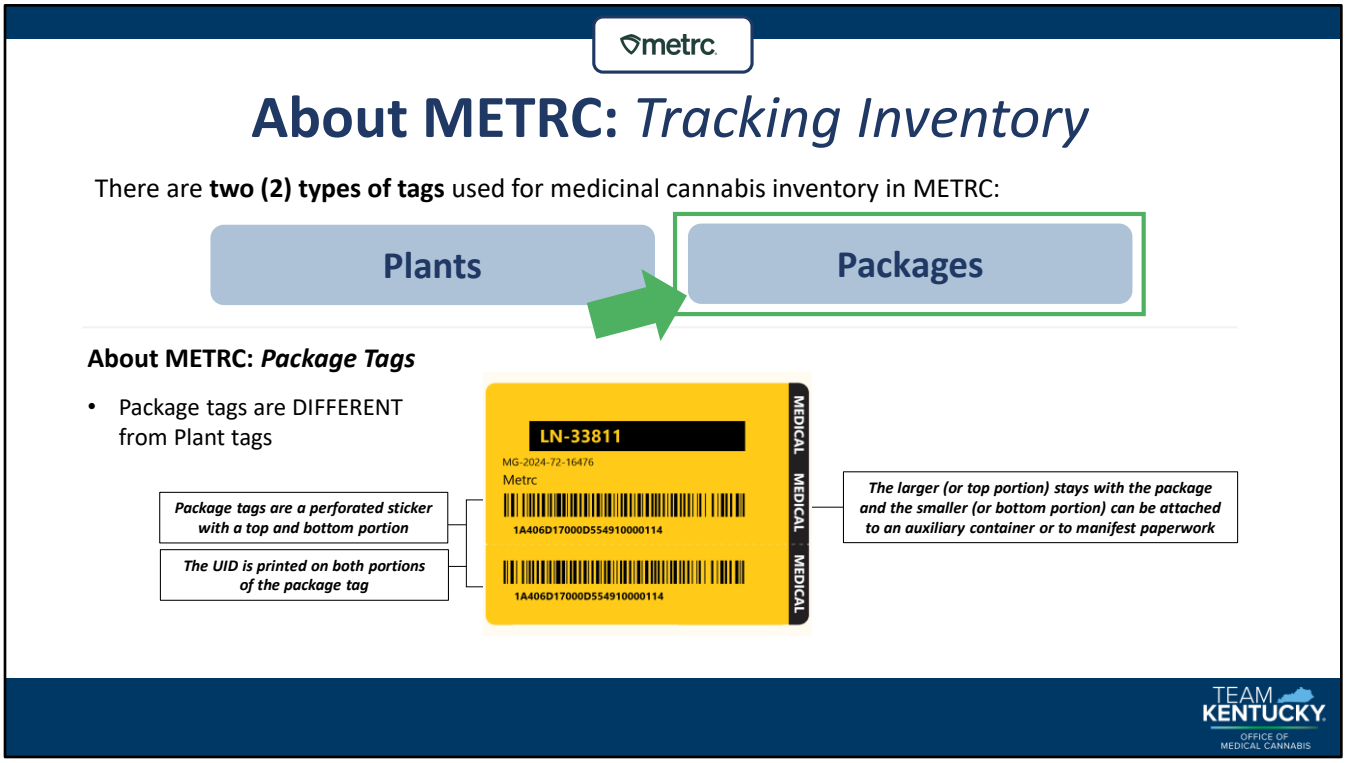
Package tags are assigned post-harvest and are used to track medical cannabis packages and finished products.

Package tags record the entire history of the inventory batch, including:

- Testing;
- Transfers;
- Adjustments; and
- Package creation.

Each package that has a tag applied contains one type of product.



Package tags are different from plant tags. Package tags are a perforated sticker with a top and bottom portion.

The unique identification number is printed on both portions of the package tag.

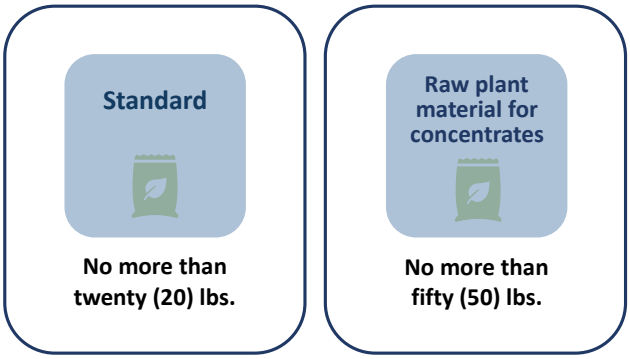
The larger area, or top portion, stays with the package and the smaller area, or bottom portion, can be attached to an auxiliary container or to manifest paperwork.

Again, each package that has a tag applied will contain one type of product.

Batch Size Requirements

915 KAR 1:110 Section 1(3)(a): Cultivators and producers shall separate all harvested medicinal cannabis into harvest batches not to exceed twenty (20) pounds with the **EXCEPTION** of any raw plant material to be sold to a processor or producer for the purposes of turning the raw plant material into concentrate which may be separated into harvest batches of no more than fifty (50) pounds.

915 KAR 1:110, Section 1(3)(b): Processors and producers shall separate all medical cannabis product into production batches not to exceed five (5) liters of liquid medical cannabis concentrate or nine (9) pounds of nonliquid medical cannabis products and, for final medical cannabis products, no greater than one thousand (1,000) grams of delta-9-tetrahydrocannabinol.



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When intaking raw plant material from a cultivator or producer or when making production batches it is important to remember the size limitations of different types of medical cannabis.

915 KAR 1:110 Section 1(3)(a) provides that cultivators and producers shall separate all harvested medical cannabis into harvest batches not to exceed twenty pounds with the exception of any raw plant material to be sold to a processor or producer for the purposes of turning the raw plant material into concentrate which may be separated into harvest batches of no more than fifty pounds.

During intake, if you discover that a batch of raw plant material intended solely for extraction purposes exceeds fifty pounds, you must reject the transfer.

When creating products **915 KAR 1:110 Section 1(3)(b)** requires that processor and producers shall separate all medical cannabis product into production batches not to exceed five liters of liquid medical cannabis concentrate or nine pounds of nonliquid medical cannabis products and, for final medical cannabis products, no greater than one thousand (1,000) grams of delta-9-tetrahydrocannabinol.

Investigators will be auditing these weights so make sure to stay within the limits.

Testing Requirements

915 KAR 1:110, Section 2: Medicinal cannabis tests

(1) In accordance with Section 3 of this administrative regulation, finished medicinal cannabis products intended for sale by dispensaries to cardholders shall be tested for:

(a) Tetrahydrocannabinol (THC) and cannabinoid concentration;
(b) Terpenoid type and concentration;
(c) Residual solvents and processing chemicals (for production batches);
(d) Residual pesticides;
(e) Heavy metals;
(f) Microbial impurities;
(g) Mycotoxins;
(h) Water activity (for harvest batches);
(i) Yeast and mold; and
(j) Vitamin E acetate

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Throughout the product life cycle, medical cannabis will undergo a variety of tests to ensure patients are receiving medical cannabis products that are safe and meet quality standards.

In accordance with **Sections 2 and 3 of 915 KAR 1:110**, finished medical cannabis products intended for sale by dispensaries to cardholders shall be tested for:

- THC and cannabinoid concentration;
- Terpenoid type and concentration;
- Residual solvents and processing chemicals (for production batches);
- Residual pesticides;
- Heavy metals;
- Microbial impurities;
- Mycotoxins;
- Water activity (for harvest batches);
- Yeast and mold; and
- Vitamin E acetate.

Not all products will be subject to all those tests listed. Please be sure to carefully read the testing regulation to determine which tests are needed for which products and when.

Testing Requirements:

Transferring non-finished product to a licensee

- **915 KAR 1:110 Section 2(4):**
  - ➥ For production batches consisting of non-finished medical cannabis product **not intended for sale to cardholders** in its current form, the following tests shall be performed prior to sale or transfer of the production batch to another licensed cannabis business:
    (a) Residual solvents and processing chemicals;
    (b) Heavy metals; and
    (c) THC and cannabinoid concentration

- **915 KAR 1:110 Section 2(5):**
  - ➥ Harvest batches and production batches tested pursuant to subsections (3) and (4) of this Section that pass those tests shall not be required to be retested for those items in their final form **IF** those batches were not physically or chemically altered following the prior sale or transfer.

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915 KAR 1:110 Section 2(4) governs the process for transferring non-finished goods to a licensee.

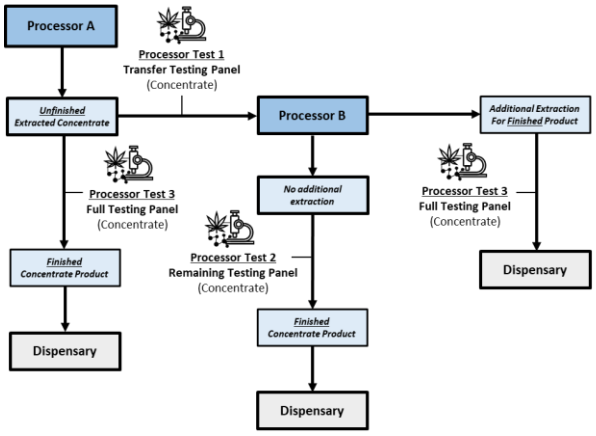
For production batches consisting of non-finished medical cannabis product not intended for sale to cardholders in its current form, the following tests shall be performed prior to sale or transfer of the production batch to another licensed cannabis business:

(a) Residual solvents and processing chemicals;
(b) Heavy metals; and
(c) THC and cannabinoid concentration

Per 915 KAR 1:110 Section 2(5), harvest batches and production batches tested pursuant to subsections (3) and (4) of Section 2 that pass the required tests shall not be required to be re-tested for those items in their final form if those batches were not physically or chemically altered following the prior sale or transfer.

Testing Requirements:

Testing flow chart



Test		Requirements
Processor	1	**Transfer Testing Panel** ***(Concentrate)*** ❑ THC + Cannabinoid Concentration ❑ Residual Solvents + Processing Chemicals ❑ Heavy Metals
	2	**Remaining Testing Panel** ***(Concentrate)*** ❑ Terpenoid Type + Concentration ❑ Microbial Impurities ❑ Mycotoxins ❑ Yeast + Mold ❑ Vitamin E Acetate
	3	**Full Testing Panel** ***(Concentrate)*** ❑ THC + Cannabinoid Concentration ❑ Terpenoid Type + Concentration ❑ Residual Solvents + Processing Chemicals ❑ Heavy Metals ❑ Microbial Impurities ❑ Mycotoxins ❑ Yeast + Mold ❑ Vitamin E Acetate

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The Office of Medical Cannabis has created flow charts to help licensees understand what tests need to be conducted and when. These are available on the Office website under “Resources” on the “Businesses” page.

If you have questions, please reach out to your assigned investigator.

Testing Requirements:

Failed testing

915 KAR 1:110 Section 4(1): A harvest batch or production batch sample that fails any initial testing may be reanalyzed by the safety compliance facility using the reserve sample for that harvest or production batch.

- ➥ **915 KAR 1:110 Section 5** outlines which failed tests are allowed to be remediated.
  - 🚫 Harvest or production batches that **fail a test which is not allowed to be remediated** according to Section 5, shall be deemed medicinal cannabis waste and destroyed.

TEAM KENTUCKY OFFICE OF MEDICAL CANNABIS

Per **915 KAR 1:110 Section 4(1)** a harvest batch or production batch sample that fails any initial testing may be reanalyzed by the safety compliance facility using the reserve sample for that harvest or production batch.

915 KAR 1:110 Section 5 outlines which failed tests are allowed to be remediated.

As a reminder, harvest or production batches that fail a test that is not allowed to be remediated shall be deemed medical cannabis waste and destroyed.

Testing Requirements:
When is Remediation Allowed?

A production batch ***may be remediated and re-tested*** if it fails for:
- THC concentration
- Residual solvents and processing chemicals
- Microbial impurities

Where remediation is allowed, a production batch shall only be ***remediated twice***.

🚫 If the harvest or production batch fails testing after a second remediation attempt and the second re-testing, the harvest or production batch **shall be deemed medicinal cannabis waste and destroyed** by the cultivator, processor, or producer in accordance with **915 KAR 1:030 or 915 KAR 1:040** as applicable for their respective business.

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A production batch may be remediated and re-tested if it fails for:
- THC concentration;
- Residual solvents and processing chemicals; and
- Microbial impurities.

Where remediation is allowed, a production batch shall only be remediated twice.

If the harvest or production batch fails testing after a second remediation attempt and the second re-testing, the harvest or production batch shall be deemed medical cannabis waste and destroyed by the cultivator, processor, or producer in accordance with **915 KAR 1:030** or **915 KAR 1:040** as applicable for their respective business.

Testing Requirements:

Product failures unable to be remediated

Pursuant to 915 KAR 1:110 Section 5, medical cannabis ***shall be deemed medical cannabis waste and shall be destroyed*** in accordance with **915 KAR 1:040** if it has failed the initial and reserve sampling testing for:

- Residual pesticides
- Heavy metals
- Mycotoxins
- Yeast and mold

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Pursuant to **915 KAR 1:110 Section 5**, medical cannabis shall be deemed medical cannabis waste and shall be destroyed in accordance with **915 KAR 1:040** if it has failed the initial and reserve sample testing for:

- Residual pesticides;
- Heavy metals;
- Mycotoxins; and
- Yeast and mold.

Testing Requirements:

Product potency limitation

915 KAR 1:040, Section 4(1):

Except as provided in this section, a processor shall not possess, process, produce, or manufacture:

(a) Raw plant material with a delta-9 tetrahydrocannabinol content of more than thirty-five percent (35%);
(b) Medicinal cannabis products intended for oral consumption as an edible, oil or tincture with more than ten (10) milligrams of delta-9 tetrahydrocannabinol per serving;
(c) Any medicinal cannabis product not described in this section with a delta-9 tetrahydrocannabinol content of more than seventy percent (70%); or
(d) Any medicinal cannabis product that contains vitamin E acetate.

915 KAR 1:040, Section 4(2):

A processor may possess **UNFINISHED** medicinal cannabis products **NOT READY** for retail sale that exceed the delta-9 tetrahydrocannabinol limits in this section. **HOWEVER**, all finished medicinal cannabis products intended for sale to cardholder shall comply with the delta-9 tetrahydrocannabinol limits in this section.

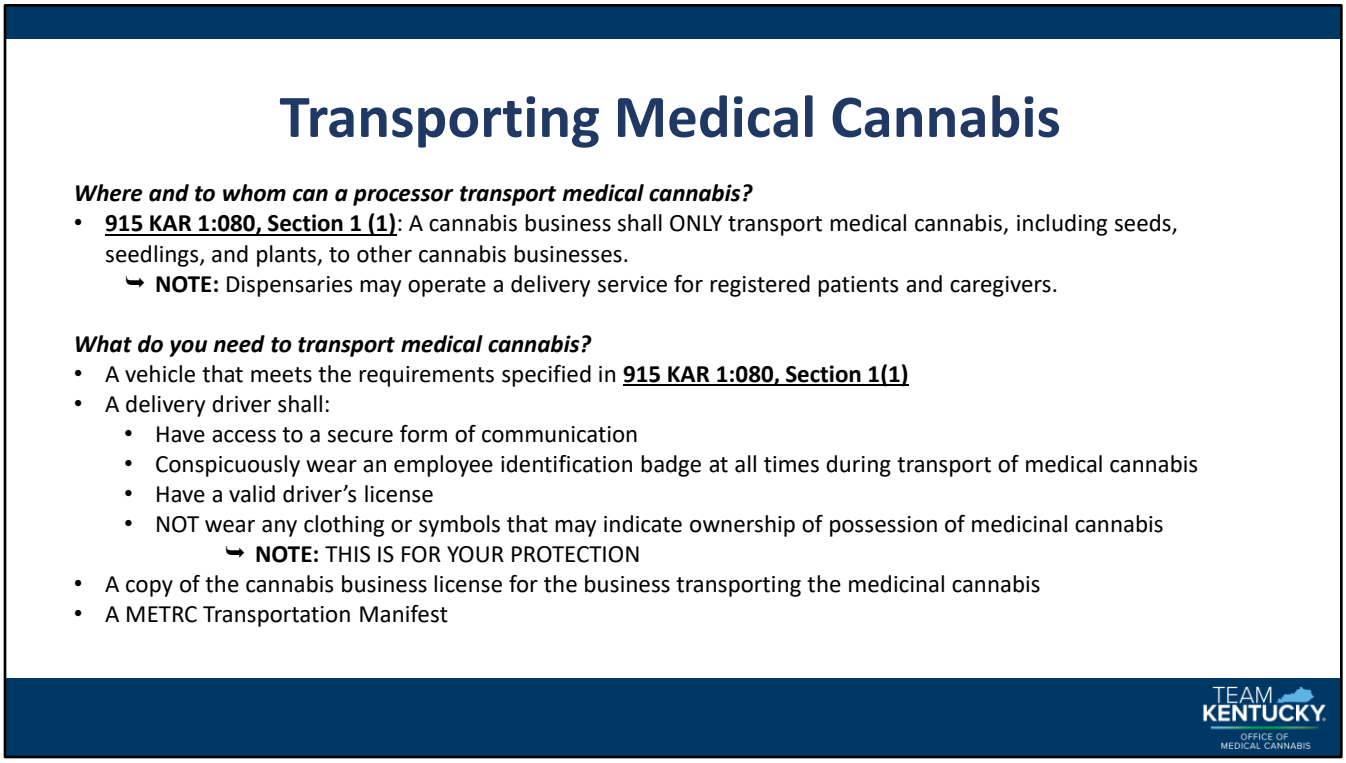
TEAM KENTUCKY OFFICE OF MEDICAL CANNABIS

Licensees are required to ensure that all medical cannabis does not exceed the established potency limits.

915 KAR 1:040 Section 4 (1) states that except as provided in this section, a processor shall not possess, process, produce, or manufacture:

(a) Raw plant material with a delta-9 tetrahydrocannabinol content of more than thirty-five percent;
(b) Medical cannabis products intended for oral consumption as an edible, oil or tincture with more than ten milligrams of delta-9 tetrahydrocannabinol per serving;
(c) Any medical cannabis product not described in this section with a delta-9 tetrahydrocannabinol content of more than seventy percent; or
(d) any medical cannabis product that contains vitamin E acetate.

915 KAR 1:040 Section 4(2) provides a processor may possess **UNFINISHED** medical cannabis products **NOT READY** for retail sale that exceed the delta-9 tetrahydrocannabinol limits in this section. **HOWEVER**, all finished medical cannabis products intended for sale to cardholder shall comply with the delta-9 tetrahydrocannabinol limits in this section.



Your product is created, it's passed testing, and now it's time to get it out the door.

Where and to whom can you transport medical cannabis?

Per 915 KAR 1:080 Section 1(1) a cannabis business shall only transport medical cannabis, including seeds, seedlings, and plants to other licensed cannabis businesses.

This means you cannot transport medical cannabis to a qualified cardholder directly. Medical cannabis must go to a licensed medical cannabis business.

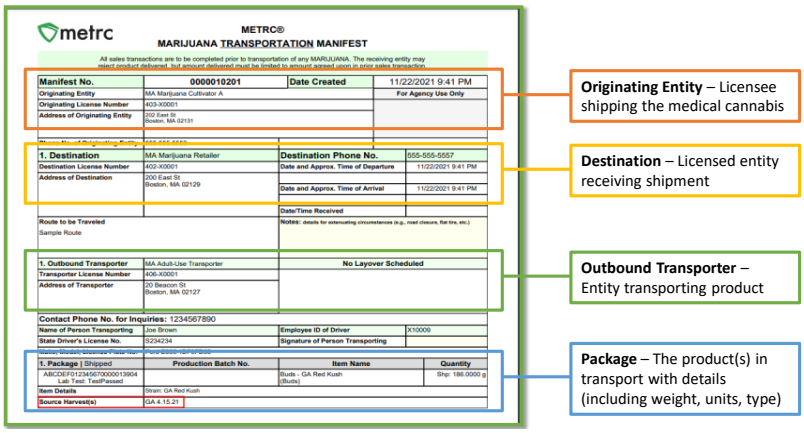
What do you need to transport medical cannabis?

- A vehicle that meets the requirements laid out in **915 KAR 1:080 Section 1(1)**
- A delivery driver who shall:
  - Have access to a secure form of communication
  - Conspicuously wear an employee identification badge at all times during transport of medical cannabis
  - Have a valid driver's license;
  - Not wear any clothing or symbols that may indicate possession of medical cannabis
- These requirements are to ensure your safety.
  - You will also need a copy of the cannabis business license for the business transporting the medical cannabis and
  - A METRC transportation manifest.

Transporting Medical Cannabis

What is a METRC transportation manifest?

- A METRC transportation manifest is required any time medical cannabis is transported by a licensee.
- Think of the manifest as a plane ticket and the medical cannabis as the passenger. ***A passenger cannot fly without a ticket and medical cannabis cannot be transported without a manifest.***
- The manifest provides all the information regarding a transport of medical cannabis.



TEAM KENTUCKY OFFICE OF MEDICAL CANNABIS

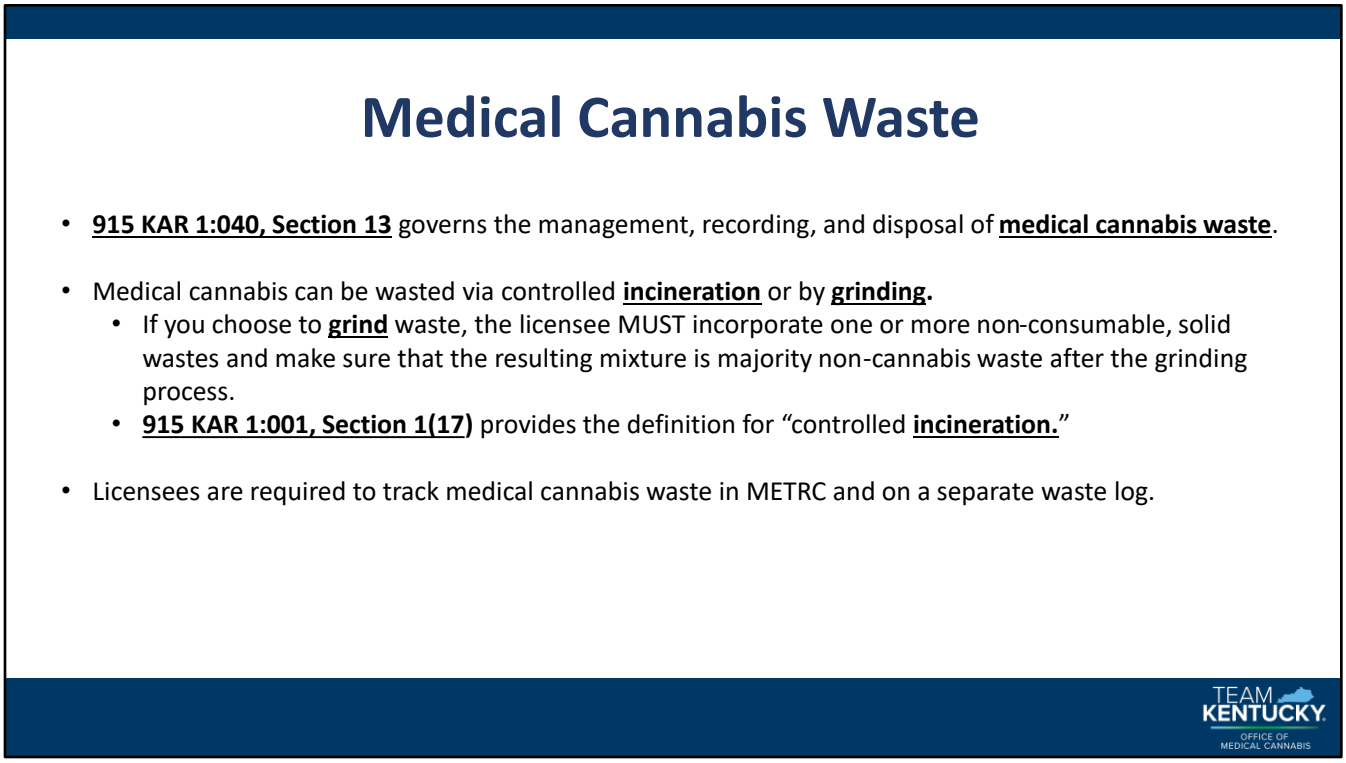
A METRC transportation manifest is required anytime medical cannabis is transported by a licensee.

Think of the manifest as a plane ticket and the medical cannabis as the passenger. A passenger cannot fly without a ticket and medical cannabis cannot be transported without a manifest.

Like a plane ticket, the manifest provides all the information about the medical cannabis being transported along with the individuals handling the transportation.

It will show:

- The originating entity;
- The destination of the product;
- Who is conducting the transporting; and
- Information regarding the product being transported.



915 KAR 1:040 Section 13 governs the management, recording and disposal of medical cannabis waste.

Medical cannabis can be wasted via controlled incineration or by grinding.

- If a licensee chooses to grind waste, the licensee must incorporate one or more non-consumable, solid wastes – such as paper, cardboard, or food waste – and make sure that the resulting mixture is majority non-cannabis waste after the grinding process.
- If you choose to conduct waste via controlled incineration, please make sure to thoroughly read the definition of "controlled incineration" to ensure it is done properly and safely. **915 KAR 1:001 Section 1(17)** provides the definition for controlled incineration. You can reach out to your investigator if you have questions.

Licensees are required to track medical cannabis waste in METRC and on a separate waste log.

Medical Cannabis Waste

What information must be on the waste log?

- **915 KAR 1:040, Section 13(4):** A minimum of two (2) employees shall oversee the disposal of medical cannabis and shall maintain and make available a separate record of every disposal indicating:
  (a) The date and time of disposal;
  (b) The manner of disposal;
  (c) Any unique identification codes associated with the medical cannabis scheduled for destruction;
  (d) The reasoning for and description of the disposal;
  (e) The names, employee identification numbers, and signatures of the employees overseeing the disposal of the medical cannabis; and
  (f) If the disposal contains medical cannabis that was prepared for sale to a dispensary, the harvest or production batch number, strain, volume, weight, and number of units if applicable of the medical cannabis being disposed of.

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915 KAR 1:040 Section 13(4) states a minimum of two employees shall oversee the disposal of medical cannabis and shall maintain and make available a separate record of every disposal indicating:

- The date and time of disposal;
- The manner of disposal;
- The unique identification codes associated with the medical cannabis scheduled for destruction;
- The reasoning for and description of the disposal;
- The names, employee identification numbers and signatures of the employees overseeing the disposal of the medical cannabis; and
- If the medical cannabis waste for disposal contains plant material that was prepared for sale to a dispensary or processor, the harvest batch number, strain, volume and weight of the plant material being disposed of.

Medical Cannabis Waste

Key takeaways of medical cannabis waste

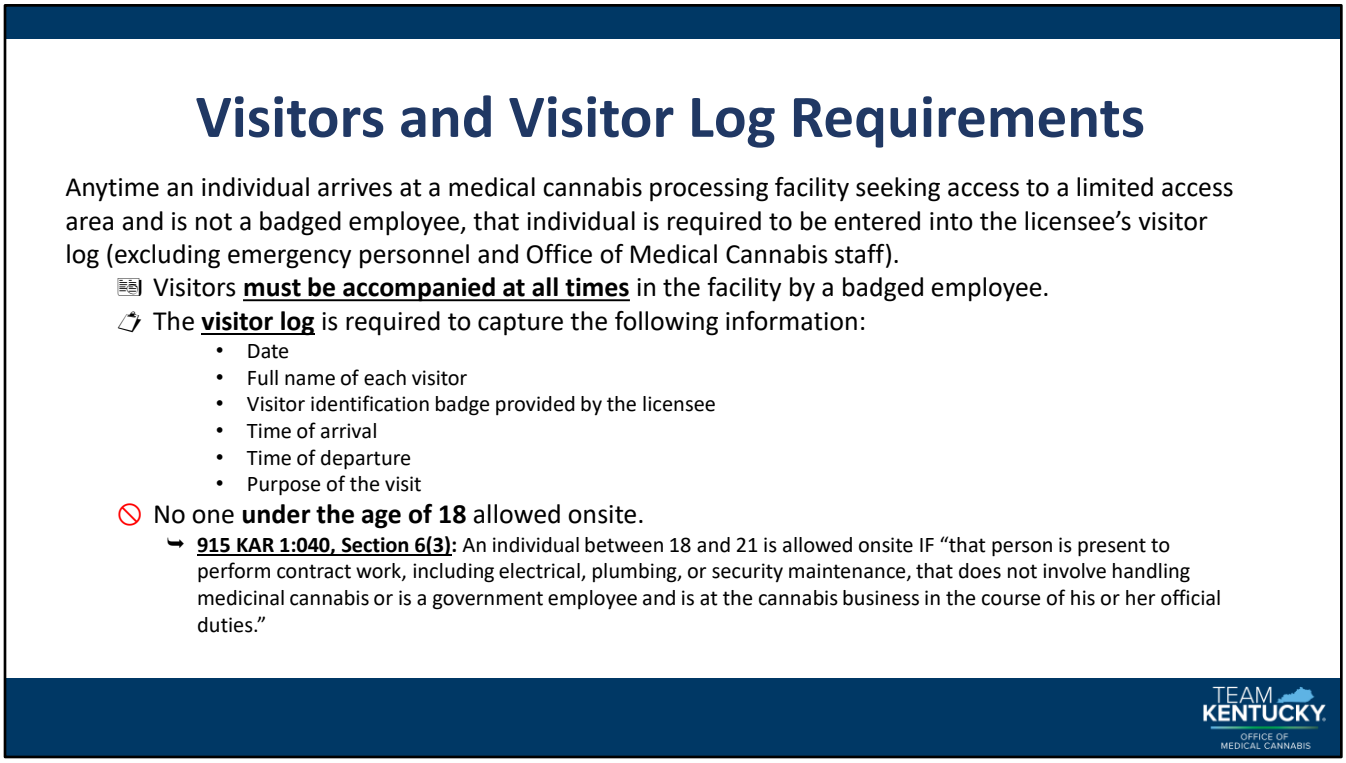
915 KAR 1:040, Section 13(2)(a) and (b): Medical cannabis shall be rendered unusable by controlled incineration or by grinding and incorporating solid (non-cannabis waste) such that the resulting mixture is majority non-cannabis.

- **915 KAR 1:040, Section 13(3)** requires that the entire waste procedure, from destruction to the dumpster, shall be performed under video surveillance.
- **915 KAR 1:040, Section 13(4)** requires two (2) employees to perform waste procedures.
- **915 KAR 1:040, Section 13(1)** requires waste to be recorded in METRC and on a separate waste log per **915 KAR 1:040, Section 13(4).**

TEAM KENTUCKY OFFICE OF MEDICAL CANNABIS

When handling medical cannabis waste, here are some key takeaways to consider:

- Medical cannabis shall be rendered unusable by controlled incineration or by grinding and incorporating solid (non-cannabis waste) such that the resulting mixture is majority non-cannabis.
- The entire waste procedure, from destruction to the dumpster, shall be performed under video surveillance.
- A minimum of two employees shall participate in waste procedures.
- Waste shall be recorded in METRC and on a separate waste log.



Cultivation facilities are not public establishments therefore visitor access must be limited.

Anytime an individual arrives at a medical cannabis processor facility seeking access to a limited access area and is not a badged employee, that individual is required to be entered into the licensee's visitor log. This requirement does not apply to emergency personnel or Office of Medical Cannabis staff.

The visitor must be accompanied at all times in the facility by a badged employee.

The following information about the visitor must be captured on a dedicated visitor log:

- Date of visit;
- Full name of each visitor;
- The visitor identification badge provided by the licensee;
- The time of arrival;
- The time of departure;
- The purpose of the visit.

Additionally, no visitors under the age of 18 are allowed onsite.

- An individual between 18 and 21 years of age shall only be allowed onsite if:
    - That person is present to perform contract work, including electrical, plumbing, or security maintenance, that does not involve handling medical cannabis or is a government employee and is at the cannabis business in the course of his or her official duties.

Ensure all visitor requirements are followed prior to allowing a visitor access to the facility.

Notifiable Events

What is a notifiable event?

A **notifiable event** is the occurrence of an event that requires immediate notification (or no later than 24 hours from the occurrence) to the Office of Medical Cannabis.

➥ **915 KAR 1:020, Section 5(2):** Duty to Report

(b) During the licensure period, a licensee shall notify the cabinet following knowledge or discovery of the following events:

(1) Inventory discrepancies;
(2) Diversion, theft, or loss of any medical cannabis or medical cannabis product;
(3) Unauthorized destruction of medical cannabis;
(4) Any criminal proceeding involving the licensee's owners, principal officers, board members, employees, volunteers, financial backers, or agents arising out of actions taken on the licensee's premises or while using licensee property;
(5) Security alarm activation or other event that requires responses by law enforcement or security personnel;
(6) Any loss, unauthorized or other event that requires responses by law enforcement or security personnel;
(7) Accidents involving transport vehicles that occur while the licensee is transporting or delivering medical cannabis;
(8) Any act involving cultivating, processing, producing, testing, transporting, or dispensing medical cannabis by any person that may create a health or safety risk to cardholders or the general public;
(9) A dispensary declines the sale of medical cannabis to a cardholder; and
(10) A dispensary desires to prohibit a cardholder from entering its premises.

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During operations, you may experience a notifiable event.

A notifiable event is the occurrence of an adverse event that requires immediate notification, or notification within 24 hours from the occurrence, to the Office of Medical Cannabis.

Events, according to **915 KAR 1:020 Section 5(2)(b)**, that are deemed notifiable events are:

(1) Inventory discrepancies;

(2) Diversion, theft, or loss of any medical cannabis or medical cannabis product;

(3) Unauthorized destruction of medical cannabis;

(4) Any criminal proceeding involving the licensee's owners, principal officers, board members, employees, volunteers, financial backers, or agents arising out of actions taken on the licensee's premises or while using licensee property;

(5) Security alarm activation or other event that requires responses by law enforcement or security personnel;

(6) Any loss, unauthorized or other event that requires responses by law enforcement or security personnel;

(7) Accidents involving transport vehicles that occur while the licensee is transporting or delivering medical cannabis;

(8) Any act involving cultivating, processing, producing, testing, transporting, or dispensing medical cannabis by any person that may create a health or safety risk to cardholders or the general public;

(9) A dispensary declines the sale of medical cannabis to a cardholder; and

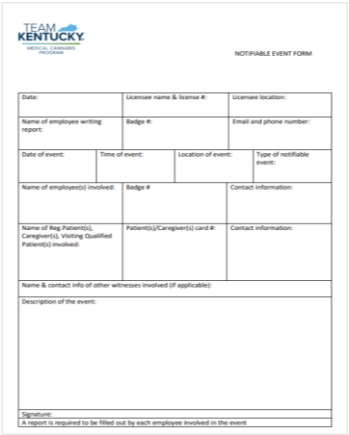
(10) A dispensary desires to prohibit a cardholder from entering its premises.

Notifiable Events

Notifiable event form

915 KAR 1:020, Section 5(2)(c) requires that notifications to be:

- Provided on a form prescribed by the cabinet and available on the website of the Office of Medical Cannabis, kymedcan.ky.gov, or through the business licensing portal, that includes time and date of the event, individuals involved, and a detailed description of the event.
- Sent via electronic mail to kymedcanreporting@ky.gov or submitted through the business licensing portal within twenty-four (24) hours of discovery or knowledge of the event.


TEAM KENTUCKY MEDICAL CANNABIS PROGRAM

NOTIFIABLE EVENT FORM

Date:		Licensee name & license #:	Licensee location:
Name of employee writing report:		Badge #:	Email and phone number:
Date of event:	Time of event:	Location of event:	Type of notifiable event:
Name of employee(s) involved:		Badge #	Contact information:
Name of Reg.Patient(s), Caregiver(s), Visiting Qualified Patient(s) involved:		Patient(s)/Caregiver(s) card #:	Contact information:
Name & contact info of other witnesses involved (if applicable):			
Description of the event:			
Signature:			
A report is required to be filled out by each employee involved in the event			

TEAM KENTUCKY OFFICE OF MEDICAL CANNABIS

If you experience a notifiable event, the notification to the Office of Medical Cannabis must be provided on a form prescribed by the cabinet and available on Office of Medical Cannabis website at kymedcan.ky.gov or through the business licensing portal. Required information includes time and date of the event, the individuals involved, and a detailed description of the event.

This form must be sent via electronic mail to kymedcanreporting@ky.gov or through the business licensing portal within twenty-four (24) hours of discovery or knowledge of the event.

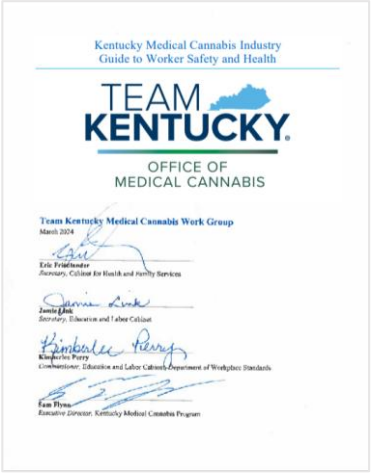
Worker Safety

Some **hazards** one may be exposed to in a processing facility include:

- Exposure to chemicals, allergens, and noise
- Use of explosive/flammable chemicals
- Ergonomics
- Industrial machinery

Please make sure to read the **Kentucky Medical Cannabis Industry Guide to Worker Safety and Health** provided by the Office of Medical Cannabis in collaboration with the Department of Workplace Standards.

- ➥ Licensees shall maintain a physical copy of this Guide in their facility in a manner that is readily accessible to its employees or agents and ensure that employees receive annual training on the contents of the guide.



TEAM KENTUCKY OFFICE OF MEDICAL CANNABIS

All employees involved in the Kentucky Medical Cannabis Program should be aware of potential hazards in your facility. Some hazards one may be exposed to in a processor facility include:

- Exposure to chemicals, allergens, and noise;
- Use of explosive/flammable chemicals;
- Ergonomics; and
- Industrial machinery

Please make sure to read the Kentucky Medical Cannabis Industry Guide to Worker Safety and Health provided by the Office of Medical Cannabis in collaboration with the Department of Workplace Standards.

Licensees shall maintain a physical copy of this Guide in their facility in a manner that is readily accessible to its employees or agents and ensure that employees receive annual training on the contents of the guide.

This guide is available under “Resources” on the “Businesses” tab of the Office of Medical Cannabis website at https://kymedcan.ky.gov/businesses.

Allowable Methods of Extraction

915 KAR 1:040 Section 9(2): A processor may use hydrocarbon solvent-based extraction methods in a spark-free and properly ventilated environment, isolated from any open flame or ignition source, and may use the following solvents, at a minimum of ninety-nine percent purity, in a professional grade, closed-loop extraction system designed to recover the solvents:

- Propane
- N-butane
- Isobutane
- Heptane

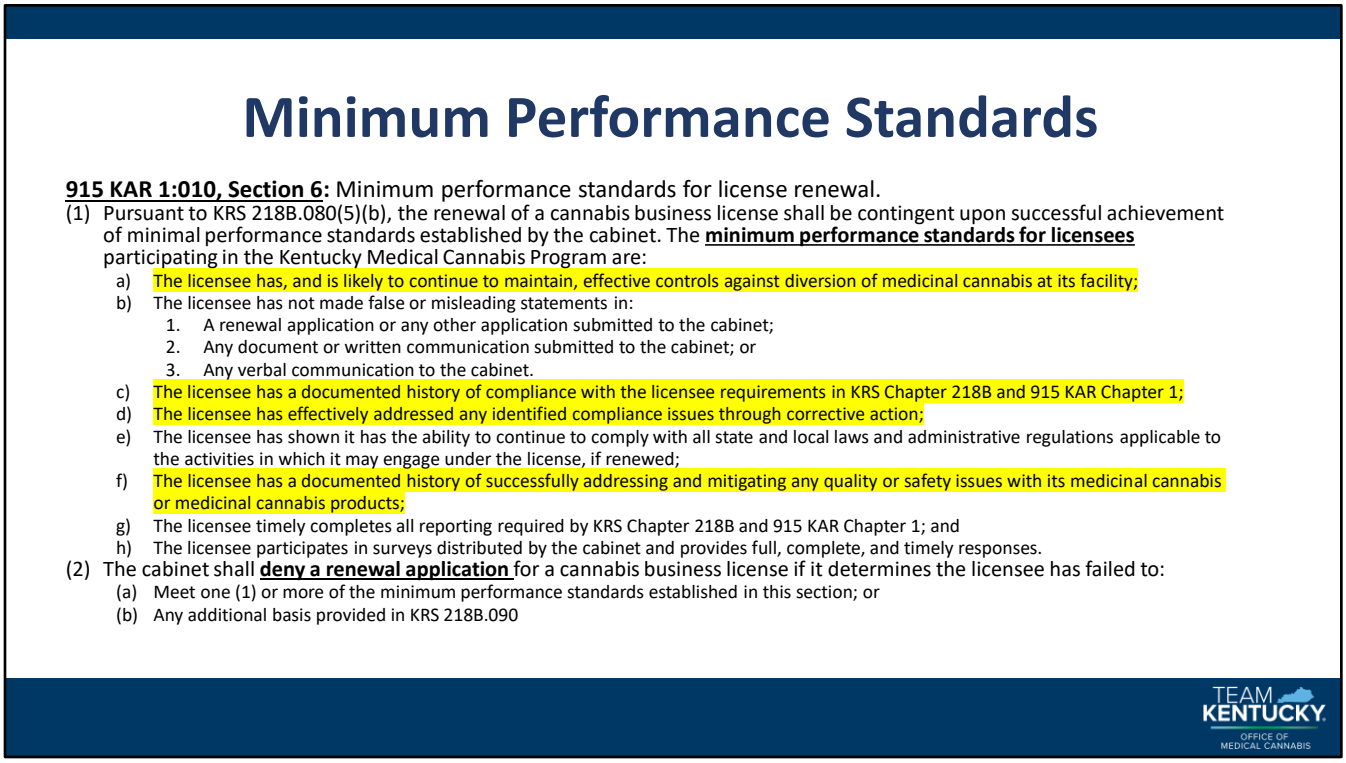
915 KAR 1:040 Section 3(4): On all perimeter doors, a processor shall post signs which shall not be less than twelve (12) inches wide and twelves (12) inches long, composed of letters not less than one-half inch in height, that clearly state the type of extraction method or methods used within the facility.

TEAM KENTUCKY OFFICE OF MEDICAL CANNABIS

Pursuant to **915 KAR 1:040 Section 9(2),** a processor may use hydrocarbon solvent-based extraction methods in a spark-free and properly ventilated environment, isolated from any open flame or ignition source, and may use the following solvents, at a minimum of ninety-nine percent purity, in a professional grade, closed-loop extraction system designed to recover the solvents:

- Propane
- N-butane
- Isobutane
- Heptane3

For the safety of first responders, **915 KAR 1:040 Section 3(4)** requires that on all perimeter doors, a processor shall post signs which shall not be less than twelve inches wide and twelve inches long, composed of letters not less than one-half inch in height, that clearly state the type of extraction method or methods used within the facility.



Lastly, all licensees much meet the minimum performance standards for license renewal.

915 KAR 1:010, Section 6 explains the minimum performance standards that a licensee must adhere to for annual license renewal.

The standards specifically related to enforcement and compliance include the following subsections of **915 KAR 1:010 Section 6(1)** which require that:

(a) The licensee has, and is likely to continue to maintain, effective controls against diversion of medical cannabis at its facility;

(c) The licensee has a documented history of compliance with the licensee requirements in **KRS Chapter 218B and 915 KAR Chapter 1**;

(d) The licensee has effectively addressed any identified compliance issue through corrective action; and

(f) The licensee has a documented history of successfully addressing and mitigating any quality or safety issues with its medical cannabis or medical cannabis products.

At the end of the licensure period, the Division of Enforcement and Compliance will create a report for each licensee regarding their compliance with required standards during the previous licensure period. Strict adherence to the requirements are important for the safety of cardholders, the citizens of the Commonwealth, and your business.

Questions?

TEAM KENTUCKY®

OFFICE OF MEDICAL CANNABIS

Contact the Office of Medical Cannabis Division of Enforcement and Compliance
kymedcanreporting@ky.gov

This concludes the employee required annual training for processor licensees. Thank you for your careful review and commitment to the Kentucky Medical Cannabis Program.

For any questions about the training, or general questions about operating a medical cannabis business in Kentucky, please contact the Division of Enforcement and Compliance for the Office of Medical Cannabis.

TEAM KENTUCKY
OFFICE OF MEDICAL CANNABIS

CABINET FOR HEALTH AND FAMILY SERVICES

KENTUCKY OFFICE OF MEDICAL CANNABIS

COMPLETION OF REQUIRED TRAINING ACKNOWLEDGMENT FORM

Per 915 KAR 1:020, Section 5(4), every principal, agent, employee, and volunteer of a licensee who has direct contact with cardholders, or physically handles cannabis seeds, seedlings, tissue cultures, clones, mature cannabis plants, medicinal cannabis, or medicinal cannabis products, shall complete applicable training required by the Office of Medical Cannabis, which may include trainings for cultivating, processing, testing, and retail sale of medicinal cannabis and usage of the Commonwealth's designated electronic monitoring system and seed to sale tracking system required by KRS 218B.140. Further, a cannabis business licensee shall retain any training participation records of its principals, agents, employees, and volunteers and make them available for inspection by the Office of Medical Cannabis upon request for a period of five (5) years.

By signing below, I confirm that I have completed the required training provided by the Office of Medical Cannabis for the applicable cannabis business license type. I further understand and acknowledge that a false statement made to the Office of Medical Cannabis is punishable under the applicable provisions of KRS 523.100.

_____

Printed Name of Principal, Agent, Employee, or Volunteer

_____

Signature of Principal, Agent, Employee, or Volunteer

_____

Signature of Supervisor or Licensee Authorized Representative