

# HIGHLANDS

## Trade Sample SOP

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### Purpose

This Standard Operating Procedure explains the functional operation of Highlands' trade sample procedure

### Scope

This is a company-wide procedure that covers the preparation and disbursement of trade samples

### Responsibilities

- **Ensures accuracy on packaging and manifesting trade samples**
- **Packaged Cannabis**
- **Compliance Department** – Ensure all SOPs are written in compliance with all state and local rules and regulations.

### Rules and Regulations (Cannabis Regulatory Agency of Michigan)

(1) The following licensees may provide trade samples: (a) A cultivator may transfer trade samples of marihuana products to a producer or a marihuana sales location. (b) A producer may transfer trade samples of marihuana products to a producer or marihuana sales location. (2) The transfer of trade samples does not require the use of a secure transporter under the MMFLA or a marihuana secure transporter under the MRTMA if the amount of trade samples does not exceed either of the following: (a) 15 ounces of marihuana. (b) 60 grams of marihuana concentrate. (3) Trade samples must not be sold or transferred by the receiving producer or marihuana sales location to another producer or marihuana sales location or to a consumer. (4) Any trade sample transferred to a producer or marihuana sales location or received by a producer or a marihuana sales location must be recorded in the statewide monitoring system. (5) Any trade samples transferred under this rule must be tested in accordance with these rules prior to being transferred to a producer or marihuana sales location. (6) A cultivator and producer are limited to transferring the following aggregate amounts of trade samples to a producer or a marihuana sales location in a 30-day period: (a) 2.5 ounces of marihuana. Page 8 Courtesy of Michigan Administrative Rules (b) 15 grams of marihuana concentrate. (7) In addition to the information required in R 420.403, a trade sample must have a label containing the statement "TRADE SAMPLE NOT FOR RESALE" in bold, capital letters attached to the trade sample. (8) A producer or marihuana sales location that receives a trade sample may distribute the trade sample to its employees to determine whether to purchase the marihuana product. A producer or marihuana

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sales location is limited to transferring a total of 1 ounce of marihuana, a total of 6 grams of marihuana concentrate, and marihuana infused products with a total THC content of 2000 mgs of internal product samples to each of its employees in a 30-day period. History: 2020 AACs; 2022 MR 5, Eff. Mar. 7, 2022.

## Required Access and Documentation

- METRC access
- METRC tag
- Manifest for product being sent
- Packaged and Labeled Cannabis product
- Transportation details
- All Trade samples must be submitted by noon (12 PM) on Leaf Link the previous day to be fulfilled and capable of being sent out for the next business day. Otherwise if not submitted before noon the sample will not be processed for Two (2) business days after submission.

## Specific Procedure

- Go to the Vault and pull the batch you will be taking a trade sample from
- Write the batch number on the designated container
- Weigh the trade sample and place it into the labeled container
- Put a sticker on the container that says "TRADE SAMPLE NOT FOR RESALE" as well as the COA label
- METRC the trade sample
  - Log into METRC
  - Select your package and highlight the METRC number
  - Select Create New Package
  - Enter your new METRC package number you will be giving to the trade sample
  - Enter the location "Vault"
  - Select "same Item" for the trade item being sampled
  - Select the date the sample is being made
  - Select "Trade Sample"
  - Select "Create Package"
- Make a new manifest for the sample to be transferred
  - Go to the Transfers tab at the top of the page select "New transfer"
  - Go to google maps, copy the directions from our facility to the receiving facility and the paste the directions into the manifest
  - Select "Trade Sample Transfer"
  - Enter the date and time the transfer will be sent as well as the date and time it will be delivered to the receiving facility

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- Enter the Driver's information
- Enter each package number and gross weight that will be transferred
- Select "Register Transfer"
- Highlight the manifest you just made and select "View Manifest"
- Print two copies of the manifest, one for the transporter and one for the facility records
- Place samples in a bin with the invoice and manifest attached
- The authorized vault personnel will hand the sample, invoice and manifest to the transporter. "NO" unauthorized personnel are allowed in the "VAULT" Do not attempt to retrieve samples without authorization and confirmation that the sample has been collected
- Once the sample has reached its destination, the sales representative must make sure the product is received into METRC before they can leave.