January 15, 2015

Greetings *metrc™* Administrators and Users,

We are announcing several changes in the software that will be available on Friday, January 16, 2015 and also giving you a few reminders. The software changes are directly related to feedback we have received from the Industry in conjunction with input from the MED. These updates will help reduce the number of mistakes that Licensees can make, as well as ensure that the reporting of information is accurate. Franwell continues to listen to the input of the Industry to make *metrc* a more valuable tool for Licensees; while maintaining appropriate reporting capabilities for the State of Colorado. Please continue to provide your feedback. The information below outlines the changes that are affected.

Added Adjustment Reason "Product Re-form (for MIP use only)
Many Infused Product Manufactures have requested a way to "re-form" products that break in the molds or before packaging and still account for them in their Product Batch packages. These are situations where the product would not be reprocessed, but simply be melted or reformed for packaging. To date there has not be an accurate Adjustment Reason code to use to accommodate these adjustments. So, we are now adding the Adjustment Reason "Product Re-form (for MIP use only)" to the list of options for use. As stated, this is only to be used by MIPs.

New Restrictions Added in *metrc*
The restrictions outlined below will prevent problems in both Plants and Packages. They will also prevent package quantities from being accidentally increased or decreased due to incorrect Units of Measure.

Additionally, Categories will now have a default Count or Weight restriction. This will also prevent a Licensee from recording an incorrect Unit of Measure (UoM) for an item and putting them at risk of incorrect reporting to the State.

Finishing & Discontinuing Packages

- Packages will no longer be able to be "Finished" when a quantity of product remains. All packages will have to be depleted (quantity of zero), either through sales or appropriate Adjustment Reasons, prior to Finishing.
- Packages will no longer be able to be Finished or Discontinued if they are on Administrative Hold with the State.

Category Units of Measure Designations – Each Category in *metrc* will now have a designated UoM, as outlined by the MED. All new Packages of Items belonging to the following categories will be defined below:

- Buds – Will be restricted to Weight-based UoMs
- Concentrate – Will be restricted to Weight-based UoMs
- Concentrate (Each) – Will be restricted to Count-based UoMs
- Immature Plants – Will be restricted to Count-based UoMs
- Infused (edible) – Will be restricted to Count-based
- Infused (non-edible) – Will be restricted to Count-based
- Shake/Trim – Will be restricted to Weight-based
- Shake/Trim (by strain) – Will be restricted to Weight-based
- Existing Packages – Will be restricted to their currently-specified UoM family

Unit of Measure Restrictions – Crossing weight to count-based UoM will no longer be accepted, except when selecting a new Category/Item for a Package. The only time cross UoM is acceptable is when a Category/Item changes (e.g. MIP product…Concentrate to Edible).

- Creating (Repackaging): Child (or content) Packages can no longer have cross-UoM type used. Changing a UoM from weight-based to count-based, or vice versa, will require selection of a new Item that reflects the correct designated UoM for the new package.
- Adjusting: Amount to adjust must contain the same UoM type as specified by the package UoM.
- Accepting transfers: Received amount must contain the same UoM type as the Transferred package UoM.
- Sales: Amount sold must contain the same UoM as the Package UoM type.

Please Note: Because of the above restrictions, Items will no longer provide the ability to change their Item Categories after being used by a Package.

Plant Restriction

- When moving Plants from Vegetative to Flowering, a tag ID will now be required to be associated. In other words, you will not be able to move a Plant into the Flower stage without associating a *metrc* tag ID.

Sales

- You may now record returned product directly from the Sales page and through the Sales Import CSV.

Reminders!!!

For those Licensees creating Retail concentrates, infused edibles and non-edibles, we want to remind and/or reiterate a few items with you:

- As you are creating new packages, there are only 3 places from which you can make packages:
  - Immature Tab for your clones to be sold.
  - Harvested Tab where you will package up your harvest Bud and Shake/Trim.
  - Existing packages – pulling from existing packages by highlighting the packages that you are pulling out of in order to create your new packages.

- When creating your test samples, please make sure you are pulling from your large production batch packages.

- Make sure you are not sending multiple sample in one package unless those samples are from the exact same production batch (e.g. 2 brownies from the same batch). If you put the samples together incorrectly, the testing lab will reject your manifest & packages.

The recently updated Tagging Guidelines document will now be available under Help & Support in *metrc.* This document should be reviewed by all employees in each facility to ensure that all Plants and Packages are being tagged properly.