Cultivator Application – Filing Packet Notarized Cover Sheet

Instructions are provided in a separate document: Cultivator Application – Request for Applications / Instructions Packet (MMCP-C-1000).

**Acknowledgement and Notarized Signature**

☐ I hereby acknowledge that knowingly making a statement that is untrue or which is intended to mislead the Medical Marijuana Control Program (MMCP), the Department of Commerce, the State Board of Pharmacy, or the State Medical Board, or any person designated by the State of Ohio in the performance of their official function is a violation of Chapter 3796 of the Revised Code. As the duly authorized representative of the applicant, I hereby attest to the accuracy to the best of my knowledge of the submitted information on this application and make the submitted certifications on behalf of the applicant.

☐ I hereby acknowledge that this application was formulated with the assistance of outside consultants knowledgeable in the industry. If applicable, please include the information requested below regarding the individuals or entities that provided this assistance.

☐ I hereby authorize the Ohio Department of Taxation and any of its agents and/or employees to release information to the Ohio Department of Commerce. These records and information shall be limited to information obtained and maintained by the Ohio Department of Taxation and shall not contain any federal tax information as defined in I.R.C. 6103 and received from the Internal Revenue Service. I expressly waive the confidentiality provisions of the Ohio Revised Code, which would otherwise prohibit disclosure, and agree to hold the above-referenced organization harmless with respect to the disclosure herein. I certify under the penalties of perjury that I am the taxpayer identified below or an agent authorized to certify on its behalf.

**Please verify the application level and submit the corresponding, non-refundable application fee:**

☐ Level I: I understand and am prepared to submit the non-refundable application fee of $20,000 at the time of submission of this application. By checking this box, I acknowledge that the applicant and any person possessing a financial interest in the applicant, as defined in O.A.C. 3796:1-1-01, is prohibited from applying as a Level II cultivator. (3796:5-1-01)

-OR-

☐ Level II: I understand and am prepared to submit the non-refundable application fee of $2,000 at the time of submission of this application. By checking this box, I acknowledge that the applicant and any person possessing a financial interest in the applicant, as defined in O.A.C. 3796:1-1-01, is prohibited from applying as a Level I cultivator (3796:5-1-01).
<table>
<thead>
<tr>
<th>Business Represented:</th>
</tr>
</thead>
<tbody>
<tr>
<td>Farkas Farms, LLC</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>First Name</th>
<th>M.I.</th>
<th>Last Name</th>
</tr>
</thead>
<tbody>
<tr>
<td>Ronald</td>
<td>A.</td>
<td>Farkas</td>
</tr>
</tbody>
</table>

**Application Assistance Information**

<table>
<thead>
<tr>
<th>Name of Company Providing Application Assistance (If individuals, please provide information below)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Arizona DP Consulting, LLC</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>First Name</th>
<th>M.I.</th>
<th>Last Name</th>
</tr>
</thead>
<tbody>
<tr>
<td>Sara</td>
<td>L.</td>
<td>Gullickson</td>
</tr>
</tbody>
</table>

Address

4385 N. 75th Street, Suite 202, Scottsdale, Arizona 85251

Type of Compensation for Services (e.g., future interest, equity stake, reoccurring payment, etc.)

Flat fee

Signature of Responsible Party

Subscribed and sworn to before me this 10th day of June, 2017.

(SEAL)

DAVID BLACK  
Notary Public - State of Arizona  
MARICOPA COUNTY  
My Commission Expires April 29, 2021

NOTARY PUBLIC

Colleen Phelps  
Notary Public, State of Ohio  
My Commission Expires April 2, 2022

MMCP-C-1001A (v1.1), Ohio Cultivator Application – Filing/Identifiers  
Page 2 of 24
Cultivator Application – Filing Packet Section 1 Identifiable Information Checklist

<table>
<thead>
<tr>
<th>Section</th>
<th>Description</th>
<th>Completed</th>
</tr>
</thead>
<tbody>
<tr>
<td>-</td>
<td>Acknowledgement and Notarized Signature</td>
<td>Completed</td>
</tr>
<tr>
<td></td>
<td><strong>Application Cover Sheet</strong></td>
<td></td>
</tr>
<tr>
<td>1A</td>
<td>Business Entity and Contact Information Form</td>
<td>Completed</td>
</tr>
<tr>
<td>1B</td>
<td>Liquid Assets Form</td>
<td>Completed</td>
</tr>
<tr>
<td>1C</td>
<td>Financial Responsibility Form – Insurance</td>
<td>Completed</td>
</tr>
<tr>
<td>1D</td>
<td>Financial Responsibility Form – Escrow / Surety</td>
<td>Completed</td>
</tr>
<tr>
<td>1E</td>
<td>Property Owner Approval for Use Form</td>
<td>Completed</td>
</tr>
<tr>
<td>1F</td>
<td>500 Foot Compliance Cover Page</td>
<td>Completed</td>
</tr>
<tr>
<td>1G</td>
<td>Notice of Proper Zoning Form</td>
<td>Completed</td>
</tr>
<tr>
<td>1H</td>
<td>Zoning Permit Cover Page</td>
<td>Completed</td>
</tr>
<tr>
<td>1I</td>
<td>Owners and Officers Roster Form</td>
<td>Completed</td>
</tr>
<tr>
<td>1J</td>
<td>Organizational Chart Cover Page</td>
<td>Completed</td>
</tr>
<tr>
<td>1K</td>
<td>Individual Background Information Form (Include copy for each person listed on Attachment 1I)</td>
<td>Completed</td>
</tr>
<tr>
<td>1L</td>
<td>Business in Other Jurisdictions Form</td>
<td>Completed</td>
</tr>
<tr>
<td>1M</td>
<td>Copies of Licenses from Business in Other Jurisdictions Cover Page</td>
<td>Completed</td>
</tr>
<tr>
<td>1N</td>
<td>Tax Payment Records Cover Page</td>
<td>Completed</td>
</tr>
<tr>
<td>1O</td>
<td>Disadvantaged Group Applicant Form</td>
<td>Completed</td>
</tr>
<tr>
<td>1P</td>
<td>Entity Identifier Legend Form</td>
<td>Completed</td>
</tr>
<tr>
<td>1Q</td>
<td>Trade Secret and Infrastructure Record Notification Form</td>
<td>Completed</td>
</tr>
</tbody>
</table>
Cultivator Application – Filing Packet - Section 1: Identifiers

Instructions are provided in a separate document titled Cultivator Application – Request for Applications/Instructions Packet (MMCP-C-1000).

### 1A Business Entity and Contact Information Form

<table>
<thead>
<tr>
<th>Business Entity Information</th>
</tr>
</thead>
<tbody>
<tr>
<td>1. Legal Name of Applicant (3796:2-1-02(B)(2)(a)): Ronald A. Farkas</td>
</tr>
<tr>
<td>2. Trade Name of Applicant: Farkas Farms, LLC</td>
</tr>
<tr>
<td>3. Type of Organization/ Applicant Business Type (3796:2-1-02(B)(2)(b)):</td>
</tr>
<tr>
<td>Individual/Sole Proprietorship: No</td>
</tr>
<tr>
<td>Corporation: No</td>
</tr>
<tr>
<td>Partnership: No</td>
</tr>
<tr>
<td>Limited Liability Corporation: Yes</td>
</tr>
<tr>
<td>Association/Cooperative: No</td>
</tr>
<tr>
<td>Joint Venture: No</td>
</tr>
<tr>
<td>Other:</td>
</tr>
<tr>
<td>4. Ohio Secretary of State Business Identification Number (3796:2-1-02(B)(2)(c)): 201715302284</td>
</tr>
</tbody>
</table>

| 5. Business Address: 124 Middle Avenue Suite 800 |
| 6. City: Elyria |
| 7. State: Ohio |
| 8. Zip Code: 44035 |

| 9. Proposed Facility Physical Address (if different than above) (3796:2-1-02(B)(2)(d)): 19021 Vermont Street |
| 10. City (if different than above): Grafton |
| 11. State: Ohio |
| 12. Zip Code: 44044 |

| 13. Business Phone Number: |
| 14. Email Address: FarkasFarms@gmail.com |

<table>
<thead>
<tr>
<th>Primary Contact or Registered Agent Information</th>
</tr>
</thead>
<tbody>
<tr>
<td>15. First Name: Ronald</td>
</tr>
<tr>
<td>16. M.I. A.</td>
</tr>
<tr>
<td>17. Last Name: Farkas</td>
</tr>
</tbody>
</table>

| 18. Title (i.e., Owner, President, etc.): Owner |

| 19. Mailing Address (if different than Business Address): 19021 Vermont Street |
| 20. City: Grafton |

---

MMCP-C-1001A (v1.1), Ohio Cultivator Application – Filing/Identifiers  Page 4 of 24
<table>
<thead>
<tr>
<th></th>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>Ohio</td>
<td>44044</td>
<td></td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>24. Email Address (if different than Business Email):</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
</tr>
</tbody>
</table>

(Optional) Alternative Contact Information

<table>
<thead>
<tr>
<th>25. First Name</th>
<th>26. M.I.</th>
<th>27. Last Name</th>
</tr>
</thead>
<tbody>
<tr>
<td>Paul</td>
<td>F.</td>
<td>Bires</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>28. Title (i.e., Owner, President, etc.):</th>
</tr>
</thead>
<tbody>
<tr>
<td>Partner</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>29. Mailing Address (if different than Business Address):</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>30. City:</th>
</tr>
</thead>
</table>

<table>
<thead>
<tr>
<th>31. State:</th>
<th>32. Zip Code:</th>
<th>33. Phone Number:</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>34. Email Address (if different than Business Email):</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>35. FEIN/SSN</th>
<th>36. CAT Account #:</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>N/A</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>37. Vendor's License #:</th>
<th>38. Employer Withholding Account #:</th>
</tr>
</thead>
<tbody>
<tr>
<td>N/A</td>
<td>N/A</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>39. Other Accounts at the Department of Taxation</th>
</tr>
</thead>
<tbody>
<tr>
<td>Applicant will establish field #36, 37 and 38 upon issuance of medical marijuana cultivation license.</td>
</tr>
</tbody>
</table>
1B Liquid Assets Form
3796:2-1-03(A)(1), 3796:2-1-03(B)(5)(c)

To be Completed by Applicant
Name of Individual or Entity Applying for a Medical Marijuana Cultivator Certificate of Operations:
FARKAS FARMS, LLC

To be Completed by Applicant or CPA
☐ Level 1: I hereby certify the above listed Applicant has at least $500,000 in liquid assets, which are unencumbered and can be converted within 30 days after a request to liquidate such assets.

-OR-

☐ Level II: I hereby certify the above listed Applicant has at least $50,000 in liquid assets, which are unencumbered and can be converted within 30 days after a request to liquidate such assets.

Date of Certification (must be within 30 days of Application submission) (3796:2-1-03(B)(5)(c)(i).):
6/12/2017

Printed Name of CPA or Applicant
Andrew Majkut, CPA

CPA Company Name (if applicable)
Majkut CPA's LTD

Phone Number: 440-365-0204

Signature:

Subscribed and sworn to before me this 12th day of June, 2017.

(SEAL)

NOTARY PUBLIC
# 1C Financial Responsibility Form - Insurance

**3796:2-1-03(B)(5)(d), 3796:2-1-05(B)(1)**

<table>
<thead>
<tr>
<th>To be Completed by Applicant</th>
</tr>
</thead>
<tbody>
<tr>
<td>Name of Individual or Entity Applying for a Medical Marijuana Cultivator Certificate of Operations:</td>
</tr>
<tr>
<td>Ronald A. Parkas on behalf of Parkas Farms, LLC.</td>
</tr>
</tbody>
</table>

- **☐** I hereby certify the intent to purchase insurance coverage and terms of insurance required and approved by the Department of Commerce, including, but not limited to, products liability and general liability, prior to the issuance of a certificate of operations, if such products are in existence at the time of issuance or the time of renewal.

- **☐** I hereby certify insurance coverage has been purchased with terms of insurance required and approved by the Department of Commerce, including, but not limited to, products liability and general liability, prior to the issuance of a certificate of operations. Coverage documentation is ATTACHED to this application following this form.

<table>
<thead>
<tr>
<th>Date:</th>
<th>Signature:</th>
</tr>
</thead>
<tbody>
<tr>
<td>6-9-2017</td>
<td>[Signature] Ronald A. Parkas</td>
</tr>
</tbody>
</table>

Subscribed and sworn to before me this 9 day of June, 2017.

(SEAL)

Julie Woolnough
Notary Public, State of Ohio
My Commission Expires November 26, 2017

NOTARY PUBLIC
Ohio Medical Marijuana Control Program
Ohio Department of Commerce
Vern Riffe Center
77 S High St, 23rd Floor
Columbus OH 43215

June 6, 2017

To Whom It May Concern:

I have been providing state-legal marijuana business operators with General Liability, Property, Product Liability, Commercial Auto and Worker's Compensation insurance since early 2011.

As proven elements for effective loss control, I applaud the State of Ohio for its Financial Responsibility, Quality Assurance and Security Plan requirements. My experience has been that legal cannabis businesses, when as well-regulated as they will be in Ohio, are as safe as the majority of mainstream businesses.

This is especially true when the licensee is as conscientious as applicant Farkas Farms, LLC. Together we have developed a comprehensive risk-management plan that includes policies for General Liability, Property (to include cannabis products) and Products Liability, in addition to Commercial Auto for their transportation needs.

Between Farkas Farms' proactive approach to risk management, Ohio's safety and security requirements and the loss control requirements of our carriers, I believe that this applicant's enterprise, should it be granted a license to operate, will set a commendable standard for safe and secure cannabis cultivation operations.

Thank you for your time and attention.

[Signature]

Doug Banfielder
Senior Producer
# Ohio Department of Commerce

## Medical Marijuana Control Program (MMCP)

### 1D Financial Responsibility Form – Escrow / Surety

3796:2-1-02(B)(6)(d), 3796:2-1-05(B)

<table>
<thead>
<tr>
<th>To be Completed by Applicant or CPA</th>
</tr>
</thead>
<tbody>
<tr>
<td>Name of Individual or Entity Applying for a Medical Marijuana Cultivator Certificate of Operations:</td>
</tr>
<tr>
<td><strong>Paul K Bires on behalf of Faehus Farms, LLC</strong></td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Type of Security:</th>
</tr>
</thead>
<tbody>
<tr>
<td>☐ Escrow Account</td>
</tr>
<tr>
<td>(3796:2-1-05(B)(2))</td>
</tr>
<tr>
<td>☑ Surety Bond</td>
</tr>
<tr>
<td>(3796:2-1-05(B)(3))</td>
</tr>
</tbody>
</table>

☐ Level I: I hereby certify the ability of the above listed Applicant to establish and maintain an escrow account or surety bond in the amount of $750,000, consistent with the Level I application requirements, prior to being awarded a Cultivator Certificate of Operations.

-OR-

☑ Level II: I hereby certify the ability of the above listed Applicant to establish and maintain an escrow account or surety bond in the amount of $75,000, consistent with the Level II application requirements, prior to being awarded a Cultivator Certificate of Operations.

<table>
<thead>
<tr>
<th>Surety Insurance Company Name (if applicable) (3796:2-1-05(C)):</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>First National Bank &amp; Trust</strong></td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Printed Name:</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Ellen B Minadeo</strong></td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>CPA Company Name (if applicable):</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Phone Number:</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>316-205-4565</strong></td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Signature:</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Ellen B Minadeo</strong></td>
</tr>
</tbody>
</table>

Subscribed and sworn to before me this 14th day of June, 2017.

VINCENT G. FARRIS
Attorney At Law
NOTARY PUBLIC
STATE OF OHIO
My Commission Has No Expiration Date
Section 147.03 O.R.C.

NOTARY PUBLIC
## Medical Marijuana Control Program (MMCP)

### 1E Property Owner Approval for Use Form

37962-1-02(B)(2)(b)

**To be Completed by the Applicant**

| Name of Individual or Entity Applying for a Medical Marijuana Cultivator Certificate of Operations: | Ronald A Farkas  Farkas Farms LLC |
| City: | Grafton |
| County: | Lorain |
| State: | Ohio |
| Zip Code: | 44044 |
| Phone Number: | 

**Legal Description of the Property:**

Parcel No 4 see attached

---

**To be Completed by the Owner of the Physical Address of the Proposed Cultivator**

| Name of Owner of the Physical Address of the Proposed Medical Marijuana Cultivator Facility: | Ronald A Farkas |

**Length of Lease/Expiration:**

Indefinite as applicant owns the land free and clear

- The individual or entity applying for a Medical Marijuana Cultivator Certificate of Operations is the owner of the physical address of the proposed Medical Marijuana Cultivator.

-OR-

- The owner of the physical address of the proposed Medical Marijuana Cultivator gives permission to the individual or entity applying for a Medical Marijuana Cultivator Certificate of Operations to operate a Medical Marijuana Cultivator facility at the physical address.

---

**PROPERTY OWNER SIGNATURE**

Ronald A. Farkas

**DATE SIGNED**

6-9-2017

Subscribed and sworn to before me this 9 day of June, 2017.

(SEAL)

Julie Woolnough

Notary Public, State of Ohio
My Commission Expires November 26, 2017

NOTARY PUBLIC
Parcel No. 1:
Situated in the Township of Grafton, County of Lorain and State of Ohio; and known as being part of Original Grafton Township Lot No. 100 and bounded and described as follows: Beginning at the Northwest corner of said Lot No. 100; thence Southerly along the western right line of said lot to the Northwest corner of a 31.00 acre parcel of land presently owned by Alex Farkas; thence Easterly along the Northerly line of said Farkas 31.00 acre parcel a distance of about 837 feet to the Northeast corner of said Farkas land; thence Northerly along the Northerly extension of the East line of said Farkas land to a point on the Southerly line of said Lot No. 100; thence Westerly along the Northerly line of said Lot No. 100 a distance of about 837 feet to the place of beginning, containing within said bounds about 29.00 acres of land the same more or less, but subject to all legal highways. Being Permanent Parcel No. 16-00-100-000-001.

Parcel No. 2:
Situated in the Township of Grafton, County of Lorain and State of Ohio; and known as being part of Original Grafton Township Lot No. 100 and bounded and described as follows: Beginning at the Southwest corner of Original Lot No. 100; thence Northerly along the Western line of said lot 100 to the Southwest corner of a 29.00 acre parcel presently owned by Alex Farkas, Jr.; said parcel being known as Permanent Parcel No. 16-00-100-000-001; thence Easterly along the Southerly line of said Farkas land a distance of about 837 feet to the Southeast corner of said Farkas land; thence Southerly along the Southerly extension of the East line of said Farkas land to a point on the Southerly line of said lot No. 100; thence Westerly along said Southerly line a distance of about 837 feet to the place of beginning, containing within said bounds about 31.00 acres of land, being the same more or less, but subject to all legal highways. Being Permanent Parcel No. 16-00-100-000-002.

Parcel No. 3:
Situated in the Township of LaGrange, County of Lorain and State of Ohio; and known as being part of Original LaGrange Township Lot No. 91, bounded and described as follows: Beginning at the Northeast corner of Original Lot No. 91; thence Southerly along the Easterly line of said Lot No. 91 to the Northeast corner of a 15.34 acre parcel presently owned by Alex Farkas, Jr.; said parcel being known as Permanent Parcel No. 15-00-091-000-004; thence Westerly along the Northerly line of said Farkas land to a distance of about 1386 feet to the centerline of Vermont Street; thence Northerly along the centerline of Vermont Street to a point on the Northerly line of Original Lot No. 91; thence Easterly along the Northerly line of Original Lot No. 91 a distance of about 1386 feet to the place of beginning, containing within said bounds about 51.00 acres of land, being the same more or less, but subject to all legal highways. Being Permanent Parcel No. 15-00-091-000-003.

Parcel No. 4:
Situated in the Township of LaGrange, County of Lorain and State of Ohio; and known as being part of Original LaGrange Township Lot No. 91, bounded and described as follows: Beginning at the Northeast corner of a 30.00 acre parcel conveyed to Myrtle T. Benham by deed recorded November 11, 1960 in Deed Volume 1271, Page 522, of Lorain County Records; thence Westerly along the Northerly line of said Benham land a distance of about 1650 feet to the centerline of Vermont Street; thence in a general Northerly direction along the centerline of Vermont Street extending in both a straight line and a curved line, to the Southwest corner of a 54.00 acre parcel presently owned by Alex Farkas, Jr., being known as Permanent Parcel No. 15-00-091-000-003; thence Easterly along the Southerly line of said Farkas land a distance of about 1386 feet to the Southeast corner of said Farkas land; thence Southerly along the Easterly line of Original Lot No. 91 to the place of beginning, containing within said bounds about 15.34 acres of land, being the same more or less, but subject to all legal highways. Being Permanent Parcel No. 15-00-091-000-004.
1F 500 Foot Compliance Cover Page
3796:2-1-02(B)(2)(i), 3796:2-1-03(A)(3)

Attach a location map of the area surrounding the proposed cultivator facility. Include representation of the area within at least a 750 foot radius of the proposed facility in all directions. Identify the relative locations of any prohibited facilities on the map, establishing the facility is at least 500 feet from the boundaries of any parcel of nearby real estate having situated on it a prohibited facility, as measured under rule 3796:5-5-01 of the Administrative Code.

At a minimum, the location map should include representation of any of the following prohibited facilities, as defined in ORC 3796.30:

- School including child day-care centers, preschools, or a public or nonpublic primary school or secondary school (as defined in ORC 5104.01 and 2950.034);

- Church (as defined in ORC 1710.01);

- Public library (as defined in ORC Chapter 3375);

- Public Playground (including state or local government property); and

- Public Park (including state or local government property).

Include this cover page with the appropriate attachment.

Map may be divided into 8.5x11 page sections or may be folded to fit into an 8.5x11 packet.

Map must be clearly labeled and legible.
Form 1F, 500 Foot Compliance Map

19021 Vermont Street, Grafton, Ohio 44044 is in a very rural area and agriculturally-zoned. Map 1 (below) shows a .25 mile (1320 feet) radius around the property and indicates 0 prohibited facilities. In order to showcase the closest prohibited facilities see Map 2 (below), on the map we have indicated one school, park and library all of the prohibited uses are at least 2 miles away.

Map 1

Closest School Address: Keystone High School, 580 Opportunity Way, Lagrange, OH 44050
Closest Church Address: Saint Andrews Reformed Presbyterian Church, 114 Union St, Lagrange, OH 44050
Closest Public Library Address: Grafton-Midview Public Library, 983 Main St, Grafton, OH 44044
Closest Public Park and Playground Address: Lagrange Community Park, 422 W Main St, Lagrange, OH 44050

Map 2
To be Completed by Applicant

Name of Individual or Entity Applying for a Medical Marijuana Cultivator Certificate of Operations:

Ronald A Farkas  Farkas Farms LLC

Physical Address and Name of Proposed Medical Marijuana Cultivator Facility:

19021 Vermont St.

City: Grafton  County: Lorain

State: Ohio  Zip Code: 44044  Phone Number: [obscured]

To be Completed by Zoning Authority or Local Government

Jurisdiction of Zoning Office or Local Government

Lagrange Township

☐ The Applicant has applied for local zoning approval to operate a Medical Marijuana Cultivation facility at the address listed above. (If Permit Issued, include as Attachment 1H.)

☒ The Applicant complies with local zoning laws and regulations to operate a Medical Marijuana Cultivation facility at the address listed above at this time.

☐ The area of ___________ has no local moratorium on Medical Marijuana facilities in place at this time. (3796:2-1-03(A)(4))

☐ The area of ___________ has no zoning in place at this time.

Printed Name of Authorized Zoning Representative:

Visce Sigmund

Signature:

Subscribed and sworn to before me this 12th day of June, 2017.

(SEAL)

NOTARY PUBLIC

Tami L Norton
1H Zoning Permit Cover Page
3796:2-1-02(B)(2)(k)

☐ Applicant has received local zoning approval and was issued a permit. Permit is attached after this cover page.

☒ No permit is attached.

Mark one of the boxes above.

Include this form in application even if no permit is attached.
II Owners and Officers Roster Form
3796:2-1-02(B)(2)(e)

To be Completed by Applicant
Name of Individual or Entity Applying for a Medical Marijuana Cultivator Certificate of Operations:
Farkas Farms, LLC

I certify, to the best of my knowledge, that the following requirements comply as to the date of the application:

☐ No owner or officer is a physician who has been certified or applied for certification to recommend medical marijuana under Chapter 4731.30 of the Revised Code.

☐ No owner or officer has ownership, financial interest, or a compensation arrangement with a laboratory licensed under Chapter 3796. of the Administrative Code or is an applicant for a license to conduct laboratory testing.

I certify, that I acknowledge the following condition of the review of my application:

☐ No owner or officer may have a financial interest in more than one provisional license or cultivator certificate of operation at any time (3796:2-1-04(D)). If any owner or officer is included on more than one person’s application or entity’s application, the Department of Commerce will remove both applications from consideration.

Provide the following list for every individual who has an ownership interest or financial interest, either directly or indirectly through an entity, as defined in O.A.C. 3796:1-1-01, in the Applicant’s business or will directly or indirectly participate in the management of the operation. If the financial interest is in an entity, provide the individuals with an equity or profit interest in the entity. Attachment 1K is to be completed for each individual listed. Entries in the Identifier Legend column (Person A, Person B, etc.) must be used in place of an individual’s name if that individual is referenced in Section 2 of the application.

<table>
<thead>
<tr>
<th>Identifier Legend</th>
<th>Name (First, Middle, Last)</th>
<th>Role</th>
<th>% Interest</th>
</tr>
</thead>
<tbody>
<tr>
<td>Ex: Person A</td>
<td>John Q. Public</td>
<td>Owner</td>
<td>5%</td>
</tr>
<tr>
<td>Person A</td>
<td>Ronald A. Farkas</td>
<td>Owner</td>
<td>70%</td>
</tr>
<tr>
<td>Person B</td>
<td>Paul K. Bires</td>
<td>Partner</td>
<td>15%</td>
</tr>
<tr>
<td>Person C</td>
<td>Iryna Farkas</td>
<td>Partner</td>
<td>15%</td>
</tr>
<tr>
<td>Person D</td>
<td>Matthew Dukles</td>
<td>Security</td>
<td>N/A</td>
</tr>
</tbody>
</table>
### 11 (cont’d) Owners and Officers Roster Form (Optional extra form page)

<table>
<thead>
<tr>
<th>Identifier Legend</th>
<th>Names (First, Middle, Last)</th>
<th>Role</th>
<th>% Interest</th>
</tr>
</thead>
<tbody>
<tr>
<td>N/A</td>
<td>N/A</td>
<td>N/A</td>
<td>N/A</td>
</tr>
</tbody>
</table>

| | | | |
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| | | | |
Submit an organizational chart of the proposed cultivation business. At a minimum, include representation of all principal officers, board members, and any other individual associated with the cultivation business.

Names on the organizational chart should match those listed on Attachment II.

Organizational chart should be represented on 8.5 x 11 pages and may use multiple pages to represent all individuals. Chart may be presented either in portrait or landscape views.

**Chart should be clearly marked and legible.**

**Include this cover page.**
Form 1J: Executive Org Chart

Please Note: All other roles will be filled upon being awarded a medical marijuana cultivation license
1K Individual Background Information Form
(3796:2-1-02(B)(2), 3796:2-1-03(A))

<table>
<thead>
<tr>
<th>Name of Individual</th>
<th>Phone Number</th>
</tr>
</thead>
<tbody>
<tr>
<td>Ronald A. Farkas</td>
<td></td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Title (if applicable)</th>
<th>Date of birth</th>
</tr>
</thead>
<tbody>
<tr>
<td>Chief Executive Officer</td>
<td></td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Role (Owner, Officer, etc.)</th>
<th>Mailing Address</th>
</tr>
</thead>
<tbody>
<tr>
<td>Owner</td>
<td>19021 Vermont Street</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>City</th>
<th>State</th>
<th>Zip Code</th>
</tr>
</thead>
<tbody>
<tr>
<td>Grafton</td>
<td>OH</td>
<td>44044</td>
</tr>
</tbody>
</table>

☐ I understand that the Department may review criminal background records for purposes of evaluating my suitability to participate in the medical marijuana program, I hereby authorize the release of any and all information of a confidential or privileged nature to the Department and its agents (3796:2-1-02(B)(2)(d)).

☐ I certify that I have not been convicted of any disqualifying offense as described in Chapter 3796 of the Ohio Administrative Code (3796:2-1-03(A)(2)(a)).

☐ I certify that I am not a physician who has been certified or applied for certification to recommend medical marijuana under Chapter 4731.30 of the Revised Code (3796:2-1-03(A)(2)(b)).

☐ I certify that I have no ownership investment interest, or a compensation arrangement with a laboratory licensed under Chapter 3796 of the Administrative Code or an applicant for a license to conduct laboratory testing (3796:2-1-03(A)(5)).

☐ I certify that I acknowledge that no owner or officer may have a financial interest in more than one provisional license or cultivator certificate of operation at any time (3796:2-1-04(D)). If any owner or officer is included on more than one applicant’s application, the Department will deny both applications.

☐ I certify that I am in compliance with all provisions of Chapter 3796. of the Administrative Code regarding prohibited license holders and that the information I have provided is true and correct.

☐ I hereby authorize the Ohio Department of Taxation and any of its agents and/or employees to release information to the Ohio Department of Commerce. These records and information shall be limited to the information obtained and maintained by the Ohio Department of Taxation and shall not contain any federal tax information as defined in I.R.C. 6103 and received from the Internal Revenue Service. I expressly waive the confidentiality provisions of the Ohio Revised Code, which would otherwise prohibit disclosure, and agree to hold the above-
referenced organizations harmless with respect to the disclosure herein. I certify under the penalties of perjury that I am the taxpayer identified below.

| Signature: Ronald A. Farleys | Date: 6-9-2017 |

Subscribed and sworn to before me this 9 day of June, 2017.

(SEAL) Julie Woolnough  
Notary Public, State of Ohio  
My Commission Expires  
November 26, 2017  

(Seal)  
Julie Woolnough  
NOTARY PUBLIC
### 1K Individual Background Information Form

(3796:2-1-02(B)(2), 3796:2-1-03(A))

To be completed by each Individual Owner or Officer as listed on Attachment II

<table>
<thead>
<tr>
<th>Name of Individual</th>
<th>Date of birth:</th>
</tr>
</thead>
<tbody>
<tr>
<td>Paul K. Bires</td>
<td></td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Title (if applicable)</th>
<th>Role (Owner, Officer, etc.)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Chief Operating Officer</td>
<td>Partner</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Mailing Address</th>
<th></th>
</tr>
</thead>
</table>

<table>
<thead>
<tr>
<th>City:</th>
<th>State:</th>
<th>Zip Code:</th>
</tr>
</thead>
</table>

<table>
<thead>
<tr>
<th>Phone Number:</th>
<th>Email Address:</th>
</tr>
</thead>
</table>

- [ ] I understand that the Department may review criminal background records for purposes of evaluating my suitability to participate in the medical marijuana program, I hereby authorize the release of any and all information of a confidential or privileged nature to the Department and its agents (3796:2-1-02(B)(2)(f)).

- [ ] I certify that I have not been convicted of any disqualifying offense as described in Chapter 3796 of the Ohio Administrative Code (3796:2-1-03(A)(2)(a)).

- [ ] I certify that I am not a physician who has been certified or applied for certification to recommend medical marijuana under Chapter 4731.30 of the Revised Code (3796:2-1-03(A)(2)(b)).

- [ ] I certify that I have no ownership investment interest, or a compensation arrangement with a laboratory licensed under Chapter 3796. of the Administrative Code or an applicant for a license to conduct laboratory testing (3796:2-1-03(A)(5)).

- [ ] I certify that I acknowledge that no owner or officer may have a financial interest in more than one provisional license or cultivator certificate of operation at any time (3796: 2-1-04(D)). If any owner or officer is included on more than one applicant’s application, the Department will deny both applications.

- [ ] I certify that I am in compliance with all provisions of Chapter 3796. of the Administrative Code regarding prohibited license holders and that the information I have provided is true and correct.

- [ ] I hereby authorize the Ohio Department of Taxation and any of its agents and/or employees to release information to the Ohio Department of Commerce. These records and information shall be limited to the information obtained and maintained by the Ohio Department of Taxation and shall not contain any federal tax information as defined in I.R.C. 6103 and received from the Internal Revenue Service. I expressly waive the confidentiality provisions of the Ohio Revised Code, which would otherwise prohibit disclosure, and agree to hold the above-
referred organizations harmless with respect to the disclosure herein. I certify under the penalties of perjury that I am the taxpayer identified below.

Signature: [Signature] Date: JUNE 9TH, 2017

Subscribed and sworn to before me this _____ day of __________, 2017.

Jami Anderson
Notary Public, State of Ohio
My commission expires [Signature]

(SEAL) NOTARY PUBLIC
referenced organizations harmless with respect to the disclosure herein. I certify under the penalties of perjury that I am the taxpayer identified below.

Signature: 

Date: 06/14/2017

Subscribed and sworn to before me this 14 day of June, 2017.

(SEAL)

COMMONWEALTH OF PENNSYLVANIA
NOTARIAL SEAL
DANA LYNN JACKSON, Notary Public
Bensalem Twp., Bucks County
My Commission Expires September 3, 2017

NOTARY PUBLIC
1K Individual Background Information Form
(3796:2-1-02(B)(2), 3796:2-1-03(A))

<table>
<thead>
<tr>
<th>Name of Individual</th>
<th>Date of birth</th>
</tr>
</thead>
<tbody>
<tr>
<td>Matthew A. Dukles</td>
<td></td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Title (if applicable)</th>
<th>Role (Owner, Officer, etc.)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Security Consultant</td>
<td>Officer</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Mailing Address</th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>891 Main Street</td>
<td></td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>City</th>
<th>State</th>
<th>Zip Code</th>
</tr>
</thead>
<tbody>
<tr>
<td>Grafton</td>
<td>Ohio</td>
<td>44044</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Phone Number</th>
<th>Email Address</th>
</tr>
</thead>
<tbody>
<tr>
<td>4404582890</td>
<td><a href="mailto:matt@privatesecurityalarms.com">matt@privatesecurityalarms.com</a></td>
</tr>
</tbody>
</table>

☐ I understand that the Department may review criminal background records for purposes of evaluating my suitability to participate in the medical marijuana program, I hereby authorize the release of any and all information of a confidential or privileged nature to the Department and its agents (3796:2-1-02(B)(2)(f)).

☐ I certify that I have not been convicted of any disqualifying offense as described in Chapter 3796 of the Ohio Administrative Code (3796:2-1-03(A)(2)(a)).

☐ I certify that I am not a physician who has been certified or applied for certification to recommend medical marijuana under Chapter 4731.30 of the Revised Code (3796:2-1-03(A)(2)(b)).

☐ I certify that I have no ownership investment interest, or a compensation arrangement with a laboratory licensed under Chapter 3796. of the Administrative Code or an applicant for a license to conduct laboratory testing (3796:2-1-03(A)(5)).

☐ I certify that I acknowledge that no owner or officer may have a financial interest in more than one provisional license or cultivator certificate of operation at any time (3796:2-1-04(D)). If any owner or officer is included on more than one applicant’s application, the Department will deny both applications.

☐ I certify that I am in compliance with all provisions of Chapter 3796. of the Administrative Code regarding prohibited license holders and that the information I have provided is true and correct.

☐ I hereby authorize the Ohio Department of Taxation and any of its agents and/or employees to release information to the Ohio Department of Commerce. These records and information shall be limited to the information obtained and maintained by the Ohio Department of Taxation and shall not contain any federal tax information as defined in I.R.C. 6103 and received from the Internal Revenue Service. I expressly waive the confidentiality provisions of the Ohio Revised Code, which would otherwise prohibit disclosure, and agree to hold the above-
referenced organizations harmless with respect to the disclosure herein. I certify under the penalties of perjury that I am the taxpayer identified below.

Signature: [Signature]

Date: 06-12-17

Subscribed and sworn to before me this 12th day of June, 2017.

(SEAL)

VENETIA L. EYRING
Notary Public
In and for the State of Ohio
My Commission Expires
November 02, 2017

NOTARY PUBLIC
# Medical Marijuana Control Program (MMCP)

## 1L Business in Other Jurisdictions Form

**3796:2-1-02(B)(2)(g)**

### To be Completed by Applicant

Name of Individual or Entity Applying for a Medical Marijuana Cultivator Certificate of Operations:

Ronald A Farkas Farkas Farms LLC

Provide information regarding all other medical marijuana licenses, permits, or registrations ever held, current or expired, by the Applicant in any other U.S. jurisdiction (Attach copies of this form to list any additional entities):

<table>
<thead>
<tr>
<th>State</th>
<th>Type</th>
<th>Dates of Issue/Expiration</th>
<th>Number</th>
</tr>
</thead>
<tbody>
<tr>
<td>N/A</td>
<td>N/A</td>
<td>N/A</td>
<td>N/A</td>
</tr>
</tbody>
</table>

☐ I certify that, to the best of my knowledge, no owner or officer has received any revocation or suspension for any licensure related to the distribution of marijuana. (3796:2-1-02(B)(2)(j)(iii))

☐ I hereby specifically grant permission to the above listed states or jurisdictions and their licensing agency or authority to release to the Ohio Medical Marijuana Control Program any and all information relating to the application, licensure or authorization to produce or otherwise deal in the distribution of marijuana in any form, including the following:

- Any denial, suspension, revocation or other significant sanction of the application, license, or authorization, and
- A copy of documentation so indicating; or
- A statement that the applicant was so licensed or authorized and was never sanctioned. (3796:2-1-02(B)(2)(j)(ii))

☐ I certify that, to the best of my knowledge, the attached documentation indicates proof of tax compliance for individuals and businesses at the state level for all jurisdictions outside the State of Ohio in which applicant has operated as a business. Acceptable documentation includes tax summary pages or a valid certification indicating tax compliance issued by the appropriate taxation authority. This documentation shall be provided for every person or entity with a financial interest of one percent or greater in the applicant covering the three years before the filing of the application. **Please note that any information provided by the applicant, including tax returns from other jurisdictions, would be considered a “public record” as defined in R.C. 149.43(A)(1).**
Signature: Ronald A. Jacobs  
Date: 6-9-2017  

Subscribed and sworn to before me this 9 day of June, 2017.  

(SEAL)  
Julie Woolnough  
Notary Public, State of Ohio  
My Commission Expires November 26, 2017  

Julie Woolnough  
NOTARY PUBLIC
To be Completed by Applicant

Name of Individual or Entity Applying for a Medical Marijuana Cultivator Certificate of Operations:

Paul K. Bires

Provide information regarding all other medical marijuana licenses, permits, or registrations ever held, current or expired, by the Applicant in any other U.S. jurisdiction (Attach copies of this form to list any additional entities):

<table>
<thead>
<tr>
<th>State</th>
<th>Type</th>
<th>Dates of Issue/Expiration</th>
<th>Number</th>
</tr>
</thead>
<tbody>
<tr>
<td>N/A</td>
<td>N/A</td>
<td>N/A</td>
<td>N/A</td>
</tr>
</tbody>
</table>

☐ I certify that, to the best of my knowledge, no owner or officer has received any revocation or suspension for any licensure related to the distribution of marijuana. (3796:2-1-02(B)(2)(j)(iii))

☐ I hereby specifically grant permission to the above listed states or jurisdictions and their licensing agency or authority to release to the Ohio Medical Marijuana Control Program any and all information relating to the application, licensure or authorization to produce or otherwise deal in the distribution of marijuana in any form, including the following:
   a. Any denial, suspension, revocation or other significant sanction of the application, license, or authorization, and
   b. A copy of documentation so indicating; or
   c. A statement that the applicant was so licensed or authorized and was never sanctioned. (3796:2-1-02(B)(2)(j)(ii))

☐ I certify that, to the best of my knowledge, the attached documentation indicates proof of tax compliance for individuals and businesses at the state level for all jurisdictions outside the State of Ohio in which applicant has operated as a business. Acceptable documentation includes tax summary pages or a valid certification indicating tax compliance issued by the appropriate taxation authority. This documentation shall be provided for every person or entity with a financial interest of one percent or greater in the applicant covering the three years before the filing of the application. **Please note that any information provided by the applicant, including tax returns, would be considered a “public record” as defined in R.C. 149.43(A)(1).**
Ohio Department of Commerce

Medical Marijuana Control Program (MMCP)

Signature: [Signature]

Date: JUNE 9TH, 2017

Subscribed and sworn to before me this _______ day of ________, 2017.

(Seal)

Jami Anderson
Notary Public, State of Ohio
My commission expires 3/31/2020

NOTARY PUBLIC
Ohio Department of Commerce

Medical Marijuana Control Program (MMCP)

1L Business in Other Jurisdictions Form
3796:2-1-02(B)(2)(g)

To be Completed by Applicant

Name of Individual or Entity Applying for a Medical Marijuana Cultivator Certificate of Operations:

Iryna Farkas

Provide information regarding all other medical marijuana licenses, permits, or registrations ever held, current or expired, by the Applicant in any other U.S. jurisdiction (Attach copies of this form to list any additional entities):

<table>
<thead>
<tr>
<th>State</th>
<th>Type</th>
<th>Dates of Issue/Expiration</th>
<th>Number</th>
</tr>
</thead>
<tbody>
<tr>
<td>N/A</td>
<td>N/A</td>
<td>N/A</td>
<td>N/A</td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

☐ I certify that, to the best of my knowledge, no owner or officer has received any revocation or suspension for any licensure related to the distribution of marijuana.(3796:2-1-02(B)(2)(ii)(iii))

☐ I hereby specifically grant permission to the above listed states or jurisdictions and their licensing agency or authority to release to the Ohio Medical Marijuana Control Program any and all information relating to the application, licensure or authorization to produce or otherwise deal in the distribution of marijuana in any form, including the following:
   a. Any denial, suspension, revocation or other significant sanction of the application, license, or authorization, and
   b. A copy of documentation so indicating; or
   c. A statement that the applicant was so licensed or authorized and was never sanctioned. (3796:2-1-02(B)(2)(ii)(iii))

☐ I certify that, to the best of my knowledge, the attached documentation indicates proof of tax compliance for individuals and businesses at the state level for all jurisdictions outside the State of Ohio in which applicant has operated as a business. Acceptable documentation includes tax summary pages or a valid certification indicating tax compliance issued by the appropriate taxation authority. This documentation shall be provided for every person or entity with a financial interest of one percent or greater in the applicant covering the three years before the filing of the application. **Please note that any information provided by the applicant, including tax returns, would be considered a “public record” as defined in R.C. 149.43(A)(1).**
Signature: [Signature]  
Date: 06/14/2017

Subscribed and sworn to before me this 14th day of June, 2017.

(SEAL)

COMMONWEALTH OF PENNSYLVANIA

NOTARIAL SEAL

DANA LYNN JACKSON, Notary Public
Bensalem Township, Bucks County
My Commission Expires September 3, 2017

NOTARY PUBLIC
1M Copies of Licenses from Business in Other Jurisdictions Cover Page

☐ Applicant has licenses from one or more businesses in other jurisdictions. License copies are attached after this cover page.

✔️ No license copies are attached.

Mark one of the boxes above.

Include this form in application even if no license copies are attached.
Attach a record of tax payments in the form of tax summary pages or a valid certification indicating tax compliance issued by the appropriate taxation authority for individuals and businesses at the state and federal level and in all jurisdictions in which an applicant has operated as a business for every person with a financial interest of one percent or greater in the applicant for the three years before the filing of the application. **Please note that any information provided by the applicant, including tax returns from other jurisdictions, would be considered a “public record” as defined in R.C. 149.43(A)(1).**

Include this cover page.
June 6, 2017

RE: Iryna Farkas / (Comfortably Green LLC)

To Whom It May Concern:

Please be advised that Iryna Farkas is the sole owner of Comfortably Green LLC. The company has been in business since April, 2015. Iryna Farkas and Comfortably Green LLC have filed all necessary tax returns, and are current on their tax filings. In addition, please be advised that company net worth as of December 31, 2016 was $200,000.

Sincerely,

Vadim Shapiro, CPA
May 13, 2015

RONALD A FARKAS
19021 VERMONT ST
GRAFTON, OH 44044

RONALD A FARKAS:

The following return(s) will be e-filed and do not need to be mailed to the taxing authority:

Federal Income Tax
Ohio Income Tax

Mail payment on or before due date to the following address:

Federal Income Tax
Internal Revenue Service
P.O. Box 802501
Cincinnati, OH 45280-2501

Sincerely,

Sheila Conrad
CONRAD'S TAX SERVICE
May 17, 2017

RONALD A FARKAS
19021 VERMONT ST
GRAFTON, OH 44044

RONALD A FARKAS:

The following return(s) will be e-filed and do not need to be mailed to the taxing authority:

Federal Income Tax
Ohio Income Tax

Sincerely,

SHEILA CONRAD
CONRADS TAX SERVICE
# 10 Disadvantaged Group Applicant Form

**3796:2-1-03(C)(1)(a), 3796:2-1-03(C)(4)(a)(i), 3796:2-1-03(C)(4)(b)**

<table>
<thead>
<tr>
<th>To be Completed by Applicant</th>
</tr>
</thead>
<tbody>
<tr>
<td>Name of Individual or Entity Applying for a Medical Marijuana Cultivator Certificate of Operations:</td>
</tr>
<tr>
<td>Ronald A. Farkas, Farkas Farms LLC</td>
</tr>
</tbody>
</table>

**Indicate which (if any) of the following additional criteria apply:**

- I certify that the principal place of business and headquarters of this organization is Ohio. (3796:2-1-03(C)(1)(a))

- I certify that the applicant’s business is owned and controlled by a U.S. citizen who is a resident of Ohio and is a member of one of the economically disadvantaged groups set forth in division (C) of section 3796.09 of the Revised Code. For purposes of this section, “owned and controlled” means that at least fifty-one percent of the business, including corporate stock in a corporation, is owned by persons who belong to one or more of the groups set forth in the rule, and that those owners have control over the management and day-to-day operations of the business and an interest in the capital, assets, and profits and losses of the business proportionate to their percentage of ownership. (3796:2-1-03(C)(4)(a))*

- I certify that the applicant’s business is owned and controlled as a woman-owned business by a U.S. citizen who is a resident of Ohio. Principal place of business and headquarters of this organization is Ohio. For purposes of this section, “owned and controlled” means that at least fifty-one percent of the business, including corporate stock in a corporation, is owned by persons who belong to one or more of the groups set forth in the rule, and that those owners have control over the management and day-to-day operations of the business and an interest in the capital, assets, and profits and losses of the business proportionate to their percentage of ownership. (3796:2-1-03(C)(4)(b))

Note: Additional criteria, as described in 3796:2-1-03, may be submitted in Section 2 of the Ohio Cultivator Application Filing Packet. See MMCP-C-1001B,

| Signature: Ronald A. Farkas | Date: 6-9-2017 |

* The members of the economically disadvantaged groups must be identified in Form 11 along with their percentage of ownership.
1P Entity Identifier Legend Form

In addition to Form 11 Owners and Officers Roster Form for individuals, entries in the Entity Identifier Legend must be used in place of an entity’s name for any entity that is referenced in Section 2 of the application.

<table>
<thead>
<tr>
<th>Identifier Legend</th>
<th>Entity Name</th>
</tr>
</thead>
<tbody>
<tr>
<td>Example: Entity A</td>
<td>ACME Construction</td>
</tr>
<tr>
<td>Example: Entity B</td>
<td>Capital Investors, LLC</td>
</tr>
<tr>
<td>Entity A</td>
<td>Farkas Farms, LLC</td>
</tr>
<tr>
<td>Entity B</td>
<td>BioTrackTHC</td>
</tr>
<tr>
<td>Entity C</td>
<td>Nine Point Strategies</td>
</tr>
<tr>
<td>Entity D</td>
<td>Ridge Tool</td>
</tr>
<tr>
<td>Entity E</td>
<td>Majkut CPAs, LTD</td>
</tr>
<tr>
<td>Entity F</td>
<td>DispensaryPermits.com</td>
</tr>
<tr>
<td>Entity G</td>
<td>Berezna</td>
</tr>
<tr>
<td>Entity H</td>
<td>Comfortably Green, LLC</td>
</tr>
<tr>
<td>Entity I</td>
<td>Klinect TV, LLC</td>
</tr>
<tr>
<td>Entity J</td>
<td>Private Security Alarm</td>
</tr>
<tr>
<td>Entity K</td>
<td>Green Circle Growers</td>
</tr>
<tr>
<td>Entity L</td>
<td>Robert Kiejdan Architecture and Construction</td>
</tr>
<tr>
<td>Entity M</td>
<td>Underwriters Laboratory</td>
</tr>
<tr>
<td>Entity N</td>
<td>TimerCaps</td>
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<tr>
<td>Entity O</td>
<td>FunkSac</td>
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<tr>
<td>Entity P</td>
<td>Link4 Corporation</td>
</tr>
<tr>
<td>Entity Q</td>
<td>Southwest Microwave</td>
</tr>
<tr>
<td>Entity R</td>
<td>Vanguard</td>
</tr>
</tbody>
</table>
1P Entity Identifier Legend

In addition to Form 11 Owners and Officers Roster Form for individuals, entries in the Entity Identifier Legend must be used in place of an entity’s name for any entity that is referenced in Section 2 of the application.

<table>
<thead>
<tr>
<th>Identifier Legend</th>
<th>Entity Name</th>
</tr>
</thead>
<tbody>
<tr>
<td>Example: Entity A</td>
<td>ACME Construction</td>
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<tr>
<td>Example: Entity B</td>
<td>Capital Investors, LLC</td>
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<tr>
<td>Advisor A</td>
<td>Andy Majkut</td>
</tr>
<tr>
<td>Advisor B</td>
<td>Sara Gullickson</td>
</tr>
<tr>
<td>Advisor C</td>
<td>Geoffrey Smith</td>
</tr>
<tr>
<td>Advisor D</td>
<td>Karen Paulsen</td>
</tr>
<tr>
<td>Advisor E</td>
<td>Doug Banfield</td>
</tr>
<tr>
<td>Advisor F</td>
<td>Robert Kiejdan</td>
</tr>
<tr>
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<td>Emerson School of Management</td>
</tr>
<tr>
<td>School B</td>
<td>Admiral King High School Class</td>
</tr>
<tr>
<td>University A</td>
<td>Bowling Green State University</td>
</tr>
<tr>
<td>University B</td>
<td>National University of Life and Environmental Sciences of Ukraine</td>
</tr>
<tr>
<td>University C</td>
<td>University of Southern California</td>
</tr>
<tr>
<td>University D</td>
<td>Case Western Reserve University, Cleveland, Ohio</td>
</tr>
<tr>
<td>University E</td>
<td>Ohio State University</td>
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<tr>
<td>Organization A</td>
<td>Amherst Historical Society</td>
</tr>
<tr>
<td>Organization B</td>
<td>North Coast Regional Chamber of Commerce</td>
</tr>
<tr>
<td>Organization C</td>
<td>Kiwanis International</td>
</tr>
<tr>
<td>Organization D</td>
<td>Blue knight</td>
</tr>
<tr>
<td>Organization E</td>
<td>American Veterans</td>
</tr>
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**1P Entity Identifier Legend**

In addition to Form 11 Owners and Officers Roster Form for individuals, entries in the Entity Identifier Legend must be used in place of an entity’s name for any entity that is referenced in Section 2 of the application.

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</tr>
<tr>
<td>Example: Entity B</td>
<td><strong>Capital Investors, LLC</strong></td>
</tr>
<tr>
<td>Organization F</td>
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</tr>
<tr>
<td>Organization G</td>
<td><strong>The National MS Society</strong></td>
</tr>
<tr>
<td>Organization H</td>
<td><strong>The Susan G. Komen</strong></td>
</tr>
<tr>
<td>Organization I</td>
<td><strong>The Ohio State Troopers Association</strong></td>
</tr>
<tr>
<td>Organization J</td>
<td><strong>Kroger</strong></td>
</tr>
<tr>
<td>Strain A</td>
<td><strong>Blue Dream</strong></td>
</tr>
<tr>
<td>Strain B</td>
<td><strong>Fire OG</strong></td>
</tr>
<tr>
<td>Strain C</td>
<td><strong>Double Dream</strong></td>
</tr>
<tr>
<td>Strain D</td>
<td><strong>Critical Mass</strong></td>
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<tr>
<td>Strain E</td>
<td><strong>Durban Poison</strong></td>
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<tr>
<td>Strain F</td>
<td><strong>Tahoe OG</strong></td>
</tr>
<tr>
<td>Strain G</td>
<td><strong>Purple Urkle</strong></td>
</tr>
<tr>
<td>Strain H</td>
<td><strong>Lemon Jack</strong></td>
</tr>
<tr>
<td>Strain I</td>
<td><strong>Jack Herer</strong></td>
</tr>
<tr>
<td>Strain J</td>
<td><strong>Extreme OG</strong></td>
</tr>
<tr>
<td>Strain K</td>
<td><strong>S.A.G.E.</strong></td>
</tr>
<tr>
<td>Strain L</td>
<td><strong>Northern Lights</strong></td>
</tr>
<tr>
<td>Strain M</td>
<td><strong>Sour Diesel</strong></td>
</tr>
</tbody>
</table>
**1P Entity Identifier Legend**

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<tbody>
<tr>
<td>Example: Entity A</td>
<td><em>ACME Construction</em></td>
</tr>
<tr>
<td>Example: Entity B</td>
<td><em>Capital Investors, LLC</em></td>
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<tr>
<td>Strain N</td>
<td><em>Pineapple Express</em></td>
</tr>
<tr>
<td>Strain O</td>
<td><em>Strawberry Cough</em></td>
</tr>
<tr>
<td>Strain P</td>
<td><em>Super Sour Haze</em></td>
</tr>
<tr>
<td>Strain Q</td>
<td><em>Sour OG</em></td>
</tr>
<tr>
<td>Strain R</td>
<td><em>Harlequin</em></td>
</tr>
</tbody>
</table>
The undersigned is an Applicant for a medical marijuana cultivator license. The Applicant understands that the Department of Commerce is an entity of the State of Ohio and any documents or data submitted to the State of Ohio may be disclosed by the State pursuant to an Ohio Public Records Act request.

While the Ohio Public Records Act permits certain exclusions from disclosure, Applicant understands the State makes no guarantee or promises that such data will not be disclosed. Applicant has reviewed the Ohio Public Records Act, as well as relevant case law.

Applicant understands that the documents or data it provides to the State of Ohio may not be confidential, or if confidential, may or may not be disclosed pursuant to an Ohio Public Records Act request.

Applicant understands that there are additional requirements in order to claim a trade secret or infrastructure record exception. Applicant understands that materials consisting of trade secrets or infrastructure records must be clearly marked, specifying the pages of the application submission that are to be restricted and justifying the trade secret designation or infrastructure designation for each item.

<table>
<thead>
<tr>
<th>Signature of Person or Authorized Representative</th>
<th>Date</th>
</tr>
</thead>
<tbody>
<tr>
<td>Ronald A Farkas</td>
<td>6-9-2017</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Printed Name of Applicant</th>
</tr>
</thead>
<tbody>
<tr>
<td>Ronald A Farkas</td>
</tr>
</tbody>
</table>
To The Ohio Department of Commerce:

Per Form 1Q, Trade Secret and Infrastructure Record Notification Form, the following sections of the application contain Trade Secret Information:

2B (Pages 20 – 49): Any and all information in Section 2B of this application are considered Trade Secret information, as the cultivation policy and procedures have been developed over the last 7 years by the industry consultant and shall only be utilized and/or available to the applicant, to the commission and department. None of the SOPs should be public record or published per the Ohio Public Records Act.

2D (Pages 83 - 112): Any and all information in Section 2D of this application are considered Trade Secret information, as releasing the facility plot plans and security protocols would be considered a breach of security, none of the SOPs should be public record or published per the Ohio Public Records Act.

2E (Pages 114 - 123): Any and all information in Section 2E of this application are considered Trade Secret information, as our personal financials should not be public knowledge / record or published per the Ohio Public Records Act.
Cultivator Application – Financial Interest Tax Processing Form

Applicant Name: Ronald A Farkas

Applicant Number (if applicable): N/A

Taxpayer Name: Ronald A Farkas

Taxpayer Address: 19021 Vermont St Groveland, OH 44044

Taxpayer FEIN/SSN: [Redacted]

The above-named Taxpayer hereby authorize the Ohio Department of Taxation ("Department") and any of its agents and/or employees to release information to the Department of Commerce. This information shall be limited to information obtained and maintained by the Ohio Department of Taxation and shall not contain any federal tax information as defined in I.R.C. 6103 and received from the Internal Revenue Service. Taxpayer expressly waives the confidentiality provisions of the Ohio Revised Code which would otherwise prohibit disclosure, and agrees to hold the Department harmless with respect to the disclosure herein.

By signing, I certify that, to the best of my knowledge, the documentation provided with Form 1L and/or Form 1N indicates proof of tax compliance for individuals and businesses at the state level for all jurisdictions outside the State of Ohio in which Taxpayer applicant has operated as a business. Acceptable documentation includes tax summary pages or a valid certification indicating tax compliance issued by the appropriate taxation authority. This documentation shall be provided for every person or entity with a financial interest of one percent or greater in the applicant covering the three years before the filing of the application. **Please note that any information provided by the applicant, including tax returns from other jurisdictions, would be considered a “public record” as defined in R.C. 149.43(A)(1).**

<table>
<thead>
<tr>
<th>Legal Business Name</th>
<th>FEIN</th>
<th>Address</th>
</tr>
</thead>
<tbody>
<tr>
<td>N/A</td>
<td>N/A</td>
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</tr>
</tbody>
</table>

[SEE OTHER SIDE TO COMPLETE FORM]
If Taxpayer has a controlling financial interest or had a controlling financial interest within the last three years in a business in an industry unrelated to marijuana, please list the applicable information below.

<table>
<thead>
<tr>
<th>Legal Business Name</th>
<th>FEIN</th>
<th>Address</th>
</tr>
</thead>
<tbody>
<tr>
<td>N/A</td>
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<td>N/A</td>
</tr>
</tbody>
</table>

* If inadequate space is provided on this form, the Taxpayer shall provide the additional information on a separate form that clearly articulates and legibly states the information requested in this form.

I certify under penalties of perjury that I have the authority to legally bind the Taxpayer to this Authorization.

Name and Title of Taxpayer: **Ronald A Favkas** CEO

Signature: **Ronald A Favkas**  Date: 6-12-2017

Taxpayer Telephone Number: [Redacted]

Please send the completed form to:

Ohio Department of Commerce  
Attn: MMCP Program  
77 S. High Street, 23rd Floor  
Columbus, OH 43215
Cultivator Application – Financial Interest Tax Processing Form

Applicant Name: FARIOSS FARM LLC

Applicant Number (if applicable):

Taxpayer Name: PAUL K. BORES

Taxpayer Address: [Redacted]

Taxpayer FEIN/SSN: [Redacted]

The above-named Taxpayer hereby authorize the Ohio Department of Taxation ("Department") and any of its agents and/or employees to release information to the Department of Commerce. This information shall be limited to information obtained and maintained by the Ohio Department of Taxation and shall not contain any federal tax information as defined in I.R.C. 6103 and received from the Internal Revenue Service. Taxpayer expressly waives the confidentiality provisions of the Ohio Revised Code which would otherwise prohibit disclosure, and agrees to hold the Department harmless with respect to the disclosure herein.

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</thead>
<tbody>
<tr>
<td>N/A</td>
<td></td>
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</tbody>
</table>

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<table>
<thead>
<tr>
<th>Legal Business Name</th>
<th>FEIN</th>
<th>Address</th>
</tr>
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<tbody>
<tr>
<td>GILL INVESTMENTS LLC</td>
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<td>PO BOX 261</td>
</tr>
<tr>
<td>BWMB LLC</td>
<td></td>
<td>AUGUSTA, GA</td>
</tr>
<tr>
<td></td>
<td></td>
<td>209 SOUTH MAIN STREET</td>
</tr>
<tr>
<td></td>
<td></td>
<td>AUGUSTA, GA</td>
</tr>
</tbody>
</table>

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I certify under penalties of perjury that I have the authority to legally bind the Taxpayer to this Authorization.

Name and Title of Taxpayer: **PAUL K. BIIES, PRESIDENT, MANAGING PARTNER**

Signature: [Signature]

Date: **6/14/2017**

Taxpayer Telephone Number: [Redacted]

Please send the completed form to:

Ohio Department of Commerce
Attn: MMCP Program
77 S. High Street, 23rd Floor
Columbus, OH 43215

**Jami Anderson**
Notary Public, State of Ohio
My commission expires [Date]

MMCP-C-1001D (v1.0), Cultivator Application – Additional Financial Interest Tax Form Page 2 of 2
Cultivator Application – Financial Interest Tax Processing Form

Applicant Name: Iryna Farkas
Applicant Number (if applicable): N/A
Taxpayer Name: Farkas Farms LLC
Taxpayer Address: 1900 Old Lincoln Hwy, Long borne, OH 43047

The above-named Taxpayer hereby authorize the Ohio Department of Taxation (“Department”) and any of its agents and/or employees to release information to the Department of Commerce. This information shall be limited to information obtained and maintained by the Ohio Department of Taxation and shall not contain any federal tax information as defined in I.R.C. 6103 and received from the Internal Revenue Service. Taxpayer expressly waives the confidentiality provisions of the Ohio Revised Code which would otherwise prohibit disclosure, and agrees to hold the Department harmless with respect to the disclosure herein.

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<tr>
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</tbody>
</table>

[SEE OTHER SIDE TO COMPLETE FORM]
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<table>
<thead>
<tr>
<th>Legal Business Name</th>
<th>FEIN</th>
<th>Address</th>
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<tbody>
<tr>
<td>Comfortably Green LLC</td>
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I certify under penalties of perjury that I have the authority to legally bind the Taxpayer to this Authorization.

Name and Title of Taxpayer: Iryna Farkas 15% owner

Signature:_________________________ Date: 06/12/2017

Taxpayer Telephone Number: 6095135221

Please send the completed form to:

Ohio Department of Commerce
Attn: MMCP Program
77 S. High Street, 23rd Floor
Columbus, OH 43215
Cultivator Application – Filing Packet Section 2: Non-Identifiers

Instructions are provided in a separate document: Cultivator Application – Request for Applications / Instructions Packet (MMCP-C-1000).

Cultivator Application – Filing Packet Section 2 Non-Identifiable Information Checklist

*Please note: All of the following must be submitted in a non-identified format.*

<table>
<thead>
<tr>
<th>Section</th>
<th>Description</th>
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<tbody>
<tr>
<td>2A</td>
<td>Business Plan</td>
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</tr>
<tr>
<td></td>
<td>Experience in Business</td>
<td>Completed</td>
</tr>
<tr>
<td></td>
<td>Business Model</td>
<td>Completed</td>
</tr>
<tr>
<td>2B</td>
<td>Operations Plan</td>
<td>Completed</td>
</tr>
<tr>
<td></td>
<td>Experience in Agriculture / Cultivation</td>
<td>Completed</td>
</tr>
<tr>
<td></td>
<td>Cultivation Methods and Proposed Strains</td>
<td>Completed</td>
</tr>
<tr>
<td></td>
<td>Product Time and Production Schedule</td>
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</tr>
<tr>
<td></td>
<td>Marijuana Cultivation Area Layout and Environment</td>
<td>Completed</td>
</tr>
<tr>
<td></td>
<td>Standard Operating Procedures</td>
<td>Completed</td>
</tr>
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<td></td>
<td>Staffing and Training</td>
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<td>2C</td>
<td>Quality Assurance Plan</td>
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<td>Packaging and Labeling</td>
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<td>Production Control</td>
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<td></td>
<td>Inventory Control</td>
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<tr>
<td></td>
<td>Disposal and Waste Removal</td>
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<tr>
<td></td>
<td>Adverse Events and Recall Procedures</td>
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</tr>
<tr>
<td></td>
<td>Record Keeping and Regulatory Compliance</td>
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</table>
## Medical Marijuana Control Program (MMCP)

<table>
<thead>
<tr>
<th>2D</th>
<th>Security Plan</th>
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</thead>
<tbody>
<tr>
<td></td>
<td>Surveillance Technology and Physical Security</td>
<td>Completed</td>
</tr>
<tr>
<td></td>
<td>Transportation</td>
<td>Completed</td>
</tr>
<tr>
<td></td>
<td>Facility Plot Plan and Specifications</td>
<td>Completed</td>
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<td></td>
<td>Emergency Notification Procedures</td>
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<td>2E</td>
<td>Financial Plan</td>
<td>Completed</td>
</tr>
<tr>
<td></td>
<td>Funding Analyses</td>
<td>Completed</td>
</tr>
<tr>
<td></td>
<td>Operating Expense Breakdown</td>
<td>Completed</td>
</tr>
</tbody>
</table>
2A Business Plan
(Maximum of 15 pages, see instructions for formatting)

Please note: The following must be submitted in a non-identified format. Include this form as a cover page.

Applicant should provide a narrative detailing support for the following:

Part I: Experience in Business

Experience, which includes generic, non-specific information on business licenses held by any person affiliated with the applicant. (3796:2-1-03(B)(1)(c))

Part II: Business Model

(A) A proposed business model demonstrating a likelihood of success, a sufficient business ability, and experience on the part of the applicant. (3796:2-1-03(B)(1)(a))

(B) (OPTIONAL) If applicant is seeking additional scoring considerations on an Ohio Based Jobs and economic development plan, the applicant may also provide a plan for generating Ohio-based jobs and economic development. (3796:2-1-03(C)(1)(b))
2A: Business Plan: Experience in Business & Business Model

PART I: EXPERIENCE IN BUSINESS
Experience, which includes generic, non-specific information on business licenses held by any person affiliated with the applicant. (3796:2-1-03(B)(1)(c))

Principal Officers, Investors, Members and Advisors
Entity A’s (also referred to as “Company”) leader, Person A, carefully selected a group of individuals to apply for a Medical Marijuana (“MM”) Level II Cultivation License in Ohio. When selecting investors and advisors, Person A focused on selecting individuals with experience in business and has assigned specific roles outlined in Section 1J, Organizational Chart, with roles and responsibilities outlined in Section 2B and leadership biographies outlined below, allowing for the cultivation facility to function efficiently in all areas including facility design, construction, staffing, employee training, IT systems, security and surveillance, transportation, storage, packaging and labeling, inventory control, disposal and waste removal, recall procedures, diversion prevention, cultivation method, nutrient management, sanitation and safety, quality control, recordkeeping and regulatory compliance. Upon hire, all employees will receive an Employee Manual detailing the Facility’s Standard Operating Procedures (“SOPs”). Prior to working in the Facility, employees will be required to pass mandatory testing on the specific protocols.

Leadership Biographies
All Advisor roles including Financial, Compliance, Legal Counsel, Quality Control, Insurance, Architect and Construction that will be providing Entity A with professional services for this Level II cultivation facility application and are acting on behalf of their own or their employer’s entities, not as individuals/officers. Each Advisor has been given an indicator and is outlined in Section 1P, Entity Identifier Legend Form.

Person A: Chief Executive Officer (CEO)
Responsible for overseeing the Company in a variety of areas which include but are not limited to research and development, product marketing, daily business operations, corporate resources, sales and services.

Person A has over 50 years of experience in small row crops growing corn, soybeans, wheat and hay. Person A also has experience with livestock raising lambs, freshwater prawns and chickens, even participating and winning showing competitions. As one of the first in northern Ohio to raise freshwater prawns, Person A was chosen by University E to participate in a monitoring trial to monitor the pH, oxygen, temperate, and nitrate levels in the water.

Person A has over 25 years of management experience at Entity D where he was responsible for receiving, shipping, office personnel, repair technicians and the training of new repair centers. Person A was heavily involved in the implementation of a new company wide computer system. The system assisted manufacturing companies with their process to buy raw materials, convert these materials to a product, keep an inventory of the finished product, and finally, sell and ship the product. Person A was in
charge of $500,000 worth of finished repaired parts and managed 28 employees. During his time at Entity D, Person A attended the School A and many other company-sponsored programs that promoted problem solving.

Person A is a Purple Heart Veteran who served the U.S military for 3 years. He served in Vietnam with the 1st of the 6th Calvary in self-propelled artillery unity and received a field commission of #5 sergeant. Person A also participated in the Cambodian Campaign. As a disabled veteran, Person A personally understands the medicinal benefits in providing high quality MM to patients in Ohio. Not only is Person A considered a disadvantaged group per 3796:2-1-03(C)(4)(a), his previous experience managing and leading his team and overall understanding of agriculture and a variety of environmental topics makes Person A the perfect candidate for a level II cultivation facility in Ohio.

**Advisor A, Financial Advisor**
Responsible for providing financial advice to the Company’s Chief Financial Officer in areas of directing the fiscal functions of the Company in accordance with generally accepted accounting principles issued by the Financial Accounting Standards Board, the Securities and Exchange Commission, other regulatory and advisory organizations and in accordance with the Ohio MM Act.

Advisor A began his career as an accountant in 1978 following his undergraduate studies at University A. He gained extensive experience with a regional CPA firm before he established Entity E that offers a wide variety of services to include accounting, auditing, business valuations, capital planning for commercial and government financing, disaster recovery, mergers and acquisitions, multi-state taxation issues, tax planning and preparation. Advisor A is a committed and respected member of various boards within his professional field.

**Person B, Chief Operating Officer (COO)**
Responsible for overseeing the day-to-day operations of the Facility, ensuring the accuracy and efficiency of the Inventory Control Software, and the security of the Facility, its Staff, and all MM. The COO oversees all purchasing and delivery, and verifies both the accurate quantity of all medical marijuana within the Facility Inventory, in each area of samples, testing, quarantine, packaging, labeling, storage, distribution, and transportation.

Person B acquired his first business in 1985, a drive-thru carryout store that expanded when awarded a state liquor license, becoming one of the largest liquor store in state of Ohio with yearly sales averaging over $8 Million. Person B sold the liquor business in 2011 and purchased a 200-year-old building, where he renovated and opened 2 restaurants, a banquet facility, and a small retail wine store – they received a regional award for economic development based on the renovation work of the building. Person B purchased and renovated 2 more commercial buildings that currently have 11 commercial tenants. Person B is also 50% shareholder with a business partner and collectively owns over 20 commercial and residential properties.

Person B has been involved within the community on various capacities from contributions to consulting. Person B served on the Board of Trustees of the
Organization A and is a member of numerous local clubs. He is a National Honors Society graduate of School B.

Advisor B - Compliance Advisor
Responsible for ensuring the Facility remains current and compliant with all local and State laws, rules and regulations, as well as all Federal and State agencies and their regulations and guidelines, such as OSHA and DSHEA. The Compliance Advisor will also be responsible for communicating with the State to schedule inspections, reviewing policies and procedures and updating on a quarterly basis as well as educating the Facility employees on compliance and regulations. Compliance Advisor will also assist inventory manager with quality control and ensure all products are tested, labeled, and packaged properly.

Advisor B is a nationally recognized cannabis industry leader and business expert. In 2010, Advisor B founded Entity F offers seed-to-sale consulting services with hands-on support for medical marijuana entrepreneurs. The company creates custom crafted business solutions for those interested in owning or operating a dispensary, cultivation, manufacturing, testing or ancillary facility. Entity F serves clients in competitive and emerging state markets throughout the country. As the Founder and CEO of one of the longest standing medical marijuana-consulting firms, Advisor B has successfully secured marijuana business licenses in ten different states within the U.S. specifically in New Jersey, Arizona, California, District of Columbia, Colorado, Delaware, Illinois, Nevada, Maryland, and Hawaii.

An industry innovator and thought leader, Advisor B continues to develop and expand her business by assisting clients on pre- and post-license projects. Her company offers a full spectrum of services including the preparation of dispensary operations for compliance, securing real estate, cultivation and dispensary budgeting, policies and procedures, marketing and education, dispensary opening events, and facility functionality and design. Advisor B has personally helped multiple states with their programming through legislative sessions, speaking engagements, and meetings with political activists and local figureheads. Advisor B has been featured in numerous national media outlets.

Person C, Director of Agriculture
Responsible for working with the Cultivation Manager on overseeing the development of NM at the cultivation facility. They may manage the daily operations of commercial agricultural operations, such as nurseries with a focus on the business of the facility. Planning crops to maximize profit and minimize loss, creating budgets, hiring and overseeing workers, supervising all maintenance, representing the facility in sales transactions and maintaining business records.

Person C comes from an agriculture background, her father had a doctoral degree in agriculture having developed a fertilizer for potatoes and wrote an agriculture book. Naturally, Person C enrolled in University B, graduating with a master’s degree in Management of Foreign Economic Activity in Agriculture and qualified as an Economist, Manager and Researcher in Agriculture.
After graduating, Person C worked at Entity G collective farm that was 10,000 acres where she gained experience of the day to day activities and business aspects of the cooperative farm; cultivation procedures and methods to maximize crop yields, livestock management, scheduling crop rotations, financial management, vendor management and analysis of their security plan.

Person C currently owns Entity H, a spray foam insulation company and is heavily involved with the management of the company’s operations. Person C also holds three different state casino licenses – heavily involving the understanding for compliance.

Advisor C, Legal Counsel
Advisor C started his law firm in Ohio, to give clients, the personalized attention and quality representation that is so lacking in many of today’s high-volume family, criminal defense, and personal injury firms. Advisor C’s experience as an attorney has taught him that spending time educating clients on the laws and procedures that affect them often leads to a better outcome for lawyers and clients alike. As an Ohio criminal defense, DUI/traffic law, and personal injury attorney, Smith has seen numerous individuals facing emotional and financial crisis, Advisor C will be responsible for assisting the group with business formation, guidance on corporate structure; draft board member agreements; review lease agreements/ letters of intent; review financial commitment letters; ensure zoning compliance; etc.

Advisor C is on the Board of Trustees, Organization B and has supported Organization C, a large and diverse organization that helps children around the world. Advisor C is affiliated with various associations and organizations within his professional field.

Advisor C received his Bachelor’s Degree in American studies from University C and his J.D. from University D, Ohio.

Cultivation Manager
Responsible for overseeing and supervising all of the Cultivation Staff, and is responsible for the entire operation of the Cultivation Facility. The Cultivation Manager shall oversee all Cultivation activities, and ensure that the entire Cultivation Staff are following the Facility’s SOPs and maintaining appropriate timelines. The Cultivation Manager must ensure that the Facility produces only the highest quality of MM on a consistent basis, through the effective and efficient operation of all environmental systems and controls. The Cultivation Manager shall maintain constant oversight of the mechanics of each system, to include its environmental controls and irrigation systems, and shall be responsible for all damage control, ensuring that the entire system is functional.

Through our established relationships with MM industry experts, Entity A has already begun vetting possible candidates with MM cultivation experience in other MM state programs and will leverage these connections to select a Marijuana Cultivation Manager upon receiving a level II MM Cultivation License from the Department.

Person D, Director of Security and Transportation
Responsible for coordinating and directing all functions relating to the security of the facility and safety of Company employees, patients and public visiting the facility. Responsibilities include working with the Compliance Advisor to create and oversee crisis and emergency management practices and develop policies, procedures and programs designed to enhance the safety and security of all members of the Company, company property, systems and information.

Person D has over 20 years of experience within the Security Field. He currently operates the Private Security Division of Entity I where they offer professional services such as Intrusion Alarm Systems, Fire Alarm Systems, CCTV, Commercial Sound & Telecom. Since 2010, Person D has been Ward 1 Council within his community in Ohio. He also currently operates as sales and service installation for Entity J.

Advisor D, Quality Control Advisor
Responsible for making sure the Company’s products meet high quality standards. QC managers make certain that MM meet state and Company quality guidelines. QC is also responsible for ensuring chain of custody during intake is perform efficiently, coordinate employee efforts, and facilitate communications between management and grower, processors and dispensaries. They also devise ways of improving the quality check process to ensure higher-quality goods.

Advisor D has experience in testing soil and water quality. Advisor D worked at Entity K, one of the largest greenhouse operations in the Midwest that provides plants to large corporations within the home goods industry, only utilizing production methods that were efficient and environmentally conscious. At Entity K, Advisor D tested water samples for pH, EC, nitrates and more. Advisor D was also responsible for testing soil samples to ensure proper nutrient levels were maintained throughout the plants growth. Advisor D has worked with different recipes of growing media to include Canadian Pete Moss, perlite, vermiculite and lime.

Person A and Person B: Diversity & Community Relations Advisor
Responsible for overseeing the community impact activities as well as ensuring that the Facility is diverse. Activities include, planning community events with local municipalities, hosting job fairs and executing on both the community and diversity plans. Biographies for Person A and Person B outlined above.

Strategic Partnerships / Vendors
Inventory Management: Entity B
Established in 2010, Entity B has been awarded the Medical Marijuana State Contract in many medical marijuana state programs to provide for electronic tracking system in order to enable the government agencies (e.g. Department of Health) to track the production, transportation, destruction and sales of legal cannabis. Licensed cannabis businesses utilize the POS System as a business platform which supports them in remaining fully compliant when tracking all aspects of their day-to-day operations. The system also has extensive reporting capabilities to assist state and local governments with enforcing regulations, collecting taxes and preventing illegal cannabis diversion and invasion.
Insurance: Entity C, Advisor E
Entity C: Entity C provides risk management services for the cannabis industry. Their team of Insurance, HR and Safety professionals are dedicated to helping clients develop a strong risk management portfolio to protect their business, products and employees.

Advisor E: A P&C Insurance License-holder for various state Medical marijuana programs, Advisor E has developed his niche within this industry by capturing his market share and writing a significant number of Washington State’s I-502 adult-use policies. Over the last 3 years, Advisor E has expanded into other markets around the country, Advisor E moved his book of business to the Stratton Agency, launching Entity C, twice being recognized as an IIABA Best Practices Agency, as one of few such specialty firms in the MM space. With an up-to-date knowledge on difficult risk coverage, Advisor E must stay abreast of new industry trends and products. Advisor E continues to be invited to speak at national Marijuana conferences and expos, as a true expert in his field.

Security: Entity J
Serving the community for over 17 years, Entity J is a small company that is growing in the world of alarm technology that focuses on 24/7 Alarm Monitoring with UL Central Stations. Their specialties include Intrusion Alarm Systems, Fire Alarm Systems, CCTV, Commercial Sound, Telecom and Commercial Fire & Emergency Lighting Inspections by State Licensed Technicians.

Quality Control: Entity K
Entity K is one of the largest greenhouse operations in the Midwest and is committed to introducing fresh new ideas to the market place while utilizing production methods that are efficient and environmentally conscious. Entity K provides plants to large corporations with home good stores. Focusing on their green initiatives, water is used by the plants and then returned back to holding tanks where it is filtered and reused. They use high-efficiency energy curtains that retain heat and reduce energy costs throughout the facility.

Construction and Architect: Advisor F
Advisor F specializes in commercial tenant fit outs and custom design build for single family costal residential construction at the Jersey Shore in Atlantic City, Margate and Ventnor. Advisor F provides budget and cost analysis on project needs. As an architect, Advisor F has experience with performing a facility space planning cost benefit analysis for businesses. This analysis insures that the business is getting maximum of the physical space for the business. The cost savings are attributed to reducing overall janitorial, heating, cooling, rent and pass thru fees of the space.
PART II: BUSINESS MODEL

(A) A proposed business model demonstrating a likelihood of success, a sufficient business ability, and experience on the part of the applicant. (3796:2-1-03(B)(1)(a))

Executive Summary

Entity A is entering the MM industry in Ohio as a Level II Cultivator to assist state licensed dispensaries with treating patients as approved by the Ohio MM Control Program, laws and the rules and regulations (“MM Act”). Entity A has analyzed the MM Act and understands the importance of upholding the mission of the program in compliance with the Ohio Department of Commerce (“Department”) with respect to the State of Ohio Board of Pharmacy (“OBP”) and State of Ohio Medical Board (“OMB”).

The following are identified as Best Practices for the likelihood of success for MM businesses and Entity A’s business ability to execute them are outlined below.

- Quality of MM
- Inclusion of disadvantaged groups
- Safe & secure location
- Community support
- Industry experience
- Charitable aspects
- Financial ability
- Environmental conservation

The Company plans to cultivate a variety of high quality MM in order to provide state licensed processors and dispensaries in Ohio. Our long-term objective is to build a market that is not dictated by price, but rather one that is focused on making available quality MM at affordable prices for the benefit of Ohio Patients and Caregivers. This will be accomplished in strict accordance with and interpretation of the MM Act.

Entity A is a Veteran Owned Entity and led by a team of local individuals with agriculture backgrounds and experiences. The company is dedicated to providing veterans the opportunity in ownership, management and employment. Entity A is committed to advancing equal opportunity protections, employment and implementing practices for veterans within their community.

Entity A has secured a location for the Company’s Cultivation Facility and local zoning approval. The Company will open a Cultivation Facility located in Ohio. On June 12, 2017, Entity A’s principal officers met with the local government to discuss the project plans and receive zoning approval by completing Section 1G, Notice of Proper Zoning Form of this application. A construction plan and build-out schedule has been outlined in Section 2B of this application.

A final strength of the project is an unyielding commitment to overall security. The project will be overseen by Person D, Director of Security and Transportation. This conjunction will result in a collaborative relationship with law enforcement agencies at
the state, county, and local level. Outreach and collaboration with local and state law enforcement agencies will be a standard operating procedure of Entity A. The overall goal of the Company’s security efforts is to create an environment that is safe and compliant, while taking all steps necessary to prevent the potential for theft, diversion, or loss.

Entity A’s overarching goal is to open a facility in a community with local support that encompasses a diverse group of individuals to enhance both the economy and health of the community through a knowledgeable team with MM experience and sufficient capital for a sustainable facility.

As outlined in Section 2B of this application, Entity A in collaboration with MM Consultants have developed this application and Standard Operating Procedures (“SOPs”) for Entity A’s Cultivation Facility with national MM best practices in mind.

Entity A has developed an in-depth financial model with industry-verified assumptions. The total project cost for the grow project is $549,066 including working capital, construction, equipment and system purchases.

Entity A has developed an Environmental Plan focusing on Low Carbon Footprint, foam insulation which will reduce energy consumption by 40%, recycled waste water and turning unused plants into compost or fuel pellets.

Licensure and Permitting
Due-diligence procedures for licenses, permits and business names will be as follows:

**DBA:** Our plan is to do business as a level II medical marijuana cultivation facility. The name of the business entity is Entity A.

**Zoning:** Included in this application to the Commission is a Notice of Proper Zoning Form approved by the local government.

**Licenses:** All licenses will be secured from the appropriate authorities.

**Local permits:** Will be acquired from the appropriate planning department of the local jurisdiction upon receipt of a license to operate from the state.

**State licensing:** An account will be set up with the State Board of Equalization for sales tax reporting.

Location and Lease/Purchase
Entity A has secured the appropriate approval to operate a MM cultivation facility in Ohio. Person A, a principal officer of Entity A, owns the property and has signed Section 1E, Property Owner Approval for Use Form, attached to this application. Entity A has also received a signed letter of approval from the local government for the purpose of this business, acknowledged in Section IG, Notice of Proper Zoning Form attached to this application. The local government has confirmed there are no permits needed for approval therefore Section 1H is not applicable for this application.

Operational Timeline
Although a new entity, Entity A is comprised of individuals with decades of experience in business operations across a number of different industries. This level of expertise in
vital areas like regulatory compliance, law, security, and the operation of a MM facility are essential to Entity A’s plans. Entity A has gained local approval for its facility, has developed a construction and build-out plan for implementation. Entity A is respectful of the Department and OBP’s requirement by law to take all actions necessary to ensure that Ohio’s MM Control Program is fully operational no later than September 2018. Our timeline is developed to clearly meet this goal with safety and compliance as a focal point at all times. Entity A has completed Architectural Drawings and is working on Mechanical, Electrical, and Plumbing Schematics (“MEPs”). Cultivation of medical marijuana products will begin in earnest as soon as the six-month construction and fit-out period is complete. When operating at full capacity, the Company’s cultivation process will have multiple crops in various stages of growth at any given time. Grow cycles will be staggered to achieve harvests of 50 mature plants every 6 weeks. With such frequent harvests, the Company facility is capable of achieving maximum production of 1,353 pounds of raw material annually.

On or around, November 2017, if granted a level II cultivator license, Entity A will initiate cultivation at the facility. As part of the Architectural Drawings and MEPs, Entity A has created an equipment list necessary for facility operations, and has identified specific vendors from which to purchase equipment. All equipment will be installed before January 2018 to begin cultivation that month. On or around, January 1, 2018, Entity A shall provide the Department with a list of its marijuana strains per 3796:5-8-01. Once approved, the initial MM is planted on or around February 1, 2018. The MM is provided fourteen days before the vegetative state begins. February 16, 2018 the Vegetative Stage which is a four to eight-week cycle, begins when a marijuana plant is propagated to produce additional marijuana plants or reach a sufficient size for production. March 26, 2018, the eight to fourteen-week cycle of the Flowering Stage begins and is defined the stage of cultivation where and when a marijuana plant is cultivated to produce plant material for MM products. June 18, 2018, the first safety-assured MM harvest will take place. This stage typically begins nine weeks after the initial flowering of the bud is identified. On about June 20, 2018, the Dry and Cure Stage begins. Ideally a three to four-week cure time will be provided. July 16, 2018 the MM is sent to licensed testing facility. August 1, 2018, the Packaging and Labeling begins. By August 20, 2018, the first approved MM will be available for distribution to dispensaries and/or processors in the State. On August 20, 2018, in compliance with 3796:5-3-0, Entity A will begin transportation of MM to licensed processors and dispensaries.

Please note: These dates are subject to change due to weather, unforeseen shortages of construction materials, permitting and/or zoning delays.

Operations/Quality Assurance Plan Summary

Cultivation Overview
In compliance with 3796:2-1-02(B)(3)(a), as an applicant for a level II cultivator provisional license, Entity A will be providing the Department an operations plan with established SOPs which will implement the secure, safe, sustainable, and proper cultivation of MM including our specific MM agricultural cultivation techniques. All pesticides, fertilizers and other chemicals shall comply with the Ohio Department of
Agriculture. In compliance with 3796:2-1-02(B)(3)(a)(c)(f), agricultural cultivation techniques will be designed to be compliant with the Department, to provide the greatest impact on quality MM for patients, as well as to provide for the least amount of impact on the local environment. Entity A will implement standards and guidelines for cultivating, propagating, vegetating, flowering, and harvesting MM with safety protocols and equipment use as well as comprehensive employee training. Entity A’s driven goal and purpose is to provide a steady, uninterrupted supply of quality and affordable MM to Ohio’s Patients.

Entity A is committed to maintaining a highly-functioning cultivation facility, in an environment where MM can be grown in a clean, safe, and efficient manner. Entity A will be using a strategic compartmentalized approach to the cultivation facility. This is to maximize our square footage to produce the highest quality MM for Ohio patients as well as to prevent contamination, diversion and/or pest issues. We will consider utilizing both vertical and horizontal gain in throughout the facility.

Entity A will develop and implement facility-specific SOPs that oversee and maintain equipment operation. Upon purchase, each piece of equipment is identified, labeled, and entered into the Inventory Software (POS) to be logged, tracked, installed, maintained, and accounted for. Entity A’s SOPs will include written policies to maintain the sanitation and operation of equipment that encounters MM to ensure each MM related equipment is regularly maintained, cleaned, and sterilized in between each use to prevent contamination from any materials. If equipment is contaminated, it is disposed of immediately into a plastic trash bag or container, and all work ceases until the equipment can be cleaned, sanitized, and inspected for re-use. All automatic, mechanical, or electronic equipment, and all scales, balances, or other measurement devices used in the facility’s operations shall be routinely calibrated, checked, and inspected to ensure accuracy. Entity A shall maintain an accurate log of such maintenance, cleaning, and calibration. Company staff shall never use equipment for personal use, and all bulbs and lighting equipment is covered to prevent breakage.

Quality Assurance Overview
In compliance with 3796:2-2-01(B)(1-2), Entity A will maintain a quality assurance and quality control plan for the cultivation of MM at our facility. Our goal is to ensure a safe, consistent product supply and minimize the deviation in quality of the production batches of MM. Entity A has developed SOPs to encompass all areas of the business designed to provide each employee, work area, and process clearly defined rules, goals, and replicable and compliant practices to ensure Entity A provides patients/caregivers, our employees, the Department and our community with business operations reflective of the mission of the Ohio MM Program.

In compliance with 3796:2-2-07(A-G), Entity A acknowledges all cultivator prohibited activities. Entity A will not sell MM in any form to a patient/caregiver; permit the consumption of MM in any form on the premises; grow a prohibited, unregistered or unapproved form of marijuana; produce or maintain MM in excess of the quantity required for normal, efficient operation based on patient population and consumption reported in the inventory tracking system; amend or change its approved operations plan, quality assurance plan, or cultivation or production techniques without written
approval obtained from the Department; change the use/occupancy of the facility without prior written notification and approval from the Department; sell plant material that exceeds thirty-five percent THC content; directly or indirectly discriminate in price between different processor or dispensary facilities using a like grade, strain, brand, quality, and quantity of MM. However, Entity A may base price differentials based on differences in the cost of manufacture, sale, or delivery resulting from the differing methods or quantities in which the MM is sold or delivered.

In compliance with 3796:5-6-02(A-C), Entity A’s SOPs will enforce all prohibited activities. Paramount to our business is the ability to ensure that no distribution of MM to minors occur, any revenue of the sale of MM is secure from criminal enterprises, no trafficking or diversion of MM across state lines exists and no trafficking or illegal activities has occurred on the premises. Entity A prohibits illegal or unauthorized possession or use of a firearm at the facility.

For the safety of our employees, vendors as well as the public, Entity A employs the strictest of guidelines related to driving while drugged or otherwise intoxicated. Our safety procedures and designated Compliance Advisor will prevent any operational failures that endanger public health, create a likelihood of contamination, or diversion or a pattern of deviation from our SOPs. Our use of inventory tracking and security systems will prevent the cultivation of MM in a facility outside the designated marijuana cultivation area and prevent the acceptance of MM from a source other than a licensed cultivator, processor or testing laboratory. Training and oversight will prevent knowingly providing material misstatements or omissions in the inventory tracking system by any employee. All cultivating, transporting or testing of MM will follow the Department and codes. The Entity A leadership team is committed to prevent aiding or assisting another person in violating any provision of Chapter 3796. of the Revised Code that includes another person utilizing Entity A’s cultivators license.

Entity A will maintain effective controls and security measures designed to ensure compliance with the law and protect facility employees and MM. The Company will cooperate or give information to the Department, law enforcement authorities, or any other enforcement agency upon any matter arising out of conduct at our facility. Entity A understands that failure to comply could lead to the discontinuance of business for more than ninety days unless the director or the director’s designee approves an expansion of such period for compelling cause shown upon a written request.

Security Overview
The Company recognizes the impact a MM Cultivation Facility may have on the surrounding community and businesses therefore the Company has developed a plan to minimize any concerns. The security mission is to cultivate MM in accordance with the highest standards for quality of products, services and public safety with the goal of alleviating symptoms of debilitating health conditions that warrant the administration of MM.

Following the state of Ohio’s MM Control Program guiding principles of having a medically focused program benefiting patients, effective communication of the program,
consistent, competent & efficient execution of the program and having an innovative, research-driven program, the Company will position ourselves to be an industry security leader by working with the community to further improve security policies and procedures, and will serve as a model for other MM businesses.

The security plan is intended to fully comply with all requirements of the MM Act. The Company recognizes that the Department’s regulations are likely to be revised or updated, as the MM industry further develops in Ohio, therefore, the Company will continually monitor changes in the laws, rules and regulations to be able to ensure our security plan is always in compliance. Entity A’s Compliance Advisor, Advisor B will oversee compliance of the Cultivation Facility’s security program concerning the requirements of the MM Act.

PART II: BUSINESS MODEL

(B) (OPTIONAL) If applicant is seeking additional scoring considerations on an Ohio Based Jobs and economic development plan, the applicant may also provide a plan for generating Ohio-based jobs and economic development. (3796:2-1-03(C)(1)(b))

Diversity Goals and Community Based Economic Development Plan
Giving back to the community through the success of business endeavors is not foreign to the principals of Entity A. Entity A principals and its associated businesses have been involved with and actively giving back to their respective communities over the years. With disadvantaged groups in mind, Entity A has supported the various national and local programs and organizations through the following ways: donated to disabled American veterans and state troopers, annually supports Organization D concerts which proceeds go to disadvantage children and the battered woman’s shelter in their local community, sponsors and supports local community events such as the county fair to help adolescents raise money for college funds, encouraging health by sponsoring children’s extra circular activities.

In order to continue our efforts in supporting and improving our community through patient education and economic development, Entity A has selected the following programs/organizations to support.

Organization E
Organization E is the largest and oldest veterans service organization that is open to and fights for all veterans and their families. Organization E’s mission is to enhance and safeguard the entitlements for all American Veterans who have served honorably and to improve the quality of life for them, their families, and the communities where they live through leadership, advocacy and services.

How Entity A Will Get Involved:

1. Entity A will financially donate annually, amount to be determined
2. Establish relationships with local chapters to support their efforts within the community
3. Promote Entity A job opportunities at local Organization E meetings/events
4. Host an educational event to educate veterans suffering from PTSD about the medicinal benefits of MM as it relates to PTSD

Organization F was founded by a group of local physicians and has provided service to the Ohio community for over 50 years. It is a local not for profit, community-based organization with a staff of Certified Diabetes Educators, nurses, dietitians and social workers providing direct services to local families. Organization F helps Ohioans living with diabetes detect their condition, prevent onset and complications, and learn to live well with the challenge of diabetes.

How Entity A Will Get Involved:

1. To support the association’s efforts to educate patients about diabetes, Entity A will host an educational outreach program to educate the association’s leaders and educators on the benefits of MM as it relates to diabetes.
2. Entity A will sign up for the Organization J Community Rewards Program which allows for a donation to be made to Organization F every time Entity A shops at Organization J.

Organization G helps each person affected by MS in their community from the challenges of living with MS. They help by raising funds for cutting-edge research, driving change through advocacy, facilitating professional education and providing programs and services that empower people with MS and their families to move their lives forward. The local chapter provide quality programs and services to over 14,000 Ohioans living with MS and their families in a 64-county area.

How Entity A Will Get Involved:

1. Host an educational event to educate MS patients about the medicinal benefits of MM as it relates to MS
2. Entity A will contribute financially on an annual basis, amount to be determined.
3. Encourage Ohio dispensaries we have relationships with to promote local chapters
4. Entity A will commit to volunteer hours each year to assist local chapters execute their events/programs. Volunteer hours to be determined.

Organization H is the world’s largest and most successful fundraising and education organization for breast cancer. To date, the organization has invested more than $2.9 billion in groundbreaking research, community health outreach, advocacy and programs in more than 60 countries. Their efforts helped reduce deaths from breast cancer by 38 percent between 1989-2014.

How Entity A Will Get Involved:

1. Establish a relationship with the local chapter to raise awareness within our community through educational events and programs.
2. Promote medicinal benefits of MM as it relates to breast cancer through speaking engagements and/or educational handouts.
3. Sponsor a local Organization H Race, a 5K run and fitness walks for fundraising and breast cancer awareness.

**Organization I** was formed in 1995. It won a representation election conducted by the Ohio State Employment Relations Board and ratified its first negotiated collective bargaining agreement with the State of Ohio in 1997. Since that time the Organization I has demonstrated individualized quality service found nowhere else in this state and has, as promised, formed the most democratic labor organization found anywhere.

**How Entity A Will Get Involved:** Entity A will donate financially on an annual basis, amount to be determined.

**Conclusion**
The marijuana industry is a fast-growing industry across the United States as more and more states adopt laws that allow for the production and sale of MM and MM Products. The capital requirements to get started are quite substantial. The risk associated with the application process is also substantial.

We feel that we have several competitive advantages over other companies wishing to enter into the MM industry that will provide us an edge to substantiate growth and market capitalization for a longer period of time.

We are honored to work with the state of Ohio and the regulating agencies for the Ohio MM Program to help build this new industry. Together we can establish and operate MM facilities that are safe, compliant, and most importantly, allow Patients the access to alternative medicine that will ease their suffering. We have assembled a team that can finance and operate this business in compliance with the state and local regulations, and are excited to provide an alternative treatment service to the Patients in Ohio.
Applicant should provide a narrative detailing support for the following:

Part I: Experience in Agriculture / Cultivation

Demonstrating experience with the cultivation of medical marijuana or agricultural or horticultural products, operation of an agriculturally related business, or operation of a horticultural business. (3796:2-1-02(B)(3)(b), 3796:2-1-03(B)(2)(b))

Part II: Cultivation Methods and Proposed Strains

(A) Agricultural cultivation techniques / Documentation of cultivation methods and standards that will provide a steady, uninterrupted supply of medical marijuana. (3796:2-1-02(B)(3)(a), 3796:2-1-03(B)(2)(a))

(B) A list of medical marijuana varieties proposed to be grown with estimated cannabinoid profiles, if known, including varieties with high cannabidiol content. (3796:2-1-02(B)(3)(c), 3796:2-1-03(B)(2)(c))

(C) (OPTIONAL) If applicant is seeking additional scoring considerations on a research plan, the applicant may provide the department with a detailed proposal to conduct or facilitate a scientific study or studies related to the medicinal use of marijuana. (3796:2-1-03(C)(5))

Part III: Product Timeline and Production Schedule

Indicate the estimated timeline and production schedule. Describe how all raw materials will proceed from the assignment of a plant identifier to the shipment to a dispensary as dried product or to the processor for production of a processed product. Please indicate the estimated time elapsed for each area of production and/or each process involved at that particular stage of production.

Part IV: Marijuana Cultivation Area Layout and Environment

Facility specifications, including the cultivation environment, layout of the marijuana cultivation area (i.e. grow tables, tiered or stacked orientation, etc.) evidencing that the applicant will comply with the requirements of Chapter 3796 of the Revised Code and will operate in
accordance with the rules promulgated pursuant to Chapter 3796 of the Revised Code. (3796:2-1-02(B)(3)(d), 3796:2-1-03(B)(2)(d))

Part V: Standard Operating Procedures

(A) The implementation of standards and guidelines for cultivating, propagating, vegetating, flowering, and harvesting medical marijuana, including safety protocols and equipment. (3796:2-1-02(B)(3)(e))

(B) (OPTIONAL) If applicant is seeking additional scoring considerations for submitting an environmental plan, the applicant may demonstrate an environmental plan of action to minimize the carbon footprint, energy usage, environmental impact, and resource needs for the production of medical marijuana. (3796:2-1-03(C)(2)(a))

(C) (OPTIONAL) If applicant is seeking additional scoring considerations for submitting an environmental plan, the applicant may describe any plans for the construction or use of a greenhouse cultivation facility, energy efficient lighting, use of alternative energy, the treatment of waste water and runoff, and scrubbing or treatment of exchanged air. (3796:2-1-03(C)(2)(b))

Part VI: Staffing and Training

(A) Staffing and training guidelines/ Facility staffing and employment matters, including employee training and employee compliance with Chapter 3796 of the Revised Code and in accordance with the rules promulgated pursuant to Chapter 3796 of the Revised Code. (3796:2-1-03(B)(2)(e), 3796:2-1-02(B)(3)(f))

(B) (OPTIONAL) If applicant is seeking additional scoring considerations on employment practices, the applicant may demonstrate a plan of action to inform, hire, and educate minorities, women, veterans, disabled persons, and Ohio residents. (3796:2-1-03(C)(3))
2C Quality Assurance
(Maximum of 30 pages, see instructions for formatting)

*Please note: The following must be submitted in a non-identified format.*

Include this form as a cover page.

Applicant should provide a narrative detailing support for the following:

**Part I: Packaging and Labeling**

*Elements of a quality assurance plan shall include best practices for the packaging and labeling of medical marijuana. (3796:2-1-02(B)(4)(b), 3796:2-1-03(B)(3)(b))*

**Part II: Production Control**

*Intended use of pesticides, fertilizers, and other agricultural products or production control factors in the cultivation of medical marijuana. (3796:2-1-02(B)(4)(a), 3796:2-1-03(B)(3)(a))*

**Part III: Inventory Control**

*An inventory control plan. (3796:2-1-02(B)(4)(d), 3796:2-1-03(B)(3)(d))*

**Part IV: Disposal and Waste Removal**

*Standards for the disposal/destruction of medical marijuana waste and other wastes. (3796:2-1-02(B)(4)(e), 3796:2-1-03(B)(3)(e))*

**Part V: Adverse Events and Recall Procedures**

*Recall policies and procedures in the event of contamination, expiration or other circumstances that render the medical marijuana unsafe or unfit for consumption, including, at a minimum, identification of the products involved, notification to the dispensary or others to whom the product was sold or otherwise distributed, and how the products will be disposed of if returned to or retrieved by the applicant. (3796:2-1-02(B)(4)(f), 3796:2-1-03(B)(3)(f), 3796:2-2-03)*
Part VI: Record Keeping and Regulatory Compliance

(A) Record keeping policies and procedures that will ensure the facility complies with rule 3796:2-2-08 of the Administrative Code. (3796:2-1-02(B)(5)(a))

(B) Implementation and compliance with the inventory tracking system. (3796:2-1-02(B)(4)(c), 3796:2-1-03(B)(3)(c), 3796:2-2-04)
Quality Assurance Plan
In compliance with 3796:2-2-01(B)(1-2), Entity A (also referred to as “Company”) will maintain a quality assurance and quality control plan for the cultivation of medical marijuana (MM) at our facility. Our goal is to ensure a safe, consistent product supply and minimize the deviation in quality of the production batches of MM. If Entity A requires changes to these plans, the changes will be submitted to the Ohio Department of Commerce (Department) sixty days before the effective date of the proposed changes and will allow for thirty days in our timeline for the Department to review and approve or reject the proposed changes. In compliance with 3796:2-2-07(E), Entity A will not amend or otherwise change its approved operations plan, quality assurance plan, or cultivation or production techniques, unless written approval is obtained from the Department.

In compliance with 3796:2-2-07(A-G), Entity A acknowledges all cultivator prohibited activities. Entity A will not sell MM in any form to a patient/caregiver; permit the consumption of MM in any form on the premises; grow a prohibited, unregistered or unapproved form of marijuana; produce or maintain MM in excess of the quantity required for normal, efficient operation based on patient population and consumption reported in the inventory tracking system; amend or change its approved operations plan, quality assurance plan, or cultivation or production techniques without written approval obtained from the Department; change the use/occupancy of the facility without prior written notification and approval from the Department; sell plant material that exceeds thirty-five percent THC content; directly or indirectly discriminate in price between different processor or dispensary facilities using a like grade, strain, brand, quality, and quantity of MM. However, Entity A may base price differentials based on differences in the cost of manufacture, sale, or delivery resulting from the differing methods or quantities in which the MM is sold or delivered.

Entity A has developed Standard Operating Procedures (SOPs) to encompass all areas of the business. Our SOPs are designed to provide each employee, work area, and process clearly defined rules, goals, and replicable and compliant practices to ensure Entity A provides patients/caregivers, our employees, the Department and our community with business operations reflective of the mission of the Ohio MM Program. Our SOPs are available to the Department upon request. In compliance with 3796:5-6-02(A-C), Entity A’s SOPs will enforce all prohibited activities. Paramount to our business is the ability to ensure that no distribution of MM to minors occur, any revenue of the sale of MM is secure from criminal enterprises, no trafficking or diversion of MM across state lines exists and no trafficking of illegal drugs or illegal activities has occurred on the premises. Entity A prohibits illegal or unauthorized possession or use of a firearm at the facility.

For the safety of our employees, vendors as well as the public, Entity A employs the strictest of guidelines related to driving while drugged or otherwise intoxicated. Our safety procedures and designated Compliance Advisor will prevent any operational failures that endanger public health, create a likelihood of contamination, or diversion or a pattern of deviation from our SOPs. Our use of inventory tracking and security systems will prevent the cultivation of MM in a facility outside the designated marijuana cultivation area and prevent the acceptance of MM from a source other than a licensed cultivator, processor or testing laboratory. Training and oversight will prevent knowingly providing material misstatements or omissions in the inventory tracking system by any employee. All cultivating, transporting or testing of MM will follow the Department and codes. The Entity A leadership team is committed to prevent aiding or assisting another person in violating any provision of Chapter 3796. of the Revised Code that includes another person utilizing Entity A’s cultivator’s license. Entity A respects the Department and will comply with any subpoena issued. If Entity A has
any compliance issues including having our license suspended or subject to mandatory corrections, problems will be corrected and reported to the Department to prevent any violation of the terms of the suspension or failure to perform the mandatory corrections. Additionally, Entity A will maintain effective controls and security measures designed to ensure compliance with the law and protect facility employees and MM. The Company will cooperate or give information to the Department, law enforcement authorities, or any other enforcement agency upon any matter arising out of conduct at our facility. Entity A understands that failure to comply could lead to the discontinuance of business for more than ninety days unless the director or the director's designee approves an expansion of such period for compelling cause shown upon a written request.

**Inventory Control**

System: Entity B, a Point of Sale (POS) system which will ensure that our inventory related activities are traceable/recorded and that there are no undetected security breaches. In many other MM state programs such as Hawaii, Illinois, New Mexico, and New York, Entity B has been awarded the MM State contract to provide for electronic tracking system to enable the government agencies (e.g. Department of Health) to track the production, transportation, destruction and sales of legal MM. Licensed MM businesses utilize the POS System as a business platform which supports them in remaining fully compliant when tracking all aspects of their day-to-day operations. All logs created and maintained within the MM business’ POS System are also recorded and reflected in the State’s MM Program tracking system, allowing regulatory agencies to view reports in real-time. The system also has extensive reporting capabilities to assist state and local governments with enforcing regulations, collecting taxes and preventing illegal MM diversion and inversion.

General Guidelines: Prior to commencing business, Entity A will conduct an initial comprehensive inventory of all MM at the facility. If the Entity A commences business with no MM on hand, we will record this fact as the initial inventory. Entity A will establish ongoing inventory controls and procedures for the conduct of inventory reviews and comprehensive inventories of MM for traceability in the Department's inventory tracking system to allow Entity A to detect any diversion, theft, or loss in a timely manner. Upon commencing business, Entity A shall prepare a weekly inventory of MM at the facility, which shall include the date of the inventory; the amount of MM on hand, which shall include the following: total count of plants, whether in the flowering, vegetative, or clone phase of growth and organized by room in which the plants are being grown; the batch number, weight, and strain name associated with each batch at the cultivator's facility that has been quarantined for testing or ready for sale to a processor or dispensary; and the total number of plants and every unique plant identifier that have been harvested, but are not yet associated with a batch. Entity A will track and record the amount of MM sold since previous weekly inventory, which shall include the following: the date of sale; the license number and name of the processor or dispensary to which the MM was sold; and the batch number, registered product name and quantity of MM sold. Additionally, the date, quantity, and method of disposal of MM will also be tracked and recorded by a designated type 1 key employee. All inventory findings will include the name, signature, and title of the employees who conducted the inventory and oversaw the inventory. As part of Entity A’s internal controls and best practices, we will prepare daily opening and closing inventory strategies to overlay along with the department's requirements.

In compliance with 3796:2-2-01(3), Entity A has developed a comprehensive protocol for inventory tracking, security, and requirements where all products be accounted for from the moment a seed is planted through the final preparation and packaging of products for delivery to licensed
dispensaries, processors and laboratories. Tracking requirements included in Entity A’s plan include full electronic records of the Company’s inventory of MM produced at the facility, disposal, recall, or return of any product through plant tagging and packaging and labeling MM Products.

Cultivation Specific:
In compliance with 3796:2-2-04(A-D), Entity A will track any information the Department determines necessary for maintaining and tracking MM through the inventory tracking system. The Company will maintain all inventory in an electronic tracking system which must include an accounting of and an identifying tracking number for:
- The number, weight and type of seeds.
- The number of immature MM plants.
- The number of MM plants.
- The number of MM ready for sale.
- The number of damaged, defective, expired or contaminated seeds, immature MM plants, MM plants and MM awaiting disposal.

Additionally, the Company will establish inventory controls and procedures to conduct inventory reviews and comprehensive inventories at its facility to include the following:
- Inventory reviews of MM plants in the process of growing and MM that is being stored for future sale shall be conducted monthly.
- Comprehensive inventories of seeds, immature MM plants, MM plants and MM shall be conducted at least annually.
- A written or electronic record shall be created and maintained of each inventory conducted under subsection
  - That includes the date of the inventory, a summary of the inventory findings, and the names, signatures and titles or positions of the individuals who conducted the inventory.

The POS system provides for identification and tracking of all products beginning with a unique barcode identifying number assigned to seeds and plants utilized in the production of MM. A record is maintained in the system of each product according to the regulations. As defined by the Department a “Unique plant identifier” means a numeric or alphanumeric sequence that is assigned to an individual plant when a plant reaches twelve inches in height or is transplanted from a cloning medium or apparatus into a growth medium or apparatus intended for the vegetative or flowering stages of the growth cycle, whichever occurs sooner, to allow for inventory and traceability in the inventory tracking system. Likewise, a "Product identifier" is the unique number assigned by the Ohio Board of Pharmacy for each dose and quantity of a registered product created by a cultivator or processor to allow for inventory and traceability.

Entity A’s electronic inventory tracking system will record the unbroken chain of custody of all MM throughout production. Additionally, guidelines are programmed within the software to ensure that no amount of MM will be available for distribution, recall, or disposal without being appropriately tracked in the electronic records system. Entity A will employ the electronic tracking system selected by the Department and will either link the system through an API with its proposed POS system, or exclusively employ the Department’s selected vendor. The POS is designed to input each area of the cultivation and process to keep concise real-time data.
The first step in creating the comprehensive data is to enter in employee data and security access as defined by each employees’ type 1 or type 2 status. Next, vendors and distribution points including licensed dispensaries, processors and laboratories are identified and entered. This data is critical to be prepared for the testing and sale of MM as well as tracking all financial transactions with vendors throughout the supply chain. Identifying the general facility areas to provide visibility as MM moves through the stages of growth through the cultivation facility is the next step. Each room including storage and/or quarantine (destruction area) are defined in the software to segment out the activities as well as the identification of MM throughout the facility. Once areas are identified, the initial MM inventory will be input into the seed-to-sale software, then the plants can be monitored as they mature through the growth cycle and are prepared for distribution. Inventory of all supplies including pesticides, fertilizers, agricultural products along with materials for production/packaging are entered the software. This is to provide accurate inventory of all items added to the plants as well as the utilized for distribution of final MM.

The POS has functionality for tracking all inventory during transport between Entity A’s other state-licensed dispensary, processor, and laboratory facilities. All transportation will include a trip manifest and appropriate supporting documentation as mandated by the Department, and outlined within the transportation SOP. Entity A will initiate policies that mandate transportation in secure, tamper-evident containers with radio-frequency identification chip technology to track transportation and custody, as well as deter and prevent any disruption in the proper chain of custody.

Daily Opening & Closing Inventory
At the start of each day the manager will provide a blank inventory count sheet for each area of the cultivation. This blind count at the start of every day is designed to provide not only accountability for the plants as they move through the growth cycle but also a tracker of performance to remain compliant in providing a sustainable flow of inventory. All areas are counted utilizing a manual, visual count and then using the POS RFID scan. The data is recorded on the sheet and returned to the manager on duty. Employing the POS, the manager will run the inventory report and compare the blind count data to the POS inventory count. Any discrepancies will trigger a manual re-count by a different employee (still exercising the blind count system). A secondary discrepancy in the count will require a final count by a third employee, usually the security director or Director of Agriculture. Only after this final count, will the type 1 key employee make any adjustments to the inventory system and only after providing appropriate documentation. Any discrepancies will be handled in compliance with the Department regulations and as defined in our SOPs in “Adverse Events and Recall Procedures”.

Room area inventory count description
In the Mother/Cloning and Cultivation Areas, each plant is counted by variety (strain) and is identified by the height of the plant. Once a plant is moved into the Drying Room, it is weighed (wet weight) and hung to dry. Although the plant weight is recorded, to maintain daily counts the hanging plants at this stage will be manually counted until they are ready to move to Cure Stage. Plants in the Cure Stage have been re-weighed to determine the dry weight. In the POS, the MM now becomes a weight-based inventory item. Based upon industry standards, the final dry weight will be a percentage of the wet weight. Any unacceptable deviation to this must be escalated as a discrepancy. All MM in the Cure Room will now be inventoried by variety and weight in the inventory count. MM plant material remaining (Trim) will also be weighed and logged into the POS. Finally, all packaged MM for either licensed dispensaries, laboratories or processors, is stored in the Secured Storage Room. The items in this room are counted by variety and weight.
At the end of the day, all areas are re-counted using the same blind count. This daily closing inventory report will now become the opening inventory for the next day. By tracking the inventory at start and closing of day, we can provide an accurate count of MM by variety, unit, maturity, and weight. Daily counts also reduce any opportunity for diversion or loss as well as provide a tool for forecasting production.

Monthly Inventory
At the end of each month, the Director of Agriculture will run an end of month plant status report for each area of the facility. The Cultivation Manager will do a blind count of each room with plants, will hard weigh all MM in Dry/Cure as well as do a hard count of all packaged MM in the secured room. Any prepackaged units (pounds) of product will be re-weighed monthly to ensure there has been no tampering or adjustment of product weight. The two reports for each area will be compared for any discrepancies. The final monthly plant report will be provided to the CEO and CFO for an audit against production goals.

Additionally, the Director of Agriculture will also initialize an end of month sales report. This report will show sale of MM to licensed dispensaries as well as processors. It will also log and track the transfer of MM to state licensed laboratories. The Director of Agriculture along with the CFO and/or CEO will review the reports to compare them to the financial tracking of all sales.

All equipment and supplies as well as nutrients, additives, etc will be counted, logged and inventoried. These items are also entered into the POS so that they can be accounted for and documented for any inconsistencies.

The Director of Agriculture will also extract a discrepancy and adjustment report. This will provide management a list of all changes in the POS tracking. The report will be used to help identify any potential manual adjustments made in error or by design that would cause an opportunity for diversion. It will also help to identify areas of improvement for better plant management throughout the growth cycle.

Mandatory monthly audit reports are part of our SOPs as part of our best practices for a compliant, safe, diversion-free workplace.

Annual Inventory
Annually, as a condition for renewal of a cultivator license, our type 1 key employee shall conduct a physical, manual inventory of the MM on hand and compare the findings to an annual inventory report generated using the inventory tracking system. If any discrepancies are discovered outside of loss standard to the industry due to moisture loss and handling, the type 1 key employee shall report such findings to the Department in accordance with 3796:5-4-01. All inventory, procedures and other documents required by this rule shall be maintained on the premises and made available to the Department always. In compliance with 3796:2-2-04(E), all Entity A inventories, procedures and other documents required will be maintained on the premises and made available to the department at all times.

Process
When a plant reaches twelve inches in height or is transplanted from a cloning medium or apparatus into a growth medium or apparatus intended for the vegetative or flowering stages of growth cycle,
whichever occurs sooner, the cultivator shall securely attach a tag to the plant or the plant's container that includes, at a minimum, the following information: Entity A’s name and license number; the registered name of the strain; the unique plant identifier; and general information regarding the plant that is used for traceability. Entity A will store MM inventory on the premises in a designated, enclosed, locked facility identified in our facility plans and specifications submitted to the Department and accessible only by authorized individuals. Entity A will not prohibit members of the Department, a Department's designee, law enforcement, or other federal, state, or local government officials from entering any area of a cultivator if necessary to perform their governmental duties.

By means of its planned inventory control system, Entity B and integration with any electronic tracking system selected by the Department, Entity A is confident in its capacity to maintain detailed records of all products within its facilities, as well as reduce and prevent possibilities of product diversion. A key component of the diversion prevention activities includes inventory controls that mandate regular, daily audits of all packages returned to the secure room at the close of business. These counts will be notated within inventory reports for all cultivation staff members, and validated by the Inventory Manager against current data in the electronic inventory control system. If a discrepancy is discovered during the daily inventory audits, the Director of Security will immediately process an incident report and a subsequent investigation will immediately follow. The Department and local and state law enforcement agencies will also be alerted of the incident in compliance with state law and regulation.

Storage of MM and Tracking: Product in need of quarantine can be separated from bulk and placed in the designated area. Inventory destruction can be initiated through the system requiring documentation of destruction purpose and/or approved method as well as the employee performing the action. Although the inventory can be adjusted or voided, at no time is any data ever fully deleted as Entity B maintains a log of every action, including adjustments and voids, so that the entire history of the system may be reconstructed. The availability and report ability of the system data enables the said entity to produce any information necessary for the Department during an inspection or at the Department’s request.

Packaging & Labeling
Elements of the quality assurance plan will include best practices for the packaging and labeling of MM. In compliance with 3796:2-2-02(B)(4)(b) and 3796: 2-1-03(B)(3)(c), Entity A’s labeling responsibilities will be integrated into our inventory tracking and control system, Entity B, a Point of Sale (POS) system which will ensure that our inventory related activities are traceable/recorded and that there are no undetected security breaches.

Below is a comprehensive list of the POS equipment Entity A will be utilizing to ensure compliant, accurate and timely data tracking to the Department.

**Grow**

1. Terminal - Minimum Specs/Internet Access
2. Cordless Barcode Scanner - Motorola LI4278 or Unitech MS380 - Cordless
3. Label Printer - The Stover Modified Thermal Printer (High Volume) or Zebra TLP 2824 PLUS (Low Volume)
4. Recommended -Mayline® Empire Mobile PC Cart
5. Optional - Futronic’s FS80H / FS81H USB2.0 Fingerprint Scanner

**Harvest**

1. Terminal - Minimum Specs/Internet Access
2. Cordless Barcode Scanner - Motorola LI4278 or Unitech MS380
3. Label Printer - Zebra TLP 2824 PLUS (Low Volume)
4. Scales - A&D FG-30KAMN NTEP*, A&D Washdown HV-60KWP or Ohaus Defender 5000*
5. Scale Accessories required for seamless integration - TRENDnet TU-S9 USB to RS232 Serial Converter and Serial RS232 Female to Female Gender Changer
6. Optional - Futronic’s FS80H / FS81H USB2.0 Fingerprint Scanner

**Label/Tag/Receipt Sizes**

1. Zebra TLP2824 Plus Label Sizes
   a. 2.25 x 1.25 Direct Thermal
   b. 2.25 x 4 Direct Thermal Label
   c. 2.25 x 1.25 Thermal Transfer
2. Zebra GC420D Label Sizes
   a. 4 x 2.25 Direct Thermal Label
   b. 2.25 x 1.25 Direct Thermal
   c. 2.25 x 4.75 Direct Thermal
   d. 3.00 x 4.00 Direct Thermal
3. Stover Plant Tags Size
   a. 1”x9” wrap tags, t-lock mechanism (WOT9X1C) (for use with Stover Printer)
   b. 1”x9” wrap tags keyhole locking mechanism (WP9X1) (for use with Stover Printer)
4. Receipt Paper Size
   a. Thermal Paper Roll - 3 1/8” X 230
5. Label (Plant/Inventory)
   a. 2.25 x 4.00 Direct Thermal (Inventory Label)

All MM produced at Entity A will include a unique 16-digit barcode that is scannable and automatically generated by the Entity B system. The barcode will be automatically generated once inventory team members input credentials based upon security parameters outlining the information surrounding the product. Once the information is inputted into Entity A’s inventory control system, the inventory team member will print out a label and affix it to the sealed package with a product label that conforms to state regulation. All labels will be produced according to the pre-designed templates (specific for all products sold at the facility) included in the Entity B system. The final labels affixed by Entity A staff members will be easily readable and conspicuously placed on each package, and will be compliant with the Department’s regulations. In compliance with 3796:2-2-02(F), Entity A understands that it is prohibited for anyone to knowingly or intentionally alter, obliterate, or otherwise destroy any container or label attached to an approved container. In the event a container or label is altered, obliterated, or otherwise destroyed, Entity A understand that the Department may act in accordance with 3796:5-6-01. Entity A is proposing that MM will be available to dispensaries in the following packaged increments - grams, eighths, quarters, half ounce and ounces. In compliance with 3796:2-2-02(B-D), Entity A will package the MM in a Department approved child-proof, tamper-evident, light-resistant package. All Entity A packaging will be selected to maintain the integrity and stability of the plant material.
To support excellence in the dispensing of MM, Entity A will provide dispensaries with Entity N. These are designed to help with patient medication management and to ensure prescription medication is taken as the doctors prescribe. Entity N has a built-in LCD timer that is activated when the cap is put on a container. At that moment, a sensor detects the container and a built-in battery energizes the LCD display and the timing circuitry. Like a stopwatch, the display on the cap counts-up, first the seconds, then minutes and hours since the cap was replaced. When a patient opens the cap to access their medication, the display shuts off and the timing circuitry resets back to zero. Entity N are Child-Resistant Closures (CRC). By making the Entity N products available to dispensaries, Entity A will be supporting the Department’s goal to provide safe MM to patients while offering a simple tool that has been proven to help resolve the challenges of medication adherence. Entity A has obtained a letter of intent from Entity N’s CEO that outlines the necessary product information and pricing as well as services to include leadership training regarding product use.

Entity A will also utilize Entity O for MM packaging. A veteran owned business, Entity O provides compliant packaging solutions for the legal cannabis industry. The packaging is FDA approved, eco-friendly, fully recyclable and made in USA. With its unique child lock system, Entity O will provide an additional layer of security and safety for the patients receiving our MM. Entity A has obtained an agreed upon letter of intent from Entity O’s CEO that describes their recommended MM packaging products, the line of child resistant bags for Entity A’s packaging solutions.

Labels will be affixed to every package with information provided in English. Every label will include Entity A’s name and license number, the name and license number of the dispensary receiving the shipment, a product identifier, the registered name of the MM (strain), a unique identification number to match the MM with a batch and batch number to facilitate any warnings or recalls and the date of harvest, final testing and packaging.

Additionally, Entity A will provide the total weight in grams of plant material in each package, the identification of the independent testing laboratory along with the laboratory analysis profile, and a list of all active ingredients including the percentage content by weight for the following cannabinoids, at a minimum: Delta-9-tetrahydrocannabinol (THC); Delta-9-tetrahydrocannabinolic acid (THCA); Cannabidiol (CBD); and Cannabidiolic acid (CBDA). Each product label will display an expiration date which will not exceed one calendar year from the date of harvest.

Warning labels will be highlighted with the specific verbiage provided by the Department. "This product is for medical use and not for resale or transfer to another person. This product may cause impairment and may be habit-forming. This product may be unlawful outside the State of Ohio." For the safety of youth, Entity A will propose to the Department the additional label “Keep Out of the Reach of Children”

If applicable, Entity A will add an approval or certification logo of a third-party certifier of cultivation practices. Any third-party certifiers will not have direct or indirect financial interest in any MM entity licensed in the state of Ohio and these certification protocols used by the third-party certifier will have been reviewed and approved by the Department.

Entity A will ensure that labels will not contain any false or misleading statement or design, depictions of the product, cartoons, or images that are not registered with the Department.
(including any insignia related to a governmental entity), any sum totals of cannabinoids or terpenes, except THC content as defined by the Department. As part of Entity A’s overall Quality Assurance Plan and in compliance with 3796:5-7-01(A-G), Entity A will embrace and support the definition of “advertisement” to be any written or verbal statement illustration/depiction created to induce sales using or a combination of letters, pictures, objects, lighting, effects, illustrations, or other similar means and includes brochures promotional and other marketing materials. No Entity A advertisement will be pursued if it has a high likelihood of reaching persons under the age of eighteen. Entity A will not encourage promotion or otherwise create any impression that marijuana is legal or acceptable to use in a manner except as specifically authorized by Chapter 3796 of the Revised Code.

Entity A will submit to the Department and pay any applicable fee prior to the use of a name, logo, sign, or other advertisement for approval. All submissions will include a brief description of the format medium and length of the distribution; verification that an actual patient is not being used on the advertisement; verification that an official translation of a foreign language advertisement is accurate; annotated references to support statements related to effectiveness of treatment; and a final copy of the advertisement including a video where applicable in a format acceptable to the Department. Entity A will provide for at least 15 business days for the Department to review materials until September 9, 2019 when the department shall have 10 business days to review materials. Entity A will comply with the decision of the Department and provide a specific disclosure to be made in the advertisement in a clear and conspicuous manner if the advertisement would be false or misleading without such disclosure; change the advertisement necessary to protect the public health safety and welfare; or withdraw the proposed advertisement.

Entity A will not place or maintain an advertisement of MM including paraphernalia within five hundred feet of the perimeter of a prohibited facility, a game arcade where admission is not restricted to persons aged twenty-one years or older, or a business where the placement of the advertisement targets or is attractive to children as determined by the Department. Entity A will not be utilizing billboards, radio or television broadcast including a system for transmitting visual images and sound that are reproduced on screens and includes broadcast cable on-demand satellite or internet programming for advertising. Entity A will not use handheld or other portable signs. The Company will respect public places and will not place handbill leaflets or flyers directly handed, deposited, fastened, thrown, scattered cast or otherwise distributed to any person nor left upon any private property without the consent of the property owners, in a vehicle public transit vehicle or public transit shelter; or in a publicly-owned or operated property.

Entity A will not include any image bearing a resemblance to a cartoon character fictional character whose target audience is children or youth or pop culture icon; market, distribute, offer, sell, license or cause to be marketed distributed offered sold or licensed any apparel or other merchandise related to the sale of MM to an individual under eighteen years of age; not suggest or otherwise indicate that the product or entity in the advertisement has been approved or endorsed by the Department, the state of Ohio or any person or entity associated with the state of Ohio. All Entity A advertising will be consisted with the medicinal and approved use of MM and only support the use of MM for a qualifying medical condition. Advertising will not be false or misleading. We will not departure from the MM registered name including marijuana leaves slang terms and similar references. We will respect competitor’s products and will not employ any obscene or indecent
terminology or imaging. We will only promote the safety or efficacy of MM which is supported by substantial evidence or substantial clinical data.

After confirming the age affirmation of at least eighteen years of age by the user, Entity A’s website will provide the following: Entity A business address, contact information, and services provided. We will not allow for direct engagement between consumers or user-generated content or reviews; provide a medium for website users to transmit website content to individuals under the age of eighteen; target a consumer group with a high likelihood of reaching individuals under the age of eighteen; display or otherwise post content that has not been submitted to the Department. The site will not transact business or otherwise facilitate a sales transaction to consumers or businesses; or maintain a web presence that would otherwise violate rule 3796:5-7-01 of the Administrative Code.

In compliance with 3796:2-2-02(E), Entity A will provide dispensaries free samples of plant materials. A free sample shall be packaged in a sample jar protected by a plastic or metal mesh screen to allow patients and caregivers to smell the plant material before purchase. Each sample jar will not contain more than three grams of a strain of plant material. The sample jar and the plant material within will not be sold to a patient or caregiver and shall be destroyed by the dispensary after use. The dispensary shall document the destruction of every free sample in accordance with the rules established pursuant to Chapter 3796. of the Revised Code. Entity A will propose to the Department the sample jars also comply with general dispensary labeling regulations and will provide the same data as listed above.

Entity A will provide MM to processors in increments of pound (unit) increments equal to 453 grams per unit. In compliance with 3796:2-2-02(A)(1-2), Entity A will package the MM in a Department approved tamper-evident, light-resistant package prior to distributing plant material to a processor. All Entity A packaging will be selected to maintain the integrity and stability of the plant material.

Entity A will utilize Entity O cultivation bags in our production and transport. These provide a child resistant exterior as well as odor mitigation. We will employ this along with traditional vacuum sealed bags when necessary. All bags will be placed into a secured box which is sealed with tamper-proof tape. At each step of packaging, inventory employees will document, record and sign for the chain of custody of MM. Entity A will also provide either online or hard copies of all laboratory test results to the processor or in the manner defined by the Department.

Entity A’s system for inventory oversight, compliant labeling and packaging will incorporate routine audits of all products at multiple points in the supply chain within the operation. At the time that labels are ready to be printed, the Inventory Manager will assure that the appropriate label template is being utilized for the corresponding product. Once the Inventory Manager confirms that the proper label template is being utilized, packaging and labeling staff members will affix all labels on product packages to conform to the specific batch of a given product. Once a product batch is completed, the contents will be segregated for a final inspection by a designated packaging and labeling team member to ensure all labels are accurate, include proper printouts, and have been affixed properly and conspicuously on all packages. When all packages have been inspected and confirmed to be correct, all packages will be moved to the secure room for storage prior to being transported to a licensed dispensary.
The inventory system pulls variable information about each product, and prints only the fields designated within the template currently utilized. This will prevent any of these items from being printed on any label generated by the inventory system and team. All Entity A label templates will be designed by the Inventory Manager to conform to the requirements listed above. As an extra layer of redundancy, packaging and labeling team members, transportation specialists, and other members of the Entity A cultivation team will be trained in advance on the labeling prohibitions, and will include these restrictions on their review of items made available for delivery to licensed laboratories, dispensaries and/or processors.

As MM move through the production chain at the facility and are finalized for packaging and labeling, Entity A staff will verify the identity and contents of each product from the electronic tracking system, while also conducting a visual inspection of each product to ensure the contents match the prepared label. No product will be labeled by a Entity A staff member if its contents to do not conform with the description included in the electronic tracking system.

**Production Control**

As part of Entity A’s compliance with the Department in conjunction with our core mission to provide safe and effective MM to the patients of Ohio, we will utilize licensed testing laboratories to provide clear analysis, profiles and a list of all active ingredients. If permitted by the Department, we will additionally use internal testing to assist in the monitoring of quality MM throughout our facility.

In compliance with 3796:2-1-02(B)(4)(a) and 3796:2-1-03(B)(3)(a), Entity A has developed an integrated pest management (IPM) protocol for its proposed cultivation area in the cultivation facility that strictly complies with state laws and regulations to produce MM. The limited use of pesticides by Entity A will apply to all products used, as part of the IPM protocol, Entity A will include permitted active ingredients under state regulation and approved for use in greenhouses or food crops. In compliance with 3796:2-2-01(C)(1)(a-b),(3-4), all pesticides will meet the requirements and will be registered with the Ohio Department of Agriculture to meet either of the following requirements: (a) Registered with the United States Environmental Protection Agency under section 3 of the Federal Insecticide, Fungicide, and Rodenticide Act, 7 U.S.C. 136-136y (2012); or (b) exempt from registration under 40 C.F.R. 152.25(f) (2015) and the active inert ingredients of the pesticide product are authorized for use on crops or plants intended for human consumption by the United States Environmental Protection Agency.

Entity A will utilize a IPM protocol that uses two pesticide applications with approved active ingredients which will be verified with the regulations. The first product to be used at Entity A is the insecticide, Azadirachtin. Azadirachtin is approved for organic production and works as a repellant, antifeedant, and insect growth inhibitor (According to Ohio Department of Commerce MM Control Program Approval Draft Approval list - CAS number 11141-17-6 Listed Use Adjuvant, Insecticide, Microbiocide, Fungicide). It is approved for use on food crops, and is particularly effective in preventing the introduction of a host of pests.

Under Entity A’s protocol for Azadirachtin application, foliar applications will be performed on plants three days per week, every other week, until plants transition into the flowering stage of growth. In compliance with 3796:2-2-01(C)(3), Entity A’s cultivator operations and quality assurance plan will ensure that no foliar application of approved pesticides, fertilizers, or other chemicals shall be made after the twenty-first day following the date that a plant is moved into the flowering stage.
of growth, unless otherwise permitted on the Department’s approved list. No pesticides will be applied at Entity A, approved or not approved, following the plant’s transition from the vegetative phase into the flowering phase.

The second and final active ingredient included in Entity A’s IPM program is cold pressed neem oil (according to Ohio Department of Commerce MM Control Program Approval Draft Approval list - CAS number 8002-65-1, 947173-77-5 Listed Use Insecticide). Neem oil is a vegetable oil pressed from the fruits and seeds of the neem tree; an evergreen tree that is endemic to the Indian subcontinent and has been introduced to many other areas in the tropics. Neem oil is an effective fungicide, miticide, and insecticide that has been utilized effectively in other state-licensed MM cultivation facilities. Neem oil is approved for organic production and is sufficient for foliar control of fungal diseases and insect pests. It has additionally been utilized effectively in the prevention of powdery mildew. It is approved for use on food crops and is particularly effective in preventing the introduction of a host of pests.

Under Entity A’s protocol for the administration of neem oil, foliar applications will be administered on plants three days per week, every other week, until the plants enter the flowering phase. Weekly neem oil applications will alternate with weeks when Azadirachtin is being applied. No approved pesticides, including neem oil, will be applied to any plants after the transition from the vegetative stage to the flowering stage is initiated.

Entity A’s cultivation team has created standardized policies for healthy plant production. The leadership team is dedicated to limiting pesticide application strictly to two approved active ingredients. If a situation arises requiring pest mitigation or control, the organization will remain dedicated to strict compliance to the regulations for pesticide use under state law and regulation, and will only use the active ingredients spelled out in the regulations for MM cultivators.

Entity A will allow for inspection and review by the Department on any of its cultivation and pest management practices upon request. Recordkeeping is an imperative element of Entity A’s IPM protocol. Extensive physical IPM documentation will be created for all IPM applications. All information will additionally be maintained within the electronic inventory control and management system. All physical copies of IPM applications will be maintained on-site and stored in fire-resistant containers for a period of five years.

In compliance with 3796:2-2-01(7-8), Entity A will dispose of all unused pesticides, fertilizers, and other chemicals according to all state and federal laws and regulations, which require compliance with all directions on the product label. Additionally, our SOPs prohibit the use of a pesticide, fertilizer, or other chemical by a cultivator that is inconsistent with the product’s label or in violation of the Administrative Code.

Entity A has created MM growing practices that have been tested and proven in other highly regulated state MM facilities. Person C, Entity A’s Director of Agriculture along with the Cultivation Manager will oversee all cultivation at the facility. They will implement SOPs that conform to state regulation pertaining to the cultivation of MM, and oversee a staff of cultivation team members committed to producing the highest quality of medicine for qualifying patients.
Disposal & Waste Removal
To protect human health, public safety, and the environment, from the improper, inadequate, or unsound management of hazardous waste, Entity A implements procedures for the storage, generation, transportation, treatment, and disposal of all Facility materials, to include, but not limited to all MM, supplies, hazardous chemicals and compounds. Utilizing Facility-specific SOPs, employees ensure the safe and adequate management of all Facility Waste. Entity A is responsible for all costs incurred in the storage, management, and disposal of Facility Waste, to include those costs as required by the Department. Entity A employees undergo intensive monthly training sessions emphasizing the importance of pollution prevention through applied examples of the economic and environmental ramifications of hazardous waste generation and disposal, raw material usage, and overall worker safety. Employees is trained in the proper handling of materials, and the efficient operation of equipment put in place to minimize waste and usage, for plant materials, supplies, energy and water. Both employees and Software reports aid in further understanding how Entity A can optimize its Facility Systems, and continue to reduce waste. Entity A will implement incentivized, Facility-wide pollution prevention goals, and our staff will be educated on the costs of waste generation, disposal, and treatment. All Facility cost reductions will be allocated back to the staff and its incentive programs.

In compliance with 3796:2-1-02(B)(4)(c) and 3796:2-1-03(B)(3)(e), Entity A has designed standards for the disposal of MM waste and other wastes as well as SOPs for the destruction of MM and disposal of the adulterated MM waste. In compliance with 3796:2-2-0(C)(7), our SOPs clearly define that the disposal of all unused pesticides, fertilizers, and other chemicals will be performed in compliance with all state and federal laws and regulations and in compliance with all directions on the product label. Our Facility is designed to be compliant with 3796:2-2-05(A)(2) as to maintain or construct fencing to prevent unauthorized entry or access to waste disposal containers, disposal areas or compost areas located outside the facility.

To monitor, track and record all activity related to the disposal and waste removal of MM, Entity A’s POS will be employed. All adulterated MM that is intended to be removed or transported from the facility shall be staged in an area known as the "quarantine" location which is housed in the Trim/Packaging room.

The POS will record the reason and associate it with the identifier for that plant or product. The data associated with the destruction is retrievable through pulling a simple report within the system for record keeping or reporting purposes. The report will show the person who created the destruction event, a timestamp of when the event was created, the identifiers for all plants or products to be destroyed, and the reasons the items were selected for destruction.

Additionally, the system can adjust inventory and always requires a reason for removal when utilizing the inventory adjustment feature. Product in need of quarantine can be separated from bulk and placed in the designated area. Inventory destruction can be initiated through the system requiring documentation of destruction purpose and/or approved method as well as the employee performing the action. Although the inventory can be adjusted or voided, at no time is any data ever fully deleted, as the POS system maintains a log of every action, including adjustments and voids, so that the entire history of the system may be reconstructed. The availability and report ability of the system data enables the said entity to produce any information necessary for the Department during an inspection or at the Department’s request.
During or after the harvesting and curing phases of the plant's lifecycle, a user would create a batch or lot for the “green waste”, which would include broad leaf trim and stems that are not going to be converted into another form or provided to a processor. All waste is weighed, given its own 16-digit unique identifier (traceable to the original mother identifier of the plant), and is stored permanently in the system prior to the destruction taking place. When a POS system user sends a sample for Quality Assurance testing and the sample does not meet minimum standards designated by the regulatory agency or law, a user will place the product into quarantine for destruction.

All aspects of the MM plant, byproduct wastes, weights, ID numbers, and associated data is stored in the system indefinitely. Destruction event information and explanations are also documented and stored within the POS system. This data cannot be modified or deleted by employees. Even the POS team cannot access a licensee’s data without their expressed permission.

The POS system records manual inventory adjustments through a detailed notes section. The reason for disposal and, if applicable, disposal company are recorded and archived to the 16-digit, non-repeating, unique identifier associated with the disposed MM plants, material or products. As with all transactions in the POS system, the employee responsible for the transaction is required to enter a four-digit pin, or their biometric access recording the date, time, and reason for disposal.

In compliance with 3796:2-2-03(A-E), Entity A has developed SOPs to ensure we dispose of undesired, excess, unauthorized, obsolete, adulterated, misbranded or deteriorated MM waste under the supervision of a type 1 key employee, as defined in paragraph 3796:5-2-01(H)(1) of the Administrative Code, and in such a manner as to render the MM waste unusable or by surrendering without compensation the MM to the director or the director’s designee at the director's discretion.

Our disposal procedures will render MM waste unusable. MM waste that is rendered unusable will be discarded into a locked dumpster or other approved, locked container to await compost in a secured area at the cultivation site for future use at the facility. Entity A recognizes the Department’s approved waste methodology which must ensure the resulting mixture is at least fifty-one percent non-MM waste to include rendering all MM as unusable by grinding and incorporating with one or more paper, cardboard, food waste, yard/garden, grease/compostable oil wastes, soil/other used growth media, or other wastes approved by the department. Entity A will be utilizing a Bokashi waste disposal methodology as approved by the Department. Bokashi is a Japanese term meaning ‘fermented organic matter.’ The bokashi fermenting system will offer extensive advantages to the organization in the management and disposal of MM waste generated during production. Since all activities will be conducted on-site, there will be no need for a chain-of-custody protocol for transport of waste products. When recycling waste is performed on-site, Entity A’s bokashi process holds the following advantages: Rapid disposal of all waste; Efficiency – The fermentation process is completed within seven days; The potential to utilize the resulting bio pulp for soil enhancement and better plant growth; Conservation of water; Elimination of MM odors; Fermentation is phytotoxic thus killing weeds and their seeds; Eliminates expense of pick-up and transport of waste; Fermentation is the most sustainable agricultural method of waste management.

Bokashi fermenting is simplistic in nature, efficient, and has a quick time to completion. The methodology incorporates rapid metabolizing of all waste with organically occurring microorganisms and beneficial organisms. This policy is exuberantly quicker than standard composting, produces no greenhouse gases, generates no heat, and takes only one week to complete. All waste will rapidly
decompose and any noxious odors, putrefaction, and gases will be eliminated internally within the system and as such insects and rodents will not be attracted to the end product. The protocol does not mandate turning, mixing, aerating, or the incorporation of additional materials to complete the process.

All fermentation will be performed within 55-gallon high-density polyethylene fermenting containers. Each container can hold approximately 450 pounds of waste every two weeks. All containers within the facility will be incorporated with a tamper evident band clamp and tamper evident cassette seals in attempt to further increase security and reduce the potential for diversion of any MM material. Organic waste will first be passed through a pulverizing system that secures to the top of the 55-gallon fermenting container. Team members will push the MM waste through the system and combine the processed shredded waste with an organic accelerant that manipulates the high cellulose content of waste toward decomposition. Returned MM waste will be separated from their respective packaging and incorporated into the container as well. Bokashi culture mixtures will be incorporated into the waste containers and then sealed to prevent the incorporation of oxygen.

The fermentation parameters presented by the leadership team eliminate seeds and pathogens including E. coli and salmonella. No methane is produced since the pH adjusts to acidic parameters as waste material is metabolized and broken down. Methanogens, the organisms that produce methane, cannot survive under these parameters.

After the fermentation process, the resulting bio pulp is contained within the fermentation containers. Entity A team members will incorporate the bio pulp within cultivation medium to be used as a soil conditioner, soil amendment, fertilizer or mulch. Entity A team members responsible for handling waste and finished fermented bio pulp will adorn protective eyewear, disposable laboratory exam gloves, and disposable protective suits to further increase proper handling protocols. Incorporated bio pulp and cultivation medium will be contained in a separated area with other cultivation-related products within the Entity A cultivation facility. Inventory levels will be documented and maintained within the electronic inventory control tracking system.

All disposal of MM will be performed by a type 1 key employee in the designated destruction area (quarantine area) of the facility. The disposal shall be performed under video surveillance from the time the destruction begins to when it is placed in a locked dumpster or other approved, locked container and removed from the facility. In compliance with 3796:2-2-03(D), Entity A’s type 1 key employee overseeing the disposal of MM will maintain and make available a separate record of every disposal indicating the following: the date and time of disposal; manner of disposal; volume and weight of the approved solid waste media used to render the MM unusable; all unique identification codes associated with the MM scheduled for destruction; reasoning for and description of the disposal; signature of the type 1 key employee overseeing the disposal of the MM; and if the MM waste for disposal contains plant material that was prepared for sale to a dispensary or processor, the batch number, strain, volume, and weight of the plant material being disposed of.

Additionally, Entity A will ensure that the disposal of other waste including hazardous waste and liquid waste will be performed in a manner consistent with federal and state law. Entity A will work with Ohio Environmental Protection Agency to embrace our mutual goal to protect the environment and public health by ensuring compliance with environmental laws and demonstrating leadership in environmental stewardship.
In compliance with the US Department of Energy and in support of Ohio’s Board of Building Standards, Entity A’s facility will be constructed and maintained to minimize its impact on the environment and creation of waste. Our electrical and lighting plan is designed to reduce the use of power and heat to avoid the generation of additional need for cooling.

The Company will not generate wastewater that incorporates any hydroponic nutrient solution utilized within its cultivation procedures. All plants cultivated at the operation will be potted using coco coir as the cultivation substrate, avoiding any initiation of wastewater generation that incorporates nutrient solutions or pesticides. The organization’s cultivation policies validate that there will be extremely minimal waste produced in the formulation and preparation of MM plants. In regard to the limited amount of waste generated during production, the organization will employ a protocol for on-site waste disposal that is cost-effective, immediate, and environmentally friendly. Waste policies additionally require that all products that are to be disposed of to be documented, tracked, and accounted for within Entity A’s electronic inventory control and tracking system. This incorporates MM and returned MM to Entity A. The management team will adhere to its policies to make sure that all waste generated within the organization will be tracked in the inventory system (including hard copy records maintained on-site for a period of five years), and compliant with all state laws and regulations, as well as all protocols of the organization.

The leadership team is self-assured with the efficiency, sustainability, and cost-effectiveness of its prospective bokashi fermentation system for MM waste.

Adverse Events & Recall
Entity A will work closely with our Compliance Advisor and Director of Security to prevent any adverse loss. Our SOPs defined in Section 2D of this application detail our security plans. However, in case of any suspect event, our POS will be engaged to help to identify any loss, track and record any discrepancy and provide the necessary data required by the department. Throughout the course of business, or following a suspected theft or known robbery, a user can perform inventory audits to confirm or adjust what is showing in their inventory and what the user has on hand. After clicking on the Inventory Audit icon within the system, a list populates showing all the items for inventory in the current inventory room. If the user wishes to run a “Blind Audit”, this will prevent the employee from seeing the original weights or any differences thereof. The “Inventory Shrinkage Report” allows you to total loss across various products for a given time-period with a threshold to ignore adjustments made outside of a certain increment (mistakes). An “Inventory Forensics Report” shows all actions logged within the system. For example: if a disgruntled employee were to somehow access the system and begin deleting inventory with the intent to throw the facility out of compliance, all actions would be tracked and therefore can be identified via the Inventory Forensics Report and then corrected.

In the event of a robbery or theft, the administrator or law enforcement can review the Inventory Report to identify how much of what strains, weights, various products, and materials have been stolen. The Inventory Report will display any inventory (including quarantined and materials set for destruction) and can assist licensees and regulators/law enforcement in determining an exact amount to the fraction of a gram of the products and materials stolen.

In compliance with 3796:2-1-02(B)(4)(f) and 3796:2-1-03(B)(3)(f), Entity A has SOPs which establish a safe, consistent supply of MM and include recall policies and procedures in the event of
contamination, expiration or other circumstances that render the MM unsafe or unfit for consumption, including identification of the products involved, notification to the dispensary or others to whom the product was sold or otherwise distributed, and how the products will be disposed of if returned to or retrieved by our facility.

When identified and released, Entity A will incorporate any overseeing department recall procedures into our own internal procedures. The goal of Entity A’s recall procedure is to:
1. Stop the distribution and sale of affected product.
2. Effectively notify Entity A management, customers and regulatory authorities of recall if necessary.
3. Efficiently hold and remove the affected product from the marketplace.
4. Dispose of the affected product if necessary.
5. Conduct a root cause analysis and report the effectiveness and outcome of the recall.
6. Implement a corrective action plan to prevent another recall.
7. Upon completion of the recall, Entity A management will conduct a post-recall meeting to evaluate the recall.

The handling of customer complaints is categorized into non-critical and critical. Non-Critical Quality complaints from customers are directed to the employee who co-ordinates the appropriate customer response in conjunction with the manager, Compliance Advisor and/or Director of Agriculture. A non-critical complaint is classified as a quality which is defect defined as any attribute that is not to specifications and includes such things as poor product quality, packaging, labelling or date coding. Critical complaints such as a claim of alleged injury or poisoning are notified to Entity A following the protocols outlined in the crisis management and product recall programs. A critical complaint is defined as an unsafe product, with an aspect of the product that will result in injury or illness to the customer. This includes metal or glass in the product, contamination with dangerous chemicals, and other contamination.

Information may come from many sources including, but not limited to, an individual consumer, an enforcement agency, or dispensary, processor and/or laboratory. The most important first action is to ensure as much information is gathered as accurately as possible. When receiving a complaint, ask the following questions:
1. Product name, including pack size, serial number, batch number and packaging, testing and harvesting date, if possible.
2. Name of person and or distribution point reporting defect and license Identification number.
3. Nature of defect or complaint
   a. If a foreign object, a description of the foreign object’s size, composition, hardness, and sharpness
   b. If a contaminant, the type if known.
4. Where the defect was found on the product
5. Details of any action taken by the complainant.

When a product needs to be removed from the market it must be determined what classification it must receive. Recall classifications usually involve the presence of bacteria and/or a substance which may cause harm. The following are the types of classifications:
Class I: A Class I recall is for a situation in which there is a reasonable probability that the use of, or exposure to the product, will cause serious adverse health consequences or death. Examples include:
contamination with C. botulinum toxin, Listeria monocytogenes, E. coli, and possibly Salmonella, or the undeclared presence of potent allergens such as eggs or peanuts.

Class II: Class II is a situation in which there is a reasonable probability that the use of or exposure to the product may cause temporary or medically reversible adverse health consequences or where the probability of serious adverse health consequences is remote. Examples include: a food with wood fragments, food contaminated with less harmful pathogens, or food containing less potent undeclared allergens such as almonds or FD&C Yellow No. 5.

Class III: A Class III recall is defined as a situation in which use of or exposure to the product is not likely to cause adverse health consequences. Examples include: filth in food relating to aesthetic qualities or non-hazardous labeling violations such as inaccurate weights.

It is important to remember that the word “Recall” has special legal significance, insurance and liability matters. It should be carefully used and only in situations where there has been possible compliance violation. Any conclusion must be supported as completely as possible by scientific documentation and/or statements that the conclusion is the opinion of the individual(s) making the health hazard determination.

**Notification of Potential Hazard**: The initial notification of a potential hazard can come from a variety of sources including the State Health Department, Entity A Employees, contractors or suppliers. Regardless of the source, all health hazard inquiries should be routed immediately to the appropriate manager.

**An immediate Hold to Be Placed on All Affected or Suspected Products**
As soon as notification of hazard is received, Entity A is responsible for placing an immediate hold on suspected products. Entity A will clearly label all products still in the company’s possession as “Quarantined” and place them in an area of the storage facility separate from all other products in a manner where they would not be mistakenly distributed. Entity A will tabulate product on quarantine and evaluate relative to the total amount of potentially contaminated distributed product. Entity A will strive to recover as much product as possible. The Management Team will assist any governmental investigative agencies in obtaining samples for microbial or chemical testing.

**Fact and Data Acquisition**: In the initial conversation with the Department or customer, the manager will ascertain the available facts associated with the potential health hazard, using the Customer Complaint Log to organize the pertinent facts and create an official record of the issue. Regardless of where the issue originates, the manager will keep careful, detailed notes of the initial conversation and all subsequent activities associated with the recall process. The manager will include in these notifications time and date of each event to aid in the preparation of a final report and measure the effectiveness and timelines of the response. These facts and related information the final report will need to contain include Product type and label (with picture), Description of the product and its intended use, Product codes and expected shelf life, Type of packaging, Nature of defect or health hazard, Locations involved, Invoice(s), Customer(s) and Number of people affected and their condition.

The manager will also obtain the name, agency/customer, and phone numbers of the person making the notification. The manager will also inquire as to whether other products are being investigated as a source of the health hazard and if other companies have been contacted. Often in the initial stages of an epidemiological study more than one potential source is under consideration. In some cases,
cross contamination in the food preparation or contamination by ill food handlers will need to be carefully considered.

**During the Health Hazard Investigation:** When a situation occurs that links Entity A produce to an incident, an immediate trace back and Health Hazard Investigation will be initiated. A Health Hazard Evaluation must consider the following: Whether any disease or injuries have occurred from the use of the product; Assessment of the degree of seriousness of the health hazard; Assessment of the likelihood of occurrence of the hazard and; Assessment of the consequences – immediate and long range.

The first possible scenario following a trace back is that it is determined that the nature of the potential hazard does not pose a public health risk. The second possible scenario is that epidemiologists cannot unequivocally determine the sources of the contamination. The third possible scenario is that Entity A product may not be linked to the contamination because the time interval between the actual event and notification of Entity A precludes a recall since the perishable nature of the product means that the product has already been consumed. When a recall is not appropriate, the focus of Entity A’s efforts will be toward assisting investigating government agencies and/or customers in isolating the likely source of the contamination. The manager will continue to work with growers, suppliers, customers, vendors, and government agencies to establish the likely cause of the problem and develop preventative measures. This will culminate in a final report that will be reviewed with the Management Team. This report will outline any changes that need to be made.

**The Recall Decision**

The recall decision is based on a risk-benefit analysis that weighs the adverse health effects and economic impact against the cost of conducting the recall. Primarily emphasis is placed on adverse health effects. As soon as sufficient information is available, the appropriate decision-maker (CEO), after consulting the manager, legal counsel, and other relevant departments will make the following decisions:

- Whether to keep the product on hold, initiate a recall, and/or conduct further recall investigations.
- If a recall is initiated, decide on what type, develop the recall strategy, and issue operating instructions to the company staff via the manager.
- When any government agency is to be notified of the situation. And what information the company should disclose and what recommendations the company should make.

Note: A recall decision does not depend solely on the health risk of the product. Defective products and misbranded products where no health hazard exists are still in violation of the law and should be recalled.

**Elements of the Recall Strategy** include method of notification, depth of retrieval, whether effectiveness checks are required, and if so, to what level and whether media releases are required and, if so, what medium or media would be most appropriate and what the release should contain.

**Recall Status Reports**

Periodic status reports to the appropriate government office during the recall will become necessary in the event of a recall. Status Reports should include the following: Number of customers notified of the recall; Date and method of recall; Number of customers responding to the communication
and amount of product they had on hand; Number of customers who did not respond; Number of products returned or corrected by each customer and the quantity of the product accounted for (as recorded on the Customer Complaint Log) and; An estimate of the time for completion of the recall.

**Recall Procedure**

In the event of a situation that warrants a recall, the following steps should be taken:

**Step 1:** Classify the recall: there are three different classes (See section titled *Recall Classification*)

**Step 2:** Alert Entity A employees to their responsibilities

**Individual Responsibilities**

**CEO:** Makes decision to withdraw or recall product and to involve regulatory bodies. Directs manager with customer and storage facility communication. Coordinates with all Media Communication. Obtains Legal Counsel.

**Manager:** Classifies recall, involves all necessary Entity A employees, notifies the Product Manager, coordinates retrieval of all process, storage and shipping data involving suspect product.

**Inventory Associate:**

1. Utilizing the code date of the suspected product(s) and appropriate production forms, obtains all the pertinent production data necessary as quickly and as accurately as possible.
   - The time period, day(s) during which the suspected product(s) was processed and/or packed.
   - The affected lot(s), location(s), cultivation room, and table harvested from (if possible)
   - The total volume of finished product manufactured.
   - Process data, production shift, transfer shipment information.
   - The different types of packaging and packaging sizes and identification markings utilized and their individual finished product volumes.
   - All pertinent product codes/ and affected labels as well as pictures taken of the labels.

2. Provides the information gathered under item 1 to the Trace back/Product as it is retrieved.

3. Utilizing the code date and the appropriate shipping forms, determines the following information as quickly and as accurately as possible:
   a. The current location(s) and total volume of all suspected product(s) within Entity A storage/distribution/dispensary facilities.
   b. The total volume of suspected product(s) shipped to each dispensary based on transfer documents.
   c. All suspected product(s) within Entity A distribution facilities gathered together, isolated and then tagged, “Hold – DO NOT SHIP.” Any suspected “in process” cannabis or edible products will also be placed on hold. Provides the information gathered under item 1 to the Trace back/Product as it is retrieved.

**Recall Strategy**

1. Indicate the level in the distribution chain to which you are extending your recall (in this case—medical user)

2. Indicate the method of notification (telephone is default). It is advisable to include a written notification so customers will have a record of the recall and instructions

3. Consider posting the recall notification on the Entity A website as an additional method of recall notification
4. Report on what Entity A has instructed customers to do with the recalled product and its whereabouts.
5. It is helpful for recalling firms to know the name and title of the Recall Contact for each of its customers. Addressing a recall notification letter to a recall contact will expedite the recall process and reduce the potential for the notification letter to get misdirected.

**Public Notification**
The most important part of the recall communication is to convey the identity of the product in question and recall status, that further distribution of the product should cease immediately, and instructions regarding what to do with the product. If an infectious agent is identified but not classified by the complaint, analytical testing will be conducted for the purpose of health hazard investigations. The lab will perform Pesticide Screening, Mycotoxin Screening, Testing for Mold and Bacteria and Residual Chemical Testing.

In compliance with 3796:2-2-03, our waste disposal plans are described in Section IV of this Section 2C. In compliance with 3796.01(A)(1)(a-d), Entity A will identify the MM as “Adulterated MM” if a substance has been mixed or packed with the MM so as to reduce the quality or strength or the substance has been substituted wholly or in part for the marijuana, or it consists, in whole or in part, of any filthy, putrid, or decomposed substance, including mold, mildew, and other contaminants; or it has been produced, processed, prepared, packed, or held under unsanitary conditions whereby it may have been contaminated with filth, or whereby it may have been rendered injurious to health; or its container is composed, in whole or in part, of any poisonous or deleterious substance that may render the contents injurious to health. Any adulterated MM will be disposed in compliance with 3796:2-2-03 (A-E) including ensuring the activity will be under the supervision of a type 1 key employee who will render MM waste unusable. The MM waste that is rendered unusable will be discarded into a locked the designated destruction area. Entity A will maintain and make available in accordance with this chapter a separate record of the activities and all waste as deemed by Department.

Entity A will comply with any future regulations provided by Ohio Department of Agriculture, acting with the cooperation of the Department, that establish a quarantine to prevent the dissemination of plant pests or other contaminants within this State. If no such order is provided by any department, Entity A will upon finding any risk in our facility that has the potential to cause severe damage to other grower or to agriculture in general, will enact a quarantine order. The quarantine order will establish conditions and restrictions determined to be necessary to prevent or reduce the movement of the contaminant from the quarantined area. Vehicles or any means of conveyance suspected of carrying contaminant may also be subject to quarantine and a treatment order may be issued as necessary to eradicate the plant pest. The quarantine order may regulate the planting, growing or harvesting of any immature MM plants or MM plants that serve as a host or reservoir for the plant pest within the quarantined area and may include prohibiting the processing of a specific batch of MM within a specific geographic area or during a specified time. An immature MM plant or MM plant suspected of harboring a contaminant may be ordered to be treated or destroyed. In compliance with 3796:2-2-04(C)(2)(b), Entity A will record the batch number, weight, and strain name associated with each batch that has been quarantined for testing or ready for sale to a processor or dispensary.

Entity A’s inventory tracking protocols also focus on damaged, defective, expired or contaminated MM returned from a licensed dispensary, processor or laboratory that is awaiting disposal. Entity A
will follow a strict protocol to ensure all contents in inventory will be accounted for in its electronic system. Entity A has a detailed procedure for inspection of all MM that arrive as returns. Entity A will undertake rigorous inspection of all products that come to its facility. As part of the SOPs for receiving returned MM shipments, Entity A will implement protocols to assure the quantity of MM in a shipment. All employees will be trained on the protocol prior to employment at the facility and throughout their time working at the facility. All returned MM shipments received by the organization will be segregated within the receiving area for inspection by cultivation staff. The inspection includes a review to ensure that each item is damaged, defective, expired or contaminated. Employees assigned to conduct inspections of received packages of MM will be trained to identify problems with received packages and the appropriate protocols for segregating, annotating, and documenting damaged, inaccurate, or incomplete items. Employees will work in teams of two to review each returned item. One staff member will be responsible for visual inspection of the contents, labeling, and condition of each package. The second employee is charged with weighing contents and entering inspection data into the electronic inventory control and tracking system for each item. The second employee also serves a secondary source of inspection throughout the process. During an inspection process, any package that is confirmed to be defective, meaning it is damaged, inaccurate, expired, contaminated, or incomplete, is set aside apart from other received items and prepared for disposal. Notation and records of any received shipment that is defective will be included in the electronic inventory tracking system by Entity A employees. A process for securing defective shipments will be enacted once an entire shipment has been inspected and are moved out of the segregated receiving storage area. The process will include documenting the defect with the package and updating the information from the return in the electronic inventory control system.

All MM that are expired, damaged, deteriorated, mislabeled, contaminated, recalled, or whose packaging has been opened or breached will be segregated within the secure room at Entity A and held until the products are disposed of in compliance with state law and regulation. After the affected products have been accounted for in the inventory control system, they will be placed in tamper-evident, locked containers and segregated within the secure room in a storage area exclusively for MM to be disposed. The segregation diminishes the potential for the soon-to-be disposed MM coming in contact or contaminating active MM in inventory. Entity A will severely limit the amount of time that products to be disposed remains in the secure room. It will focus on regular, timely disposal of MM in compliance with state regulations and the organization’s disposal process, with a goal of disposing MM within one day.

Along with procedures for handling returned MM from licensed dispensaries and processors, Entity A will also have in place procedures in the event of a product recall. If a complaint is received from a licensed dispensary about a MM from a patient reporting an adverse event, Entity A will commence an immediate investigation of the incident. All investigations will be headed by the Director of Security and the COO. These individuals will be designated as “recall coordinators.” A determination will be made within 24 hours if the complaint warrants a voluntary recall of MM a mandatory recall of MM, or other further action. If no further action is required, Entity A will inform the Department of the decision within 24 hours and submit a detailed written report to the Department stating the rationale for all actions.

Voluntary recall actions will be made if the MM in question does not pose a risk to public health and safety. If a voluntary recall is made, Entity A will notify the Department at the time the recall activity begins. Mandatory recall actions will be made if a condition related to the MM in question poses a
risk to public health and safety. If a mandatory recall is made, Entity A will immediately inform the Department by phone and commence a full mandatory recall protocol. Entity A will secure, isolate and prevent the distribution of the MM that may have been affected by the condition and remains in its possession.

During a recall, all MM production activities at Entity A will be halted until all management team members are apprised of the situation. As part of the action plan, recall activities will commence from the affected batch or lot of affected product, as identified by the label information and verified by Entity A’s electronic inventory control system. Inventory staff will determine if any affected product within the batch or lot is contained in the facility. If so, that MM product will be immediately quarantined and moved to a secure area for disposal.

For affected product that has already been transported to other licensed dispensaries, determinations will be made as to the location of affected product through the inventory control system and electronic transport manifests. The CCO will initiate immediate contact with all receiving parties to inform of the situation and call for the immediate removal of recalled product. As part of the communication plan, notice of the recall will be posted publicly on Entity A’s website, shared with the Department for further distribution, including in a press release to local medical outlets, and shared with all receiving dispensaries to further inform patients and caregivers. Entity A will work with all affected parties (licensed dispensaries, laboratories patients, caregivers) to begin acceptance of any recalled product to its facility for proper disposal. Disposal activities will be coordinated with the Department, and authorized agents of the Department may oversee the disposal to ensure that the recalled MM is properly handled in a manner that does not pose risk to public health and safety.

As with any product returned to the facility for disposal, protocols listed above for inventory management through the electronic system will be administered. Information relevant to the recall will be input into the electronic inventory control system, including the following: Total amount of recalled MM, including types, forms, batches and lots, if applicable; The amount of recalled MM received by Entity A, including types, forms, batches, and lots, if applicable, by date and time; Names of recall coordinators; Source of recalled MM received; Means of transport of recalled MM; Reason for recall; Number of recalled samples, types, forms, batches and lots, if applicable, sent to laboratories, the names and addresses of the laboratories, the dates of testing and the results by sample; Manner of disposal or recalled MM including name of individual overseeing disposal, name of disposal company (if applicable), method of disposal, date of disposal, amount disposed by type, forms batches and lots (if applicable) and; Any other information required by the Department.

Entity A will utilize our POS system to monitor and track all adverse events and recalls. Any and all adjustments to inventory levels must be administered by the appropriate staff. In the event of a recall, specified users can quickly pull reports of all products and transactions associated with a specific plant(s), batch or strain. Within the system the licensed entity will be able to quickly and easily find the remaining product, the locations delivered to as well as all sources and derivatives of the product. Once the affected individuals have been identified, because the supply chain contact preferences have already been logged, timely communication is accessible. Entity A’s POS system also provides a method of sending SMS(text) message or email blast messages, which can be targeted to just those distribution points that have purchased a specific product within a given time period. Upon destruction of the product, any and all information pertaining to its destruction including but not limited to method of destruction, witness documentation and an electronic PIN or biometric
fingerprint scan signature from the person in charge. This will be considered the alternative end to the product life cycle, and true seed-to-sale traceability and reconciliation can be visibly achieved.

**Recordkeeping & Regulatory Compliance**

Recordkeeping is imperative to maintaining complete regulatory controls for inventory oversight, as well as securing full compliance for actions like accounting, security, and audits. Entity A’s management protocols, business documentation, operating procedures, cultivation records, inventory reports, and audit records will be recorded, secured, and available for review and inspection by state regulators and law enforcement officials upon request. The guiding principles of the recordkeeping protocol are to reduce any potential unlawful activity as well as ensuring the organization’s operating efficiency and compliance. In compliance with 3796:2-2-08(A-E), Entity A will keep and maintain upon the premises for a five-year period, unless otherwise stated in these rules, true, complete, legible and current books and records. All required records must be made available for inspection if requested by the Department.

Entity A has selected Entity B (POS) system for the storage and retrieval of records relating to MM. As part of our due diligence we have selected this POS system because it can stem that does all of the following: (1) Guarantees the confidentiality of the information stored in the system; (2) Is capable of providing safeguards against erasures and unauthorized changes in data after the information has been entered and verified by the cultivator; (3) Is capable of placing a litigation hold or enforcing a records retention hold for purposes of conducting an investigation or pursuant to ongoing litigation; and (4) Is capable of being reconstructed in the event of a computer malfunction or accident resulting in the destruction of the data bank.

Entity A will maintain records of the disposal of MM and waste in accordance with the Administrative code. Records related to the sale, samples, transportation of MM to licensed dispensaries, processors, and testing laboratory will be compliant with the Department. Entity A has an extensive policy for entering all inventory into the POS system as MM seeds, immature and mature MM plants, and MM are formulated or enter the facility, with immediate documentation and tracking through automatically generated unique 16-digit barcodes applied to each individual product in inventory. Production and disposal records are maintained within the POS system of product including: (1) The registered product name, strain and quantity of MM involved; (2) The date of production or removal from production; (3) The reason for removal from production, if applicable; (4) A record of all MM sold, transported, or otherwise disposed of; (5) The date and time sale, transportation, or disposal of the MM; and (6) If the MM is destroyed, the cultivator shall maintain records in accordance with 3796:2-2-03(D). The POS will additionally record the description of the MM; product type (species); name, address, percentage of THC and CBD per independent lab testing results; number of doses per package; the form and quantity of MM; expiration date; packaging date; proper storage information if applicable; and price. Entity A will maintain records of all samples sent to independent testing laboratory and the quality assurance test results.

Entity A’s electronic inventory system will record the unbroken chain of custody of all MM seeds, immature and mature MM plants, and MM throughout production and sales. Protections are built into the system to ensure that no amount of MM will be available for transport, recall, or disposal without being appropriately tracked in the electronic records system. Again, Entity A will utilize the
electronic tracking system selected by the Department and will either link the system through an interface with its POS system, or exclusively utilize the Department’s selected vendor.

By implementing our POS, the organization will track exact documentation of all materials and MM in its facilities in real time. Audit reports on all inventories can be run at any time by the organization’s management team. The inventory audits will be reconciled with daily counts of all MM contained in the facility, regularly monthly product inventory analysis, and a comprehensive annual audit of all inventory stored within the cultivation facility. All inventory audits will be documented and maintained for a period of five years by the organization. Inventory reports will be maintained electronically on the organization’s internal file servers, with hard copies retained in fire-resistant storage containers on site. Inventory reports and records will be made available to state regulators upon request.

Entity A will be involved in transportation of MM as dictated by the normal course of business. The transportation will be limited to delivery of MM to licensed dispensaries, processors, or delivery of small samples of MM to an independent laboratory for testing and analysis. The organization will also document the records of all visitors to the facility. Records for all transportation and visitors will be documented by the organization and retained for inspection and review by state regulators. The records will be preserved in hard copy on site for a period of five years, stored in a fire-resistant container. The reports will also be scanned and saved electronically on the organization’s file server with regular back-up. The offsite transportation and visitor records will include: names and addresses of the MM entities sending and receiving the shipment; names and registration numbers of the registered employees transporting the MM; license plate number and vehicle type that will transport the shipment; time of departure and estimated time of arrival; specific delivery route, which includes street names and distances; and total weight of the shipment and a description of each individual package that is part of the shipment, and the total number of individual packages. All inventory tracking records and inventory records will be maintained in the inventory tracking system, as well as records maintained by the facility outside the inventory tracking system will be in accordance with 3796:2-2-04.

Entity A will provide comprehensive cultivation records, which will include forms and types of MM maintained at the facility on a daily basis; soil amendment, fertilizers, pesticides, or other chemicals applied to the growing medium or plants, and production records, including planting, harvesting and curing, weighing, and packaging and labeling. In compliance with 3796:2-2-01(C)(6)(a-l), Entity A will maintain records of all pesticide, fertilizer, or other chemical applications for at least five years and will be made available to the department upon request. Each of these application records will include the date and time of application, stage of cultivation process; date when the plants in the application area were moved to the flowering stage, United States Environmental Protection Agency registration number, analysis of the fertilizer applied, application site; name and amount of the product being applied, unique plant identifier or other information that identifies which plants received the application, size of the application area, name of individual making the application, and comments or special conditions related to the application.

Pesticide application records will be completed within 24 hours of the completion of application at Entity A. All records will be made available upon request to the Department or its authorized agents and medical personnel or first responders in an emergency. Records will also be made available to the Ohio Department of Agriculture upon request. Records related to the cultivation of MM are essential to the standardization of production processes. Entity A will maintain clear records of
maintenance of equipment that comes in contact with MM in the facility. As part of the regular maintenance of operation of this equipment, Entity A will routinely calibrate, check and inspect all automatic, mechanical or electronic equipment in its facility used for cultivation of MM. Scales, balances, and other measurement devices used in the cultivation functions of the operations will be included in the maintenance program. Detailed records of maintenance of equipment, cleaning of equipment, and calibration will be recorded each day by Entity A staff and included in the electronic inventory control system. These records will be maintained as part of the organization’s recordkeeping protocol, and stored for a period of five years in hard copy and electronic format. The hard copy records will be maintained on-site and held in fire-resistant containers.

Records will also be kept on all processes related to the cultivation of MM. The SOPs for cultivation calls for monitoring systems for MM plants, with data from the monitors to be continually reported in the electronic inventory control system and in hard-copy format. Temperature, humidity, ventilation, water treatments, light cycles, and carbon dioxide levels will be monitored by using iPonic 614 Hydroponic Controller made by Entity P, a leader in cultivation monitoring. The iPonic 614 Hydroponic Controller will integrate data into the POS system, allowing for monitoring, recording, and regulating a litany of readings throughout a plant’s life cycle. The system will also record nutrients added during the cultivation process as well as any pesticide, fungicide, or insecticide (from the list of acceptable active ingredients in state regulation) applications applied to plants. These records will be maintained as part of the organization’s recordkeeping protocol, and stored for a period of five years in hard copy and electronic format. The hard copy records will be maintained on-site and held in fire-resistant containers.

Entity A will maintain financial record clearly reflect all financial transactions and the financial condition of the business, including contracts for services performed or received that relate to the cultivation; purchase invoices, bills of lading, manifests, sales records, copies of bills of sale, and any supporting documents, including the items and/or services purchased, from whom the items were purchased, and the date of purchase; bank statements and canceled checks for all accounts; and accounting and tax records related to the cultivator and all investors in the facility. Entity A has developed a catalogue of documents that are specific to the management and operation of the organization. These protocols are confidential in nature, given the intellectual property contained within. As a compliant and efficient organization, Entity A is dedicated to storing, updating and maintaining these materials, which include: business plans, operating manuals, staffing plans, departmental operating procedures, employee handbooks/manuals, management plans, and human resources plans. All documentation will be kept in physical form within the Entity A facilities and kept in a secure location on each premise. The CEO will maintain electronic copies of all management protocols and standard operating procedures with redundant backup maintained on the organization’s secure file server. Access to these records will be limited to only those with authorized clearance for review. Entity A will provide copies of all management protocols and operating procedures for review by state regulators upon request.

Entity A has contracted with a certified public accountant licensed in Ohio to verify the accuracy of all financial reports. The organization will also employ an internal accounting department with professionals that will maintain the daily books and records of the organization. All financial documentation will be maintained electronically on the local accounting system, which is integrated with the POS systems of the cultivation operations. All financial records will be encrypted and secure, redundantly backed-up to the internal file servers with additional backup to a secondary redundant storage system. Physical copies of all financial records will remain on-site for a period of
five years and stored in fire-resistant storage containers on premise. All records will be available for inspection and review by state regulators and law enforcement upon request.

Entity A will maintain employee records to include records relating to the hiring of employees, including applications, documentation of verification of references, and any other related materials; an employee log that includes the following information for every current and former employee: (a) Employee name, address, phone number and emergency contact information; (b) Registration number and access credential designation; (c) Date of hire and date of separation from employment, if applicable, and the reason for the separation; (d) All training, education, and disciplinary records; and (e) Salary and wages paid to each employee, and any executive compensation, bonus, benefit, or item of value paid to any individual affiliated with any MM entity, including members of a non-profit corporation, if any.

Personnel records will be maintained for a period of five years after the employee is no longer employed at Entity A. Documentation of all dates and times that the staff member was on site will also be maintained in hard copy as well as on the company’s file server. Physical copies will remain on site in fire resistant storage containers. Analysis of personnel documentation by state regulators and law enforcement agencies will be permitted in accordance with state and federal employment law.

Entity A will document and retain records pertaining to security records at the facility. The Director of Security and the COO will oversee security record keeping. Security records will include physical documentation of visitor logs to the facility, reports on any reportable incidences (disruptions, diversion, theft, code of conduct violation, emergencies, etc.). All security records will be maintained in physical form and maintained at the organization in fire-resistant containers for a period of five years. Additionally, reports will be scanned and preserved electronically on the organization’s file server. All security documentation will be made available to state regulators and law enforcement agencies upon request.

All surveillance video recordings and images will be retained for a 30-day period and stored on file servers in a secure room within the facility. At the conclusion of the 30-day period, all recordings will be archived in an electronic format and securely stored at an offsite records storage facility. The archived recording will be stored in waterproof and fireproof storage containers at the storage facility. Entity A will promptly respond to any request for video surveillance recordings from the Department or law enforcement for just cause as requested. Requested content will be provided electronically (thumb drive, disk) and sent via email or standard mail per the preference of the requesting agency. The Director of Security will confirm each request, document the request in the organization’s records, and provide the requested content immediately. In compliance with 3796:2-2-05(D), Entity A will keep all security equipment in good-working order and the systems shall be inspected and all devices tested on an annual basis by a third party. Record of this maintenance will be available to the department at any time.

Entity A will maintain records of any theft, loss, or other unaccountability including all reportable incidents at the facility, and make such records available to state regulators and law enforcement agencies per state regulation. Reportable incidents include any instance of diversion, loss, or theft of MM, as well as any disciplinary action taken by the organization. The incident reports will within ten days of the incident include the following: Entity A name and contact information, description of the incident including its cause, and identification of injuries if applicable, names of employees and
id numbers or other persons involved in the incident if applicable, the date/time of the incident, the total quantity and type of MM stolen/diverted following an inventory audit, the action taken in direct response to the incident, identity of any law enforcement or emergency personnel contacted or allowed to enter the premises as a result of the incident, and the signature of the person reporting the incident.

Entity A will submit to the Department a revised plan to secure the facility's inventory and measures that will be taken to prevent future loss, theft, or diversion; and identify all the records at the facility and potential evidence outside the facility, including video surveillance footage, that will be sealed in and prevented from being destroyed until a full investigation is conducted by the Department and law enforcement, if deemed necessary. All reportable incident records will be retained in hard copies on site for a period of five years and contained in fire-resistant containers. The reports will be scanned and preserved electronically on the organization’s file server as well with regular back-up.

Entity A will comply and adhere to the mandates of state regulation within the action of providing documentation to the department in compliance with 3796:2-2-04(D), where Entity A will on an annual basis and as a condition for renewal of a cultivator license, provide that a type 1 key employee will conduct a physical, manual inventory of MM on hand at the cultivator and compare the findings to an annual inventory report generated using the inventory tracking system. If any discrepancies are discovered outside of loss standard to the industry due to moisture loss and handling, the type 1 key employee shall report such findings to the department in accordance with 3796:5-4-01.

In compliance with 3796:2-3-01(A), Entity A recognizes the departments irrevocable right to conduct all inspections necessary to ensure compliance with our application. The Department may conduct the inspection independently, or may work with other departments, state agencies, or local authorities, including the Ohio Department of Agriculture, the division of industrial compliance, and the division of state fire marshal, to ensure compliance with our application, state and local law, Chapter 3796. of the Revised Code.

In compliance with 3796:2-3-01(B), Entity A type 1 key employee will accompany the Department inspector while the inspector completes the following: review and copy of all records, enters any area in the facility (with respect to avoid compromised production integrity or interrupt a dark cycle during the flowering stage), inspect facility vehicles, review the policies and procedures of the cultivator, including methods of operating, survey the premises and any off-site facilities, inspect all equipment, instruments, tools, materials, machinery, or any other resource used to cultivate MM, provides access to locked areas in the facility, questions registered employees at the location; or obtain samples for testing of any MM cultivated at the facility, media used to grow MM, chemicals and ingredients used in the cultivation process, any labels or containers for MM, or any raw packaged MM.

In compliance with 3796:2-3-01(C), Entity A recognizes that a pre-approval inspection that is required before the department issues a certificate of operation. Upon the completion of the pre-approval inspection, the department may issue either of the following: a certificate of operation in accordance or a written statement listing the deficiencies identified during the inspection that must be remedied before a certificate of operation will be issued. If deficiencies are issues, Entity A will develop a plan of correction for each deficiency and submit the plan in writing to the Department for approval within ten business days after receipt of the statement of deficiencies, unless a written
extension is issued by the Department. The plan of correction will include specific requirements for corrective action that will be performed within either thirty calendar days after the Department's acceptance of the plan of correction or the remaining time period under 3796:2-1-06(B), whichever is greater. Entity A understands that if the plan of correction submitted is not acceptable to the Department or would prevent the facility from obtaining a certificate of operation in accordance with 3796:2-1-06, the Department may either direct Entity A to resubmit a plan of correction or the Department may develop a directed plan of correction with which the cultivator must comply. Upon acceptance of the written plan of correction, Entity A will sign the plan of correction which binds us to the terms under which we may be issued a certificate of operation. Entity A understand that if the parties are unable to come to terms on the written plan of correction, the department may take any action permitted under 3796:5-6-01. Entity A recognizes that the department will re-inspect the facility upon the completion of the written plan of correction at which time the Department can issue a certificate of operation. If the corrective measures do not meet the requirements of the written plan of correction, the department may take action in accordance with 3796:5-6-01.

In compliance with 3796:2-3-01(D-E), the Department may at any time, with or without notice, conduct an inspection of Entity A’s facility to ensure compliance with the facility’s application, state law, Chapter 3796. of the Revised Code, and the rules promulgated in accordance with Chapter 3796. of the Revised Code. This inspection may include, investigation of standards for safety from fire on behalf of the Department by the local fire protection agency. If a local fire protection agency is not available, the division of state fire marshal may conduct the inspection after Entity A pays the appropriate fee to the division of state fire marshal for such inspection. Following the Department shall issue an inspection report that documents the following: the observations and findings of the inspections, the outcome of the inspection, any suggestions for the cultivator to take into consideration; and a written statement listing any deficiencies identified during the inspection. As described above, Entity A will enter into the process of correcting deficiencies to become compliant.

In compliance with 3796:2-3-01(F-G), Entity A considers diversion prevention a primary focus of our day-to-day operations. If an inspector finds evidence of operational failures or conditions that create a likelihood of diversion, contamination, risk to public health, or the occurrence of any prohibited activity under 3796:5-6-02, Entity A will comply with all immediate action deemed necessary by the Department. To prevent destruction of evidence, diversion, or other threats to public safety, Entity A will comply with any department order for an administrative hold of MM or any books and records of any cultivator. Entity A will assume the costs if the Department makes such an assessment.
Applicant should provide a narrative detailing support for, at a minimum, the following:

**Part I: Surveillance Technology and Physical Security**

Physical equipment used to monitor the facility and meet the security requirements under Chapter 3796 of the Revised Code and the rules promulgated in accordance with Chapter 3796 of the Revised Code. (3796:2-1-03(B)(4)(b) and 3796:2-2-05)

(A) Camera feed should traverse the IP network from the camera source to the server utilizing Motion JPEG (MJPEG) or MPEG-4/H.264/Advanced Video Coding codec technology.

(B) Data should be transmitted over the Real-time Protocol (RTP) or Real Time Streaming Protocol (RTSP).

(C) Camera should support pan, tilt, and zoom functionality and controls.

**Part II: Security and Transportation Policies and Procedures**

(A) A security plan in accordance with rule 3796:2-2-05 of the Administrative Code, that establishes policies and procedures to ensure a secure, safe facility to prevent theft, loss, or diversion and protect facility personnel. (3796:2-1-03(B)(4)(a))

(B) Transportation policies and procedures, which includes the transportation of medical marijuana from a cultivator to a processor or dispensary and from a cultivator to a testing laboratory in the state of Ohio, in accordance rule 3796:5-3-01 of the Administrative Code. (3796:2-1-02(B)(5)(c), 3796:2-1-03(B)(4)(e))

**Part III: Facility Plot Plan and Specifications**

A plot plan of the cultivation facility drawn to a reasonable scale that designates the different areas of operation, including the marijuana cultivation area, with the mandatory access restrictions. (3796:2-1-03(B)(4)(d), 3796:2-1-02(B)(5)(d))

(A) If the building is in existence at the time of the application, the applicant shall submit plans and specifications drawn to scale for the interior of the building.
(B) If the building is not in existence at the time of application, the applicant shall submit a plot plan and a detailed drawing to scale of the interior and the architect’s drawing of the building to be constructed.

Part IV: Emergency Notification Procedures

Emergency notification procedures with the department, law enforcement, and emergency response professionals. (3796:2-1-03(B)(4)(c))
2E Financial Plan
(Maximum of 10 pages, see instructions for formatting)

Please note: The following must be submitted in a non-identified format.
Include this form as a cover page.

Applicant should provide a narrative detailing support for the following:

Funding Analyses
A breakdown of the applicant's actual and anticipated sources of funding.

Operating Expense Breakdown
A cost breakdown of the applicant's anticipated costs in building the facility and implementing the policies and procedures submitted as part of the application. (3796:2-1-02(B)(6)(b), 3796:2-1-03(B)(5)(b))